

September 23, 2008

Board of Trustees
Randy D. McCoy, Ed.D., Superintendent
Tupelo Public School District
P.O. Box 557
Tupelo, Ms 38802

RE: Section 403(b) Tax Shelter Annuity Products and New Regulations by the Internal Revenue Service

Dear Board of Trustees and Dr. McCoy:

To comply with Internal Revenue Service (IRS) regulations related to Section 403(b) products, Mr. Turner and I have met with American Fidelity Assurance Company representatives to review the services provided by their company to help school districts comply with the new IRS regulations. The new IRS regulations go into full effect on January 1, 2009. The regulations and requirements are complex and require expert knowledge and training in order to assure that our school district is not fined by the IRS, and our participating employees do not face tax consequences in the future.

After our review of the Section 403(b) services offered by the American Fidelity Assurance d/b/a AFPlanServ for the administration of Section 403(b), Mr. Turner and I are in agreement that the services offered by this company will allow our district to comply with all regulations and remain current with any future changes to the regulations. The AFPlanServ Division of the American Fidelity Assurance Company, although part of American Fidelity Assurance, is totally separate by IRS requirement and regulation from the American Fidelity Assurance Company division that offers a tax shelter 403(b) plan in our district. The charge for this service is \$1.00 per month per participant which will be paid by the participants. American Fidelity has charged \$35.00 per year as a service charge which they have lowered to \$15.00 to help offset this charge for the American Fidelity participants.

American Fidelity Assurance Company has been the Section 125 Plan Administrator for this district since the Section 125 regulation began for school districts. The company and its representatives have always served the district with expert knowledge and training. Your consideration of the American Fidelity Assurance Company as the Section 403(b) plan administrator for our district is appreciated.

Sincerely,

Linda Pannell

Linda Pannell
Finance Director

cc: James Turner, Director of Human Resources

SECTION 403(b) PLAN ADMINISTRATIVE SERVICES AGREEMENT

THIS Section 403(b) Plan Administrative Services Agreement ("Agreement") is made by and between American Fidelity Assurance Company, d/b/a AFPlanServ™ ("AFA" or "AFPlanServ™") and TUPELO PUBLIC SCHOOL DISTRICT the Plan Sponsor and Plan Administrator ("Sponsor").

WHEREAS, Sponsor has established and is responsible for the administration of a Deferred Compensation Retirement Plan for its employees under Section 403(b) ("Plan") of the Internal Revenue Code of 1986 ("IRC"), as amended and applicable state law; and

WHEREAS, AFPlanServ™ is in the business of managing and performing administrative services on behalf of school district Plan sponsors and has developed systems, facilities and techniques for servicing such Plans; and

WHEREAS, Sponsor desires to engage AFPlanServ™ to provide certain administrative, clerical and other duties related to Sponsor's obligations to the Plan, and

WHEREAS, Sponsor and AFPlanServ™ desire to set forth their understanding of the duties and services to be performed by both parties.

NOW, THEREFORE, in consideration of the mutual promises and covenants contained herein, the value of which is hereby acknowledged by both parties, AFPlanServ™ and Sponsor agree as follows:

ARTICLE I - EFFECTIVE DATE

1.01 Effective Date. This Agreement shall be effective as of the latter date shown on the signature page below and shall continue until terminated as set forth herein.

ARTICLE II - RELATIONSHIP OF PARTIES

2.01 Nonexclusive Arrangement. Nothing herein shall prevent or restrict AFPlanServ™ from providing the same or similar administrative services to other school districts or employer groups, whether or not affiliated with either party, in any jurisdiction.

2.02 Role of AFPlanServ™. AFPlanServ™ shall be considered a provider of Plan administrative services on behalf of Sponsor. Such services are limited to those described herein and as selected and designated by Sponsor. AFPlanServ™ shall not be considered the "Plan Sponsor" or "Plan Administrator" for purposes of the IRC and any other applicable federal or state law and supporting regulations. Rather, the duties of AFPlanServ™ hereunder shall not be deemed to confer or delegate any discretionary authority or discretionary responsibility in the administration of the Plan. AFPlanServ™ shall not have discretionary authority or control over Plan management or disposition of assets of the Plan as a result of this Agreement. AFPlanServ™ shall not be responsible for complying with the provisions of any federal or state laws and regulations pertaining to the Plan except as to its services as described herein.

