

Plan Administrative Services Agreement

Among

City of Jonesboro, Arkansas,

City of Jonesboro, Arkansas,

Non-Uniformed Employees 401(a)

Defined Contribution Plan,

First Security Bank,

INTRUST Bank, N. A.,

And

NestEgg Consulting, Inc.

PLAN ADMINISTRATIVE SERVICES AGREEMENT

This Plan Administrative Services Agreement (“Agreement”) among **City of Jonesboro, Arkansas Non-Uniformed Employees 401(a) Defined Contribution Plan** (“Plan”), **City of Jonesboro, Arkansas** (“Employer”), **First Security Bank** (“Trustee”), **INTRUST Bank, N. A.** (“Custodian”) and **NestEgg Consulting Inc.** (“Participant Recordkeeper”) is entered into this _____ day of _____ 2011, effective on the **First** day of **January, 2012**, and shall remain in effect from plan year to plan year until terminated or amended in a writing signed by the Plan, Employer, Trustee, Custodian and Participant Recordkeeper.

Recitals

1. The Plan and Employer desire that Trustee be appointed Trustee of the Plan and Trustee desires to serve as Trustee of the Plan.
2. The Employer and the Trustee desire that Custodian be appointed Custodian of the Plan and Custodian desires to serve as Custodian of the Plan.
3. The Plan and Employer desire that Participant Recordkeeper be named as the participant recordkeeper for the Plan and Participant Recordkeeper desires to serve as the Plan’s participant recordkeeper.

For and in consideration of the payments, promises and covenants called for herein, the sufficiency and receipt of which is hereby acknowledged, Plan, Employer, Trustee Custodian and Participant Recordkeeper agree as follows:

Agreement

Services Provided By Custodian

During the term of this Agreement, Custodian agrees to perform the following services for the Plan.

- (a) Provide a plan document for Employer’s adoption, unless the Employer has an individually designed document or a current prototype or volume submitter document in place.
- (b) Maintain accurate records of all financial transactions for the Plan including, but not limited to, employer contributions, participant contributions, if applicable, distributions, withdrawals, investment purchases and sales, investment gains and losses and any administrative fees and expenses.

- (c) Provide quarterly account statements and an annual account statement, unless the Plan is valued only at Plan year-end. In that circumstance, Custodian will provide an annual account statement.
- (d) Provide a Plan Investment Policy Statement.
- (e) Provide a Plan Administration Manual that includes forms the Plan and Employer may use in administering the Plan.
- (f) Process and mail benefit distribution payments.
- (g) Process direct transfers to qualified retirement plans or individual retirement accounts in accordance with participant instruction.
- (h) Prepare and mail federal Internal Revenue Service Form 1099-Rs to all participants, beneficiaries and alternate payees receiving Plan distributions.
- (j) Prepare and file all required Federal Internal Revenue Service Form 945s with the Internal Revenue Service.

Additional services may be added or excluded through an addendum to this Agreement.

Services Provided By Participant Recordkeeper

During the term of this Agreement, Participant Recordkeeper agrees to perform the following services for the Plan.

- (a) Maintain records for individual Plan participant account balances.
- (b) Allocate contributions to the eligible participant accounts in accordance with the provisions of the Plan.
- (c) Record distributions paid to Plan participants and withdrawals received by Plan participants.
- (d) Calculate participant distributions resulting from termination of service, retirement, disability, death, or hardship in accordance with Plan provisions and based on information provided by Employer or Employer's agent.
- (e) Prepare reconciliation of Plan assets to determine the amount of investment gains/losses including investment income, realized and unrealized gains/losses and administrative expenses.
- (f) Prepare reconciliation of Plan assets and participant account balances for each investment fund and for the Plan as a whole.
- (g) Prepare individual participant statements, which include beginning and ending account balances, contributions, distributions, investment earnings, and vested account percentage.
- (h) Provide an Administrative Report containing copies of participant account records and all Plan asset reconciliations as of each quarter end to

Employer and Custodian unless the Plan is valued only at the end of each Plan Year.

