

**PENSION PLAN AND TRUST FOR THE GENERAL EMPLOYEES OF THE
CITY OF FROSTPROOF**
Summary Plan Description

Plan Trustee

Florida Municipal Pension Trust Fund

Plan Sponsor

City of Frostproof
P.O. Box 308
Frostproof, FL 33843

Plan Administrator

Florida League of Cities, Inc.
P.O. Box 1757
Tallahassee, FL 32302-1757

Agent for Legal Process

City of Frostproof
P.O. Box 308
Frostproof, FL 33843

Plan

Plan representing the City of Frostproof Pension Plan as amended through October 1, 2000.

Effective Date

10/01/85

Plan Anniversary Date

September 30th each year

Plan Year

Twelve month period beginning
10/01 and ending 09/30

Eligibility

All Employees excluding police officers, firefighters or those working at least 20 hours per week who are employees of the City of Frostproof, Florida and have completed one year of service.

Compensation:

Compensation paid to a Participant by the City for a Plan Year, exclusive of bonuses, commissions, expense allowances and all other extraordinary compensation, but inclusive of overtime payments.

Credited Service:

Total number of years and fractional parts of years of service in completed months measured from the date of employment, to a maximum of 30 years.

Final Monthly Compensation:

Average monthly rate of Compensation from the City for the highest five (5) consecutive Plan years out of the last ten (10) Plan years immediately preceding: (i) The first day of the month coincident with or next following the date on which his service terminates for any reason, or (ii) his Normal Retirement Date, whichever is earlier, which yields the highest average monthly rate of Compensation for the Participant.

Accrued benefit:

A fraction of the normal retirement benefit to which a Participant would be entitled at his Normal Retirement Date based upon his Final Monthly Compensation. The numerator of the fraction is the years of participation in this plan at the time of his severance of employment due to early retirement, termination of employment, death, or disability, and the denominator is the years of participation in this Plan he would have had at his Normal Retirement Date, had he not terminated employment.

Normal Form of Benefit:

The basic monthly retirement income payable at Normal Retirement Date will be payable for the life of the Participant.

Early Retirement Date:

The first day of the month coincident with or next following the later of attainment of age fifty-five (55) and ten (10) years of vested service.

Early Retirement Benefit:

The monthly amount of the retirement income payable to a Participant who retires on his Early Retirement Date shall be equal to the produce of: (1) the deferred monthly retirement income commencing at Normal Retirement Date which the Participant had accrued as of his Early Retirement Date; and (2) an actuarial equivalent factor, based upon the Participant's attained age as of his Early Retirement Date, that will effect a reduction in the monthly amount in (1) above so as to adjust such amount on a actuarially equivalent basis to reflect the commencement of such Participant's retirement income payments prior to his attaining the age of sixty-five (65).

Normal Retirement Date:

The first day of the month coincident with or next following the later of attainment of age 65 or ten (10) years of vested service.

Normal Retirement Benefit:

An amount equal to his number of years of credited service multiplied by 1.5% of his final monthly compensation, to a maximum of thirty (3) years of credited service.

Termination of Service Benefit:

If a member terminates before completing 10 years of credited service all contributions are returned. After the completion of 10 years of credited service, any member who elects to leave their contributions in the fund will receive their accrued benefit at their normal retirement date.

Disability

A member being deemed to be totally and permanently disabled will receive immediately upon disability determination and payable for life, or until recovery from disability before age sixty-five (65), in an amount which is the Actuarial Equivalent at the date payments begin of his accrued benefit at his normal retirement date.

Pre-Retirement Death Benefit:

In the event of the death of a Participant while still an Employee of the City prior to his Normal Retirement Date, such deceased Participant's Accrued Benefit shall be immediately vested, and the Participant's Beneficiary shall receive a death benefit annuity based on the deceased Participant's Accrued Benefit reduced by an Actuarial Equivalent factor for the earlier date for the commencement of payment of benefits.

Post Retirement Death Benefit:

Approved optional forms that are actuarial equivalent to the normal form of benefit.

Minimum Benefit

A terminating Participant shall be entitled to the greater of (1) his normal retirement, early retirement, disability, death, other termination or late retirement benefit or (2) the sum of his accumulated employee contributions computed each plan year at five percent (5%) simple interest on the basis of accumulated employee contributions at the beginning of the Plan Year and one-half of employee contributions deposited for such plan year.

Employee Contributions:

All General Employees and volunteer General Employees contribute 1% of their compensation pre-tax effective 10/01/97.

This summary was designed only to give you a brief description of the benefits provided does not include all the provisions or exclusions in the Plan Document. The Employee should not rely on this information in making retirement decisions. If this outline disagrees with the Plan Document in any way, the Plan Document will govern.