2.03 Role of Sponsor. Sponsor is solely responsible for the establishment and operation of the Plan, including but not limited to all reporting, disclosure and other requirements imposed on the Plan pursuant to federal, state, or local law or regulations. Sponsor remains the fiduciary with respect to the management and administration of the Plan and the related participation obligations. Sponsor has final complete discretion to construe or interpret the provisions of the Plan, to determine eligibility for benefits under the Plan and coverage to Participants, and to determine the type and extent of benefits to be provided by the Plan. Sponsor's decisions in such matters shall be controlling, binding, and final. For purposes of this Agreement, the term "Participants" shall include, but not be limited to any former, current and/or future active, inactive or terminated employees of Sponsor for whom contributions to the Plan are/were made or that maintain Plan assets during any particular billing period or Plan Year. Sponsor

agrees that it shall not represent to Participants or any third party that AFPlanServ™ is the Plan Sponsor or Plan Administrator.

2.04 Independent Contractor Status. AFPlanServ™ is an independent contractor and not an employee or agent of Sponsor, and nothing in this Agreement shall be construed to create a partnership, joint venture or agency relationship between AFPlanServ™ and Sponsor.

2.05 Nature of Advice. The services provided hereunder by AFPlanServ™ shall comply, at all times, with the applicable laws and regulations of the IRC. Sponsor acknowledges and agrees that AFPlanServ™ shall not provide legal advice, legal opinions or other representations with respect to whether the Plan complies with applicable law. Sponsor agrees to seek legal counsel as to the Plan's compliance with applicable law.

ARTICLE III - AFPlanServ™ RESPONSIBILITIES

3.01 Basic Services. Unless otherwise agreed, AFPlanServ™ shall provide the Basic services set forth below on behalf of Sponsor and agrees to perform such services in accordance with the professional standards common in the industry. Further, AFPlanServ™ agrees that in performing such services, it shall invest sufficient effort and finances in its own internal systems and personnel to comply with standards common in the industry. All services provided herein shall be provided in compliance with the terms of this Agreement, and the terms, standards and conditions of Sponsor which are hereby incorporated into this Agreement by reference. The Basic service package provided herein, if elected by Sponsor in Section I of Exhibit A, is set forth below:

- (a) AFPlanServ™ will provide guidance and sample forms to assist Sponsor in the overall administration the Plan. AFPlanServ™ will provide Sponsor with a specimen written Plan as required to continue qualification of Sponsor's Section 403(b) Plan.
- (b) AFPlanServ™ will provide Sponsor with the sample form and guidance to approve Plan loans.
- (c) AFPlanServ™ will provide Sponsor with the sample form and guidance to approve distributions.
- (d) AFPlanServ™ will provide sample eligibility notices and guidance to assist Sponsor in complying with the universal availability rules of Section 403(b) plans.

3.02 Select Services. In addition to the Basic service package provided above in Section 3.01, Sponsor may authorize AFPlanServ™ to provide additional Select services on behalf of Sponsor for the fee amounts set forth in Section 4.01 and Exhibit A attached hereto and incorporated by reference herein. Further, all services provided herein shall be provided in compliance with the terms of this Agreement, and the terms, standards and conditions of Sponsor which are hereby incorporated into this Agreement by reference. The Select services package provided herein, if elected by Sponsor in Section II of Exhibit A, is set forth below:

- (a) AFPlanServ™ will provide and assist Sponsor with implementing a written Plan as required to continue qualification of Sponsor's Section 403(b) Plan.
- (b) AFPlanServ™ will work with Sponsor to audit and maintain properly executed salary reduction instructions. A sample salary reduction agreement will be provided for use by Providers*.

(*Those entities providing investment options meeting the Plan criteria established by Sponsor as determined by Sponsor per the requirements of Section 4.01 (e) of this Agreement shall be referred to as "Providers" throughout the remainder of this Agreement).

