

CERTIFICATE OF TRUST

The undersigned pursuant to Section 91-9-7 of the Mississippi Code of 1972, hereby files its Certificate of Trust in lieu of the entire Trust Agreement on the John W. Hyneman Co., Inc. Employees' Profit Sharing Plan and Trust as set forth below, to-wit:

1. The name of the Trust is the John Hyneman Development Co., Inc. Employees' Profit Sharing Plan and Trust.
2. The street and mailing address of the Grantor, the Trust and the Trustee is 1364 Cordova Cove, Germantown, Tennessee 38138.
3. A legal description of all interest in real property owned or to be conveyed to the Trust is as follows:

4.41, more or less, acre tract of land located in part of the Northeast Quarter and part of Northwest Quarter of Section 31, Township 1 South, Range 6 West, Olive Branch, DeSoto County, Mississippi, and being more particularly described as follows:

Commencing at the northeast corner of the Northwest Quarter of Section 31, Township 1 South, Range 6 West; thence North 90°00'00" West 287.60 feet to a point in Goodman Road; thence South 00°00'00" West 86.25 feet to a concrete right of way monument found on the South right of way line of said Goodman Road, also being the true point of beginning for the herein described tract; thence South 89°10'54" West 399.66 feet to a concrete right of way monument found; thence North 78°05'06" West 40.84 feet along said right of way line to 1/2" rebar set on the East line of Floyd E. Fiveash tract; thence along said line South 00°01'16" East 440.40 feet to a 1/2" pipe found at the Northwest corner of Lot #22 of Goodman Oaks Subdivision; thence South 89°32'49" East 253.96 feet along the North line of said Lot #22; thence North 04°14'52" East 82.90 feet to a 1/2" pipe found at the Northwest corner of Doyce E. Hunt tract; thence along the North line of said tract South 89°57'38" East 222.43 feet to a 1/2" pipe found on the West right of way line of Whippoorwill Road; thence North 01°04'04" East 247.23 feet to a concrete right of way monument found on the East right of way line of said road; thence North 09°34'08" West 102.05 feet to a concrete right of way monument found; thence North 73°05'39" West 32.14 feet to point of beginning, containing 4.41, more or less, acres (192.034, more or less, square feet) of land being subject to all codes, regulations, revisions, subdivision covenants, easements, and rights of way of record.

STATE MS.-DE SOTO
FILED

SEP 8 12 10 PM

BK. 86 PG 65
W.F. ...

RETURN TO:
BRIDGFORTH & BUNTIN
P. O. BOX 241
SOUTHAVEN, MS 38671
393-4450

- 4. The anticipated date of termination of the Trust is at any time upon receipt of written notice by the Grantor to the Administrator and Trustee.
- 5. The general powers granted to the Trustee are all powers conferred upon Trustees under the Uniform Trustees Powers Act in Section 91-9-107 and the additional powers and duties conferred upon the Trustee under the terms of the Trust which are collectively attached hereto as Exhibit "A".

WITNESS our signatures this the 31 day of August, 2000.

JOHN HYNEMAN DEVELOPMENT CO., INC.

BY: [Signature]
John W. Hyneman, President

[Signature]
John W. Hyneman, Trustee

STATE OF Tennessee
COUNTY OF Shelby

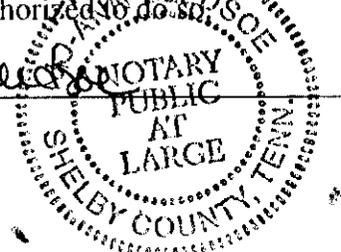
PERSONALLY appeared before me, the undersigned authority in and for the said County and State, on this the 31 day of August, 2000, within my jurisdiction, the within named John W. Hyneman, who acknowledged that is the President of John Hyneman Development Co., Inc. a Mississippi Corporation, and that for and on behalf of the said corporation, and as its act and deed he executed the above and foregoing instrument, after first having been duly authorized by said corporation so to do.

[Signature]
Notary Public


My commission expires:
2-19-03

STATE OF Tennessee
COUNTY OF Shelby

PERSONALLY appeared before me, the undersigned authority in and for the said county and state, on this 31 day of August, 2000, within my jurisdiction, the within named John W. Hyneman, who acknowledged that he is the Trustee of John Hyneman Development Co., Inc. Employees' Profit Sharing Plan and Trust and that in said representative capacity he executed the above and foregoing instrument, after first having been duly authorized to do so.