- (i) Perform the Section 415 Annual Additions Limit test ("415 test") for the Plan.
- (j) Perform the calculations of deduction limits for the Plan.
- (k) Calculate refund amounts with respect to the 415 limits tests in accordance with the Plan, federal regulations, and based upon information provided by Employer or Employer's agent.
- (l) Update fund values daily, if the Plan is valued on a daily basis, and process investment trades as required.
- (m) Prepare confirmations of allocation of funds.
- (n) Provide standard voice response services and standard Internet services.

Additional services may be added or certain services excluded through an addendum to this Agreement.

Responsibilities of Employer

During the term of this Agreement, Employer will be responsible for the following Plan administration activities.

- (a) Determine the amount of any discretionary contributions and deliver contributions to Custodian in a timely manner in accordance with Plan provisions and federal regulations.
- (b) Calculate company matching contributions, if applicable, and deliver contributions to Custodian in a timely manner.
- (c) Provide proper authorization for all Plan distributions, withdrawals, and participant loans, if applicable, to Custodian.
- (d) Provide, on a timely basis, employee information such as social security number, dates of hire, dates of birth, dates of termination of employment, addresses, compensation amounts, and any other information required to perform services under this Agreement through the Participant Recordkeeper's secure website or in an encrypted format.
- (e) Provide, on a timely basis, employee and employer contributions in formats specified by Participant Recordkeeper.
- (f) Provide names of individuals authorized to act on behalf of the Plan and notify Custodian and Participant Recordkeeper of any changes as soon as anyone is added or deleted.

Trustee, Custodian and Participant Recordkeeper shall be entitled to rely upon the accuracy and completeness of all information furnished to them by Employer or by any person designated to act on behalf of Employer.

In the event Employer fails to transmit employee information through the Participant Recordkeeper's secure website or in an encrypted format, Participant Recordkeeper assumes no responsibility or liability for the security of the information transmitted or delivered by Employer.

If Employer does not adopt the prototype plan document provided by Custodian, Employer is responsible for providing Custodian and Participant Recordkeeper a current Plan document including all amendments prior to the commencement of any work. Should Custodian or Participant Recordkeeper commence work prior to receipt of the Plan document, at the direction of Employer, Employer shall take sole responsibility for any errors or noncompliance arising out of such action. The cost of correcting such errors will be treated as an additional service in accordance with the Administrative Fee Schedule attached to this Agreement.

If any information necessary to file reports with the Internal Revenue Service ("IRS") is not received within fifteen days prior to the IRS filing deadline, a late fee will be charged in accordance with the Administrative Fee Schedule attached to this Agreement. Notwithstanding the receipt of the late fee, Custodian and Participant Recordkeeper make no guarantee of a timely filing in situations where required information is received in less than fifteen days prior to a filing deadline.

Fees for Plan Administration Services

Plan shall pay Trustee, Custodian and Participant Recordkeeper the fees quoted in the Administrative Fee Schedule attached to this Agreement. At any time, Employer may request that the fees quoted be invoiced to Employer, and the Employer, in the Employer's discretion, may pay any portion or all the fees invoiced. Any invoice sent to Employer and not paid within 60 days of invoice shall be charged to the Plan and paid from Plan assets. Trustee, Custodian and Participant Recordkeeper retain the right to change fees for service from time to time upon 90 days written notice to the Plan and to Employer.

Responsibility for Errors and Indemnification

Employer will promptly notify Trustee, Custodian and Participant Recordkeeper of any errors or omissions in information supplied by Employer or its agent. In such event, Custodian and Participant Recordkeeper's sole obligation shall be to use its reasonable efforts to correct any resulting errors in its own records or in any reports it has prepared for Employer (including filing amended returns, if required). Such services shall be treated as additional services pursuant to the Administrative Fee Schedule attached to this Agreement.