- (c) On behalf of Sponsor, AFPlanServ™ will approve and monitor distributions from the Plan according to Plan rules and Internal Revenue Service guidelines. This will include the following:
 - (i) Provide Participants with IRC required notice of right to elect a direct rollover prior to processing an eligible rollover distribution from the Plan;

- (ii) Provide Participants with the necessary forms and procedures for processing a Plan distribution;
 - (iii) Determine eligibility for Plan distribution, including annuitization, due to age, termination of employment, disability, or financial hardship;
 - (iv) Monitor Provider processing of Required Minimum Distributions from the Plan when necessary;
 - (v) Monitor Provider reports of financial hardship distribution and report such distributions to Sponsor; and
 - (vi) Monitor and approve contract exchanges, transfers and rollovers.
- (d) If Sponsor has elected to include a loan feature in the Plan, AFPlanServ™ will monitor and approve loans in accordance with the Plan rules and Internal Revenue Service guidelines.
- (e) AFPlanServ™ will review any Qualified Domestic Relations Orders ("QDROs") received by the Plan to determine their qualified status. If accepted, distribution and/or segregation of assets will be approved according to the QDROs.
- (f) AFPlanServ™ will provide periodic eligibility notices for Sponsor to distribute to Participants in order to comply with the universal availability rules of Section 403(b) plans.
- (g) In the event that Sponsor elects Common Remitter Services under Option B of Section II of Exhibit A, AFPlanServ™ will use its best efforts to process remittances and data files received in good order by 10:00 a.m. of each business day within the next twenty-four (24) hour period or the following business day, whichever falls later. Files and remittances received from Sponsor shall be maintained and processed by AFPlanServ™ via a separate bank account, with all data received encrypted for security prior to transmittal to Providers. If employee contributions cannot be processed as received, AFPlanServ™ will notify Sponsor immediately for assistance in reconciliation so that the contributions can be processed on a timely basis.

3.03 Regulatory Compliance. AFPlanServ™ warrants that it is legally authorized to engage in business and that it shall comply, at all times, with all applicable laws and regulations of any jurisdiction in which AFPlanServ™ acts, and shall for the duration of this Agreement maintain, where required by law, all permits and licenses required to perform the services under this Agreement. AFPlanServ™ shall provide Sponsor with satisfactory evidence of AFPlanServ™ compliance and authority to conduct business upon the request of Sponsor. In the event that AFA, AFPlanServ™ or any affiliated successor entity to this Agreement is required to obtain and maintain a third party administrator's license in any jurisdiction in which AFPlanServ™ acts, the additional provision(s) set forth in Exhibit B shall apply. Exhibit B is attached hereto and is hereby incorporated into this Agreement by reference.

3.04 Advertising. AFPlanServ™ may use only such advertising and/or other materials pertaining to Sponsor's Plan that have been approved in writing by Sponsor prior to use by AFPlanServ™.

3.05 Indemnification of Sponsor. In the event that Sponsor elects AFPlanServ™ to provide the Select services set forth and described in Section 3.02, AFPlanServ™ shall indemnify and hold Sponsor harmless from and against any damages, liabilities, claims, charges, reasonable attorneys' fees, or other reasonable costs arising from or in connection with any claim, action, or proceeding relating to arising from any negligent act, omission or intentional misconduct by AFPlanServ™ relating to the subject matter of this Agreement or failure of AFPlanServ™ to comply with the terms of this Agreement or any applicable law, rule or regulation.

Sponsor shall promptly notify AFPlanServ™ of the existence of any claim, suit, proceeding or other matter as to which AFPlanServ™ indemnification obligations would apply, and shall give AFPlanServ™ reasonable opportunity to defend the same at its own expense, and with mutually acceptable counsel; provided, that Sponsor shall at all times also have the right to fully participate in the defense at its own expense. Sponsor shall make available all information and assistance that AFPlanServ™ may reasonably request in connection with such defense.

3.06 Third Party Communication Assistance. AFPlanServ™ will notify Sponsor immediately of any letter, telephone call or other communication AFPlanServ™ receives from an attorney, state insurance

department, or other federal or state agency with respect to any matter relating to Sponsor or the Plan. If requested, AFPlanServ™ shall assist Sponsor and provide any applicable information that it may possess for AFPlanServ™ and/or Sponsor to respond to letter, telephone call or other communication as the parties may mutually agree.

ARTICLE IV - SPONSOR RESPONSIBILITIES

4.01 Select Services Responsibilities. If AFPlanServ™ is selected to provide the additional Select services per Section 3.02 of this Agreement, Sponsor agrees to perform the following duties regarding the Plan services performed hereunder:

- (a) Sponsor will directly or indirectly* provide to AFPlanServ™, the information necessary to permit AFPlanServ™ to provide the Select services and satisfy its responsibilities under this Agreement. This information may include, but is not limited to, Participant date of hire, Participant date of birth, Participant salary, Participant employment status (full or part-time), prior Participant deferrals, Participant contributions, Participant termination date, if applicable, etc. All required information, from whatever source, shall be provided to AFPlanServ™ in a secure electronic format that is acceptable to AFPlanServ™ in the time and in the manner requested by AFPlanServ™.