[Signature]
Notary Public


My commission expires:
2-19-03

ARTICLE 7 DUTIES OF THE TRUSTEE

7.1 APPOINTMENT, RESIGNATION, REMOVAL AND SUCCESSION

The Plan will have one or more individual Trustees, a corporate Trustee or any combination thereof appointed as follows:

- (a) **Appointment Of Trustee:** Each Trustee will be appointed by the Employer and will serve until its successor has been named or until such Trustee's resignation, death, incapacity, or removal, in which event the Employer will name a successor Trustee. The term Trustee will include the original and any successor Trustees.
- (b) **Resignation Of Trustee:** A Trustee may resign at any time by giving 30 days written notice in advance to the Employer, unless such notice is waived by the Employer. The Employer may remove a Trustee by giving such Trustee 30 days written notice in advance. Such removal may be with or without cause.
- (c) **Successor Trustee:** Each successor Trustee will succeed to the title to the Trust by accepting his appointment in writing and by filing such written acceptance with the former Trustee and the Employer. The former Trustee, upon receipt of such acceptance, will execute all documents and perform all acts necessary to vest the Trust Fund's title of record in any successor Trustee. No successor Trustee will be personally liable for any act or failure to act of any predecessor Trustee.
- (d) **Merger Of Corporate Trustee:** If any corporate Trustee, before or after qualification, changes its name, consolidates or merges with another corporation, or otherwise reorganizes, any resulting corporation which succeeds to the fiduciary business of such Trustee will become a Trustee hereunder in lieu of such corporate Trustee.

7.2 INVESTMENT ALTERNATIVES OF THE TRUSTEE

The Trustees will implement an investment program based on the Employer's investment objectives and the Employee Retirement Income Security Act. In addition to powers given by law, the Trustees may engage in the following investment activities on behalf of the Trust:

- (a) **Property:** Invest in any form of property, including common and preferred stocks, exchange covered call options, bonds, money market instruments, mutual funds, savings accounts, certificates of deposit, Treasury bills, or in any other property, real or personal, foreign or domestic, having a ready market including securities issued by an institutional Trustee and/or affiliate of the institutional Trustee. The Trustee may invest on margin. An institutional Trustee may invest in its own deposits if they bear a reasonable interest rate. The Trustee may retain, manage, operate, repair, improve and mortgage or lease for any period on such terms as it deems proper any real estate or personal property held by the Trustee, including the power to demolish any building or other improvements. The Trustee may erect buildings or other improvements, make leases that extend beyond the term of this Trust, and foreclose, extend, renew, assign, release or partially release and discharge mortgages or other liens.
- (b) **Pooled Funds:** Transfer any assets to a collective trust established to permit the pooling of funds of separate pension and profit-sharing trusts provided the Internal Revenue Service has ruled such collective trust to be qualified under Code §401(a) and

exempt under Code §501(a) (or the applicable corresponding provision of any other Revenue Act) or to any other common, collective, or commingled trust fund which has been or may hereafter be established and maintained by the Trustee and/or affiliates of an institutional Trustee. Such commingling of assets of the Fund with assets of other qualified trusts is specifically authorized, and to the extent of the investment of the Trust Fund in such a group or collective trust, the terms of the instrument establishing the group or collective trust will be a part hereof as though set forth herein.

- (c) **Employer Stock:** Invest in the common stock, debt obligations, or any other security issued by the Employer or by an affiliate of the Employer within the limitations provided under Sections 406, 407, and 408 of ERISA provided that such investment does not constitute a prohibited transaction under Code §4975. Any such investment will only be made upon written direction of the Employer who will be solely responsible for the propriety of such investment.
- (d) **Cash Reserves:** Retain as much cash as the Trustee may deem advisable to satisfy the liquidity needs of the Plan and to deposit any cash held in the Trust Fund in a bank account without liability for the highest rate of interest available. If a bank is acting as Trustee, such Trustee is specifically given authority to invest in deposits of such Trustee. The Trustee may also hold cash un-invested at any time and from time to time and in such amount or to such extent as the Trustee deems prudent, and the Trustee will not be liable for any losses which may be incurred as the result of the failure to invest same, except to the extent provided herein or in ERISA.
- (e) **Reorganizations:** Join in or oppose the reorganization, recapitalization, consolidation, sale or merger of corporations or properties upon terms the Trustee deems wise.
- (f) **Registration of Securities:** Cause any securities or other property to be registered in the Trustee's own name or in the name of the Trustee's nominee or nominees, and may hold any investments in bearer form, but the records of the Trustee will at all times show all such investments as part of the Trust Fund.
- (g) **Proxies:** Vote proxies or pass them on to any investment manager which may have directed the investment in the equity giving rise to the proxy.
- (h) **Ownership Rights:** Exercise all ownership rights with respect to any Trust assets.
- (i) **Other Investments:** Accept and retain for such time as the Trustee deems advisable securities or other property received or acquired as Trustee even if such securities or property would normally not be purchased as investments hereunder.
- (j) **Key Man Insurance:** The Trustee, with the consent of the Administrator, may purchase Policies on the life of any Participant whose employment is deemed to be key to the Employer's financial success. Such key man Policies will be deemed to be an investment of the Trust Fund and will be payable to the Trust Fund as the beneficiary thereof. The Trustee may exercise any and all rights granted under such Policies.
- (k) **Litigation:** Begin, maintain, or defend any litigation necessary in connection with the administration of the Plan, except that the Trustee will not be obliged or required to do so unless indemnified to its satisfaction.