Employer will indemnify Trustee, Custodian and Participant Recordkeeper and its officers, directors, employees, and other representatives (anyone of which is hereafter referred to as an "Indemnified Person") to the full extent lawful. This indemnification will protect an Indemnified Person from all losses, claims, damages, liabilities and expenses incurred by an Indemnified Person (including reasonable fees and disbursements of counsel) that are

(a) related to or arise out of

(i) actions taken or omitted to be taken (including any untrue

statements made or any statements omitted to be made) by Employer or Employer's agent, or

- (ii) actions taken or omitted to be taken by an Indemnified Person with Employer's consent or in conformity with Employer's actions or omissions, or

- (b) otherwise related to or arise out of the Indemnified Person's activities on behalf of the Employer.

Employer will reimburse an Indemnified Person within 30 days of notification for all expenses (including fees and disbursements of counsel) as they are incurred by such Indemnified Person in connection with investigating, preparing or defending any such action or claim, whether or not in connection with pending or threatened litigation. In addition, if Trustee, Custodian or Participant Recordkeeper services are required, including deposition, expert testimony, related meeting, conferences and preparation time for such events, whether by agreement or subpoena by any party in litigation in which Trustee, Custodian or Participant Recordkeeper services may be relevant, Employer agrees that it will pay the current hourly rate for the Indemnified Persons involved. Trustee, Custodian and Participant Recordkeeper will not, however, be responsible for any losses, claims, damages, liabilities or expenses pursuant to actions of an Indemnified Person that are finally judicially determined to have resulted primarily from the bad faith or gross negligence of said Indemnified Person.

The Trustee, Custodian and Participant Recordkeeper will indemnify the Employer and the Plan and their respective officers, directors, employees, agents, affiliates, and other representatives ("Indemnified Parties") from and against all losses, claims, damages, liabilities and expenses (including reasonable fees and disbursements of counsel) ("collectively "Losses") incurred or suffered by those Indemnified Parties due to the negligence, bad faith or gross negligence of the Trustee, Custodian or Participant Recordkeeper in connection with the performance of services in connection with the Agreement, except to the extent any such Losses result primarily from actions (or omissions to act) undertaken at the express direction of the Indemnified Parties or result primarily from negligence, bad faith or willful misconduct of the Indemnified Parties.

Trustee, Custodian and Participant Recordkeeper will correct, at their own expense, any errors in the records and reports prepared by them that are attributable to their errors.

If applicable, Employer will be responsible for any losses due to trades placed by Participant Recordkeeper which have been communicated by Employer for which there is not sufficient cash held in the account to settle the trade, or any losses incurred from effecting a trade which have not resulted in collected funds at the time the trade is effected.

If applicable, Employer will notify Participant Recordkeeper within 24 hours after the settlement date of any errors made or allegedly made with any requested trade. The trade will be assumed to have been effected in accordance with the original request if notification is not given within the above timeframe, and Employer will indemnify Participant Recordkeeper with respect to any loss resulting from such trade.

If applicable, neither Trustee, nor Custodian, nor Participant Recordkeeper will be liable for any loss to Employer or its Plan participants for failure or refusal of any transfer agent or investment sponsor other than the named Trustee or Custodian in this Agreement to act upon investment instructions, or for any loss incurred due to the inaccuracy, incompleteness, or lack of timeliness

of information received from the transfer agent or investment sponsor other than the named Trustee or Custodian.

Employer will be responsible for payment of any fees associated with transactions, commissions, loads or any other fees charged that cannot be deducted directly from the investment fund.

Participant Recordkeeper will be obligated, at its own expense, to use reasonable efforts to reconstruct any records of Employer currently maintained by Participant Recordkeeper if events not attributable to its own gross negligence or willful misconduct or its employees gross negligence or willful misconduct create errors related to loss of data by power failure, mechanical difficulties with information storage and retrieval systems, or other events.

Term

This Agreement shall continue until terminated. Any party may terminate this Agreement upon 60 days written notice delivered to the other parties. The non-payment of a bill does not constitute notice of termination and all fees for services performed through the date a written notice is received are due and payable to Custodian and Participant Recordkeeper. The obligation of the Plan to pay fees and disbursements for services performed through the date of termination and the rights and obligations of the parties under all sections will survive such termination.