(*Sponsor understands and agrees that AFPlanServ™ cannot accurately perform its duties under this Agreement without accurate and timely information provided in an acceptable secure electronic format, and that AFPlanServ™ shall have no liability to Sponsor or any Participant as a consequence of incomplete, inaccurate and/or untimely information provided or not provided to AFPlanServ™ by Sponsor, a covered Participant or a third party who may provide information to AFPlanServ™ on behalf of Sponsor or at Sponsor's direction [e.g. a Provider, or prior/ existing administrative service provider]. Sponsor understands and agrees that an additional fee, that the parties shall agree upon in advance, may be required if AFPlanServ™ is required to take corrective action as a result of such incomplete, inaccurate or untimely information).

- (b) Notwithstanding anything to the contrary contained herein, Sponsor shall be responsible for any delay in AFPlanServ™ performance of its services under this Agreement to the extent any such delay was caused by the direct or indirect failure of Sponsor to promptly furnish AFPlanServ™ with any data or information required under this Agreement to AFPlanServ™.
- (c) Sponsor shall respond to all written and/or verbal requests for information regarding the Plan from covered Participants.
- (d) Sponsor agrees to indemnify and hold AFPlanServ™ its officers, directors and employees harmless from and against all losses, liabilities, damages, expenses, reasonable attorneys' fees or other obligations, resulting from, or arising out of a breach of, or failure by Sponsor to perform any of its obligations, services or agreements contained in this Agreement but only to the extent not attributable to AFPlanServ™'s breach of its obligations under this Agreement. Sponsor agrees to indemnify and hold AFPlanServ™ harmless from all liability arising from actions taken by AFPlanServ™ pursuant to Sponsor's express written instructions.
- (e) Sponsor shall determine and select those Providers providing investment options meeting the Plan criteria established by Sponsor. All Providers must have the proper insurance licenses and/or FINRA registrations and complete AFPlanServ™ required written Provider agreement to abide by the rules and information sharing requirements of the IRC, AFPlanServ™ and the Plan prior to receiving Plan contributions.
- (f) In the event that Sponsor elects the Select services package that includes Common Remitter Services to be performed by AFPlanServ™ per Option B of Section II in Exhibit A, Sponsor shall remit Plan contributions to AFPlanServ™ in a secure electronic format that is acceptable to AFPlanServ™ on a timely basis. The Sponsor will provide complete payroll data and reconciliation statements as needed to properly process the contributions.

ARTICLE V - FEES

5.01 Fees – AFPlanServ™ Services. Sponsor agrees to pay AFPlanServ™ the applicable fees set forth in Exhibit A attached hereto and incorporated herein by reference in exchange for the administrative and if selected, Common Remitter Services ("CRS") services provided by AFPlanServ™ under this Agreement. Fees shall be due and payable by Sponsor within thirty (30) days of the date of AFPlanServ's™ invoice, unless otherwise agreed in writing by AFPlanServ™. If payment is not received by AFPlanServ™ on a timely basis, AFPlanServ™ shall have the option to (i) discontinue service under this Agreement until such time as Sponsor pays the applicable fees in full; or (ii) terminate the Agreement for cause as provided in Section 8.02 of this Agreement.

ARTICLE VI - BOOKS, RECORDS AND REPORTS

6.01 Records. AFPlanServ™ shall maintain, at its principal office accurate and complete records, books and accounts of all transactions arising out of the Agreement, including electronic records in the possession of AFPlanServ™, during the time this Agreement is in force and for seven (7) years following its termination. Such records, books and accounts shall be maintained in accordance with generally accepted industry standards. During this period, Sponsor shall have the right of continuing access to these records, books and other documents to the extent provided by law. AFPlanServ™ agrees to establish and maintain a reasonable disaster recovery program and procedures acceptable to Sponsor.

6.02 Record Retention. In addition to Section 6.01 above, the parties agree that all records, accounts or other documents including policies relating to the business arising out of this Agreement are the property of Sponsor. AFPlanServ™ shall deliver all such records or any required part of them to Sponsor whenever requested by Sponsor and required temporarily in the case of audit by regulatory bodies, and shall deliver copies of all such records or any required part of them to Sponsor whenever requested by Sponsor within ten (10) business days of such request, or earlier, if required by state law. Sponsor shall be responsible for expenses related to such deliveries which exceed \$50.00. All such records necessary for the processing of transactions hereunder shall be maintained and preserved for the minimum of seven (7) years after the end of the year of processing, unless transferred prior thereto to another entity for administration of the Plan per the written request of Sponsor. In such case, the new entity shall acknowledge, if required by law, that it is responsible for retaining the records of AFPlanServ™ regarding transactions that may have occurred under this Agreement on behalf of Sponsor.

6.03 Agreement Retention. In addition to Section 6.01 above, the parties agree that this Agreement shall be retained as part of the official records of both AFPlanServ™ and Sponsor during the term of this Agreement and for seven (7) years thereafter.

6.04 Audit Rights. In addition to Section 6.01 above, the parties agree that Sponsor and any applicable regulatory authority shall have the right to inspect and audit the records, accounts or other documents relating to the services or the Plan, and AFPlanServ™ agrees to grant Sponsor and any applicable regulatory authority continuing access to such records upon reasonable notice during normal business hours and in a reasonably comfortable work space. Trade secrets contained within these records, accounts or other documents, including the identity and addresses of Participants, are to remain confidential. However, any State Insurance Department or Insurance Commissioner may use that confidential information in proceedings instituted by such entity or person.

ARTICLE VII - EXPENSES

7.01 Expenses. Except to the extent otherwise provided in this Agreement, AFPlanServ™ shall be responsible for all expenses in connection with the administration of the business under this Agreement. Sponsor shall be responsible for only those expenses stated in the Agreement or which have been authorized in writing by Sponsor.

ARTICLE VIII - TERM AND TERMINATION

8.01 Term of Agreement. Unless earlier terminated pursuant to Section 8.02 below, this Agreement will commence on the Effective Date set forth in Section 1.01 of this Agreement and shall remain in effect until completion of the first full Plan Year thereafter. Unless otherwise agreed to in writing by the parties hereto, for purposes of this Agreement, the term "Plan Year" shall mean a twelve (12) month calendar year beginning January 1. Upon completion of the first full Plan Year, this Agreement will continue in full force and effect for additional Plan Years until terminated. In addition, this Agreement will automatically terminate upon termination of the Plan and the distribution of all Plan assets.

8.02 Termination Upon Written Notice. This Agreement may be terminated with or without cause by either party upon sixty (60) days written notice to the other party by Registered or Certified Mail. Unless terminated, this Agreement will continue without notice or election of either party.

8.03 Rights Upon Termination. Upon termination of this Agreement for any reason, each party shall pay all amounts due the other party within thirty (30) days of the effective date of the termination, unless otherwise provided herein. In addition, in the event Sponsor desires AFPlanServ™ to transfer all records related to the business which is the subject matter of this Agreement to Sponsor or another administrator, Sponsor shall make written request of transfer, and AFPlanServ™ shall transfer such records within a reasonable time frame to Sponsor or Sponsor's designee, for the fee amount set forth in Exhibit A. AFPlanServ™ agrees to follow such reasonable instructions as provided by Sponsor relating to the transfer of such records. Prior to forwarding any such records, AFPlanServ™ and Sponsor shall ensure that all statutory and regulatory requirements regarding the disclosure and receipt of non-public personal health and/or financial information are satisfied.

ARTICLE IX CONFIDENTIALITY AND PRIVACY

9.01 Confidentiality. AFPlanServ™ agrees to treat any Confidential Information obtained, as a consequence of this Agreement, including all medical and/or financial information regarding Sponsor, Providers, Participants and other personnel as confidential and proprietary in nature and not to be shared with any other entity without the express prior written permission of Sponsor. All information regarding Plan Participants will be kept confidential by AFPlanServ™ and will only be used for the purpose of providing services under this Agreement.

9.02 Definition of Confidential Information. As used, the term "Confidential Information" shall mean any and all information including proprietary information relating to Sponsor, the Plan, Providers, Participants, employees and personnel including, but not limited to, information relating to documents, contracts, data, contributions, records, remittances, positions, agreements, deposits, products, correspondence, terms, files, statements, reviews, compliance, and any and all books, notes and records whether acquired or disclosed verbally, electronically, visually, or in a written or other tangible form.