Upon the termination of this Agreement and payment of any outstanding fees, Custodian and Participant Recordkeeper will provide Employer with copies of trust accounting records, if so requested in writing by Employer, at any time within 180 days of the date of termination of this Agreement subject to payment of any outstanding fees. Forms, procedures, software, worksheets, checklists and other processes developed by Custodian and Participant Recordkeeper to perform the services required under this Agreement are the property of Custodian and Participant Recordkeeper and are not considered the records of the Plan or the Employer. A fee will be charged based on time and charges to perform any work necessary for the new administrator to take over the work or at the request of Employer.

Confidentiality of Records

Trustee, Custodian and Participant Recordkeeper agree to regard and preserve as confidential all records and other information relative to the Plan and will not, without written authority from Employer or the Plan, disclose to others during the term of this Agreement or thereafter any such records or other information except as required by applicable law. However, should a court of law, governmental agency, participant/employee whether current or former (or attorney thereof) request information that is otherwise legally available, Trustee, Custodian or Participant Recordkeeper shall be held harmless for inadvertently and without malice disclosing such information requested.

Trustee, Custodian and Participant Recordkeeper agree, during the term of this Agreement, all records maintained for the Plan shall be open to inspection and audit by Employer or a representative of the Plan at reasonable times, and that such records shall be preserved and retained for a period of ten years, but will be retained longer at the request of the Employer.

Other Provisions

Governing Law. This Agreement, its interpretation, construction and enforcement, shall be governed by the laws of the state of Arkansas. The situs of this Agreement shall be Craighead County, Arkansas. Any breach of this Agreement will be considered to have occurred in Craighead County, Arkansas for purposes of determining venue.

Attorney Fees. In the event Employer or the Plan shall breach any term of this Agreement and Trustee, Custodian and Participant Recordkeeper are required to institute legal proceedings to collect fees and costs, Trustee, Custodian and Participant Recordkeeper would be entitled to reasonable attorney fees and other costs of collection. Accordingly, in the event that the Trustee, Custodian or the Participant Recordkeeper shall breach any term of this Agreement and the Employer or the Plan are required to institute legal proceedings to collect fees and costs, Employer the Plan would be entitled to reasonable attorney fees and other costs of collection.

Entire Agreement. This Agreement, together with any attachments, exhibits or addendums, if any, constitute the entire agreement between the parties with respect to the administration of the Plan and supersedes all prior and contemporaneous agreements, representations and understandings of the parties.

Amendment. This Agreement may be amended and any provision hereof waived, but only in writing signed by the party against whom such amendment or waiver is sought to be enforced. The waiver by either party hereto of a breach of any provision of this Agreement shall not operate or be construed as a waiver of any other subsequent breach.

Notice. Any notice under this Agreement shall be given in writing by certified mail, return receipt requested, to the address listed below.

Commencement Date This Agreement shall commence on the **1st day of January, 2012.**

Employer:

City of Jonesboro

By:

Name: _____

Title: _____

Date: _____

Address for Notice:

City of Jonesboro
515 W. Washington Ave.
Jonesboro, AR 72401

Plan:

City of Jonesboro, Arkansas Non-Uniformed Employees 401(a) Defined Contribution Plan

By: _____

Name: _____

Title: _____

Date: _____

Attest:

Name: _____

Title: _____

Date: _____

Trustee:

First Security Bank

By: _____

Name: Frank Faust

Title: Sr. Vice President & Trust Officer

Date: _____

Address for Notice:

Frank Faust
Sr. Vice President and Trust Officer
First Security Bank
314 N. Spring Street
Searcy, Arkansas 72145-1009

Custodian:

INTRUST Bank, N. A.

By:

Name: _____

Title: _____

Date: _____

Address for Notice:

John M Goff
Vice President
5314 South Yale Avenue, Suite 206
Tulsa, Oklahoma 74135

Participant Recordkeeper:

NestEgg Consulting Inc.