9.03 Non-disclosure. AFPlanServ™ agrees to restrict disclosure of Confidential Information to such of its employees as may have a need to know such information in order to carry out the terms of AFPlanServ's™ engagement.

9.04 Legally Required Disclosure. In the event that AFPlanServ™ becomes subject to any legal or regulatory process pursuant to which disclosure of Confidential Information is sought, including, but not limited to, a subpoena or order issued by a court or governmental body, AFPlanServ™ will (i) give Sponsor prompt notice thereof; (ii) allow Sponsor a reasonable opportunity at its own expense to challenge such subpoena or court order, or to seek a protective order or other appropriate remedies with respect thereto; and (iii) disclose such Confidential Information in connection therewith only to the extent that such Confidential Information is legally required to be disclosed. Any disclosure which complies with the foregoing sentence shall not be deemed to be a breach of the terms of this Agreement.

9.05 Protection of Individual Privacy. AFPlanServ™ is obligated to comply with the requirements of the federal Gramm-Leach-Bliley Act of 1999, and related federal and state laws regarding the privacy of the individual, non-public personal information of Sponsor's employees.

Based on the foregoing, AFPlanServ™ agrees and warrants that AFPlanServ™ is aware of the requirements of the Gramm-Leach-Bliley Act of 1999, and related federal and state laws, regulations, rules and requirements, and agrees that AFPlanServ™ shall: (i) comply with all such federal and state laws, rules, regulations and requirements in the performance of AFPlanServ's™ obligations and duties for Sponsor; and (ii) restrict AFPlanServ's™ use of the non-public personal, health and/or financial information that AFPlanServ™ obtains, collects, receives or otherwise accesses on behalf of Sponsor pertaining to Plan Participants solely for the purpose of performing services under this Agreement; and (iii) take all reasonable steps to protect the non-public personal, health and/or financial information pertaining to the Plan Participants, to the extent AFPlanServ™ acquires and possesses such information.

AFPlanServ™ further agrees that it will not: (i) sell, share, trade or disclose any non-public personal, health and/or financial information pertaining to any individual Plan Participant, to any individual or entity, including its affiliates, employees, agents and representatives, except those having a need to know or access such information to allow AFPlanServ™ to perform its duties and obligations required under this Agreement on behalf of Sponsor; and/or (ii) take any action that will cause Sponsor to be in violation of any federal or state privacy laws and regulations.

ARTICLE X - MISCELLANEOUS PROVISIONS

10.01 Trademarks and Copyrights. The parties hereto reserve the right to the control and use of their names and all symbols, trademarks or service marks presently existing or later established. No party hereto shall use any other party's name, symbols, trademarks, or service marks in advertising or promotional materials without the prior written consent of such other party. Any use by a party, without the approval by the other party, of the name, symbols, trademarks or service marks of such other party shall cease immediately upon the earlier of written notice of such other party or termination of this Agreement. The foregoing prohibitions shall not be construed to prevent AFPlanServ™ from using Sponsor's name in any notices or other documents developed and delivered in connection with the services hereunder.

10.02 Notice. Unless otherwise provided herein, any notice required to be given must be in writing per the terms set forth in Exhibit C attached hereto and incorporated by reference.

10.03 Nonwaiver. No waiver by either party of any breach of this Agreement by the other party shall be deemed to be a waiver of another breach of the same or of any other provision, and such a waiver shall not stop the first party from asserting any right under the terms of this Agreement.

10.04 Binding Agreement. All the terms of this Agreement shall be binding upon the respective personal representatives, successors and assigns of the parties hereto and shall inure to the benefit of and be enforceable by the parties hereto and their respective personal representatives, successors and assigns.

10.05 Transaction Situs/Governing Law/Venue. The parties agree that all transactions and services performed hereunder by AFPlanServ™ for and on behalf of Sponsor shall be deemed to have been performed in the State of Oklahoma. The parties further agree that this Agreement shall be governed as to its interpretation and construction by the laws of the State of Oklahoma without giving effect to any conflict of laws doctrine which may result in the application of the laws of another jurisdiction. Venue for any legal proceeding brought under this Agreement by either of the parties hereto shall be restricted to the District Court of Oklahoma County, Oklahoma or the United States District Court for the Western District of Oklahoma, located in Oklahoma City, Oklahoma.

10.06 Modification. This Agreement may be amended by written endorsements properly executed by both parties hereto.

10.07 Sole Agreement. This Agreement and any amendments or addendums agreed to in writing by the parties, embody the final, complete and entire agreement between the parties. No other representation, understandings or agreements have been made or relied upon in the making of this Agreement other than those specifically set forth or referred to herein.

10.08 Partial Invalidity. If any provision of this Agreement is held by final judgment of a court of competent jurisdiction to be invalid, illegal or unenforceable, such invalid, illegal or unenforceable provision shall be severed from the remainder of this Agreement, and the remainder of this Agreement shall be enforced. In addition, the invalid, illegal or unenforceable provision shall be deemed to be automatically modified, and, as so modified, to be included in this Agreement, such modification being made to the minimum extent necessary to render the provision valid, legal and enforceable. Notwithstanding the foregoing, however, if the severed or modified provision concerns all or a portion of the essential consideration to be delivered under this Agreement by one party to the other, the remaining provisions of this Agreement shall also be modified to the extent necessary to equitably adjust the parties' respective rights and obligations hereunder.

10.09 Force Majeure. If the performance of any obligation under this Agreement is prevented, restricted or interfered with by reason of fire or other casualty or accident, strikes or labor disputes, war or other violence, any law, order, proclamation, regulations, ordinance, demand or requirement of any government agency, or any other act or condition beyond the reasonable control of AFPlanServ™ ("Event of Force Majeure"), AFPlanServ™, upon giving prompt notice to Sponsor, shall be excused from such performance to the extent of such prevention, restriction or interference; provided that AFPlanServ™ shall avoid or remove such causes of nonperformance and shall continue performance hereunder with the utmost dispatch whenever such causes are removed. AFPlanServ™ shall notify the other party within five (5) days or as soon as reasonably possible thereafter, of the occurrence of such Event of Force Majeure and within ten (10) days shall furnish Sponsor with a recovery plan of action. Without limiting the foregoing, AFPlanServ™ shall limit the impact of the Event of Force Majeure on its performance of this Agreement. If a Force Majeure Event lasts for more than thirty (30) days, Sponsor shall have the right to terminate this Agreement.

10.10 Advice of Counsel. The parties represent that in executing this Agreement they do so with full knowledge of any and all rights released or compromised by this Agreement, and that they have received independent legal advice from their respective counsel with regard to the facts involved and with regard to their rights and asserted rights arising out of such facts. The parties shall each bear their own costs and attorneys' fees regarding the negotiation and execution of this Agreement.

10.11 Negotiated Agreement. This Agreement has been the subject of negotiations between the parties. It has been and shall be construed to have been drafted by both of the parties, so that any rule of construing ambiguities against the drafter shall have no force or effect.

10.12 Counterparts; Signatures via Facsimile. This Agreement may be executed in one or more counterparts, all of which together shall constitute one and the same original. Signatures to this Agreement by either of the parties tendered by facsimile shall be binding as if they were originals.

10.13 Headings and Titles. The headings and titles used herein are for reference only. They are not to be construed to be a substantive part of this Agreement or in any way to affect the validity, construction or effect of any provisions of this Agreement.

IN WITNESS WHEREOF, Sponsor and AFPlanServ™ have caused this Plan Administrative Services Agreement to be executed on the day and year written below:

**AMERICAN FIDELITY
ASSURANCE COMPANY
(d/b/a AFPlanServ™)**

SPONSOR

TUPELO PUBLIC SCHOOL DISTRICT

By: _____

By: _____

Title: _____

Title: _____

Date: _____

Date: _____

EXHIBIT A
AFPlanServ™ Fee Schedule

I. No Cost Basic Services

- ☐ Sponsor elects the services to be provided by AFPlanServ™ as set forth in Section 3.01 of the Agreement at no cost.

II. Select Services Fees/Option Package

In exchange for the Select package of administrative services provided by AFPlanServ™ as set forth in Section 3.02 of the Agreement, Sponsor agrees to pay AFPlanServ™ the following fees:

- a) one-time set-up fee in the amount of \$ N/A; and
- b) a monthly fee of \$1.00 for each Participant in Sponsor's 403(b) Plan.

Monthly fees will be due and owing for each Participant during a billing period. This fee amount will be in effect from the Effective Date of this Agreement and will continue until the completion of the first full Plan Year. Prior to the end of each Plan year, the fee will be reviewed and may change with ninety (90) day written notification from AFPlanServ™ to Sponsor and parties as may be identified hereinafter.