By:

Name: _____

Title: _____

Date: _____

Address for Notice:

Troy R. Jordan
President
100 N. Main Mail Stop 1.1
Wichita, Kansas 67202

Addendum to Agreement

Additional Plan Administration Services

During the term of this Agreement the Plan or the Employer may direct that the Trustee, Custodian or Participant Recordkeeper perform certain additional services selected below. The party responsible will be indicated as follows: "T"=Trustee, "C"=Custodian, "PR"=Participant Recordkeeper, "O" = Other Party, or is Identified, and "NA"=Not Applicable.

- C Preparation and maintenance of the Plan Document and Summary Plan Description; including appropriate filings with Internal Revenue Service and Department of Labor and all plan administrative forms.
- N/A Separate accounting for Individually Directed Accounts (IDA).
- PR Processing and calculation of contribution splits by investment fund for each manual or electronic contribution register. Processing will be completed within 3 business days after receiving complete and accurate payroll information.
- O Annual audit of Plan as required under federal regulations.
- PR Consulting services with respect to discrimination testing and coverage testing.
- PR Special calculations of contribution (example: cross tested contribution allocation or calculation of projected contributions).
- PR Prepare employee communication materials and assist in conducting scheduled employee enrollment meetings.
- PR Direct mailing of statements to participants.
- C/PR Processing of fees through plan assets as directed by Sponsor.

Addendum to the Plan Administrative Services Agreement

City of Jonesboro, Arkansas

Non-Uniformed Employees 401(a) Defined Contribution Plan

Administrative Fee Schedule

Recordkeeping Fees

In accordance with the terms and conditions of the Plan Administrative Services Agreement, **NestEgg Consulting Inc.** has accepted the position of Participant Recordkeeper for the **City of Jonesboro, Arkansas Non-Uniformed Employees 401(a) Defined Contribution Plan effective the 1st day of January, 2012.** The annual Participant Recordkeeping fees will be based on the fee schedule shown below. The annual fees will be prorated and invoiced to the client on a quarterly basis.

I.	<u>Annual Base Fee</u>	\$3,000.00 / annual fee
II.	<u>Annual Participant Fee</u>	\$ 30.00 / per participant
III.	<u>Transaction Fees</u>	
	Distribution of Benefits or Hardship Withdrawal	\$ 20.00 / waived

This Fee Schedule assumes census and payroll data is provided in a format acceptable to NestEgg Consulting.

NestEgg Consulting Inc. may change this schedule upon at least sixty (60) days written notice to the Plan and to the Employer. Any such change shall take effect on the first day of the quarter following the receipt of such notice. This Plan Administration and Participant Recordkeeping Agreement shall be effective as of the 1st day of January, 2012.

Addendum to the Plan Administrative Services Agreement

City of Jonesboro, Arkansas Non-Uniformed Employees 401(a) Defined Contribution Plan Administrative Fee Schedule

Trustee & Custodial Fees

In accordance with the terms and conditions of the Plan Administrative Services Agreement, **First Security Bank** has accepted the position of Trustee and **INTRUST Bank, N.A.** has accepted the position of Custodian for the **City of Jonesboro, Arkansas Non-Uniformed Employees 401(a) Defined Contribution Plan** ("Plan") effective the **First** day of **January, 2012**. The annual trustee and custodial fees will be based on the schedule shown below. The fees are calculated based on the total market value of the Plan assets and shall be invoiced on a prorated quarterly basis.

I. Trustee & Custodial Fee Schedule:

.75% on the market value of Plan Assets

II. Transaction Based Fee Schedule:

Distribution of Lump Sum Payments	\$ 25.00 per distribution / waived
Distribution of Periodic Pension Payments	\$2.50 per distribution / waived

This fee schedule may be changed from time to time by **First Security Bank and INTRUST Bank, N.A.** upon at least sixty (60) days written notice to the Plan and the Employer. Any such change will take effect on the first day of the quarter following the receipt of such notice. This fee agreement shall be effective the First day of January, 2012.

INTRUST Bank, N.A. performs custodial services for the American Independence Intermediate Bond Fund; the American Independence Stock Fund; and the NestEgg 2010, NestEgg 2020, NestEgg 2030, and NestEgg 2040 Funds. INTRUST Bank, N.A. receives fees for this service.