As indicated by its mark below*, Sponsor hereby selects the following Select package of services for Sponsor's Plan:

Option A:

- ☒ Sponsor elects the additional Select package of administrative services set forth in Section 3.02 of the Agreement, **without** Common Remitter Services.

Option B:

- ☐ Sponsor elects the additional Select package of administrative services set forth in Section 3.02 of the Agreement, **with** Common Remitter Services.

(*Please place an "x" and your initials next to the preferred option).

III. Payment Method

Per Article V of the Agreement, AFPlanServ™ will collect the fees due hereunder by invoicing Sponsor periodically at its mailing address as provided in Exhibit C.

IV. Post-Termination Record Transfer Fee

In exchange for AFPlanServ™ agreeing to transfer records maintained under this Agreement to Sponsor or Sponsor's designee upon termination of this Agreement, Sponsor agrees to pay AFPlanServ™:

- (i) a record transfer fee of \$150.00; and
- (ii) any outstanding amounts due and owing to AFPlanServ™ under this Agreement.

All fees set forth above shall be due and payable to AFPlanServ™ at the time of Sponsor's written request to AFPlanServ™ for the record transfer. AFPlanServ™ shall have no duty or obligation to comply with Sponsor's request until all fees are received by AFPlanServ™ in full.

EXHIBIT B
Third Party Administrator -
Additional Regulatory Requirements

I. Remittance Trust Account

In addition to other required provisions set forth in this Agreement, AFPlanServ™ shall, where required by law, establish and maintain a remittance account in trust for Sponsor. Funds received from or on behalf of Sponsor via AFPlanServ's™ Common Remitter Services, shall be received by AFPlanServ™ in a fiduciary capacity. These requirements are in addition to any other requirements of state or federal law relating to the Agreement, including any statutory requirements which may require the establishment of a separate trust account for any funds collected or returned in a particular state. All funds received by AFPlanServ™ shall be deposited promptly in said account and any return funds shall be immediately returned to Sponsor.

Only funds for the following items may be deposited or withdrawn from this account:

- (a) AFPlanServ™ deposit of Plan Participant contributions received from Sponsor; and
- (b) AFPlanServ™ remittance of funds to Providers (as defined in Section 3.02); and
- (c) AFPlanServ™ return of funds to Sponsor; and
- (d) Payment of fees to AFPlanServ™, as authorized by Sponsor.

If applicable, payment to AFPlanServ™ of any funds by, or on behalf of a Plan Participant is considered to be received by Sponsor. Further, any payment of return funds by Sponsor to AFPlanServ™ is not considered payment to a Plan Participant until the payment is received by the Participant, if applicable. Nothing contained within this subsection shall limit any legal rights or remedies of Sponsor against AFPlanServ™ resulting from AFPlanServ's™ failure to remit payments as required herein.

If funds deposited have been collected on behalf of more than one Sponsor, AFPlanServ™ shall keep records clearly recording the deposits in and withdrawals from the account on behalf of or for each Sponsor. AFPlanServ™ shall keep copies of all records and, upon request of Sponsor, shall furnish Sponsor with copies of such records pertaining to such deposits and withdrawals on behalf of or for Sponsor. AFPlanServ™ will periodically render an accounting to Sponsor detailing account transactions performed by AFPlanServ™ under this Agreement.

II. Notice to Participants

AFPlanServ™ shall provide written notice to Plan Participants regarding the engagement of AFPlanServ™ by Sponsor in accordance with applicable statutes. Any required notices of AFPlanServ™ relationship with Sponsor must be approved by Sponsor and will be forwarded to Participants by Sponsor at Sponsor expense.

EXHIBIT C
Terms of Notice

Pursuant to Section 10.02 of this Agreement, notice may be given under this Agreement by either party hereto by delivery of said notice to the other party or by mailing said notice to the other party at the address provided below or its last known address. A receipt of mailing provided by the United States Post Office Department shall be sufficient proof of notice. Notice may also be given by facsimile transmission or overnight mail.

IF TO AFA/AFPlanServ:™

American Fidelity Assurance Company
AFPlanServ™
2000 Classen Center
P.O. Box 269008
Oklahoma City, OK 73126

IF TO SPONSOR:

TUPELO PUBLIC SCHOOL DISTRICT
ATTN: RANDY D. MCCOY, Ed.D., SUPT.
PO BOX 557
TUPELO MS 38802