- (l) **Loans To The Trust:** Borrow money for purposes of the Plan in such amounts, and upon such terms and conditions, as the Trustee deems advisable; and for any sum so borrowed, the Trustee may issue a promissory note as Trustee, and secure repayment of the loan by pledging all, or any part, of the Trust Fund as collateral. No person lending money to the Trustee will be bound to see to the application of the money lent or to inquire into the validity or propriety of any borrowing.
- (m) **Agreements With Banks:** With the consent of the Employer and upon such terms as the Trustee in his discretion deems necessary, enter into an agreement with a bank or trust company providing for the deposit of all or part of the funds and property of the Trust with such bank or trust company; or the appointment of such bank or trust company as the agent or custodian of the Trustees for investment purposes, with such discretion in investing and reinvesting as the Trustee deems necessary to delegate.
- (n) **Claims, Debts or Damages:** Settle, compromise, or submit to arbitration any claims, debts, or damages due or owing to or from the Plan.
- (o) **Miscellaneous:** Do all such acts and exercise all such rights, although not specifically mentioned herein, as the Trustee deems necessary to carry out the purposes of the Plan. The Trustee will not be restricted to securities or other property of the character expressly authorized by applicable law for trust investments, subject to the requirement that the Trustee discharge his duties with the care, skill, prudence, and diligence, under the circumstances then prevailing, that a prudent man acting in a like capacity and familiar with such matters would use in the conduct of an enterprise of similar character and with similar aims by diversifying the investments to minimize the risks of large losses unless under the circumstances it is clearly prudent not to do so.

7.3 VALUATION OF THE TRUST FUND

On each Valuation Date, the Trustee will determine the net worth of the Trust Fund. The value of marketable investments will be determined using the most recent price quoted on a national securities exchange or over-the-counter market. The value of non-marketable investments will be determined in the sole judgement of the Trustees. The value of securities or obligations of the Employer in which there is no market will be determined in the sole judgement of the Employer, and the Trustees will have no responsibility with respect to the such valuation.

7.4 COMPENSATION AND EXPENSES

The Trustee, either from the Trust Fund or Employer, will be reimbursed for its expenses and will be paid reasonable compensation as agreed upon from time to time with the Employer; but no person who receives full-time pay from the Employer will receive any fees for services to the Plan as Trustee or in any other capacity. Expenses will be paid by each Adopting Employer in the ratio that each Adopting Employer's Participants' Accounts bears to the total of all Participants' Accounts maintained by this Plan.

7.5 PAYMENTS FROM THE TRUST FUND

The Trustee will pay benefits and other payments as the Administrator directs, and except as provided by ERISA, will not be responsible for the propriety of such payments. Any payment made to a Participant or his or her legal representative or Beneficiary as provided in the Plan will, to the extent of such payment, be in full satisfaction of all claims arising against the Trust, the Trustee, the Employer, and the Administrator. Any payment or distribution made from the Trust is contingent on the recipient executing a receipt and release acceptable to the Trustee, Administrator, or Employer.

7.6 PAYMENT OF TAXES

The Trustee will pay all taxes which may be levied or assessed upon or in respect of the Trust Fund or upon or in respect of any money, property or securities forming a part of the Trust Fund. The Trustee may withhold from distributions to any payee such sum as the Trustee may reasonably estimate as necessary to cover federal and state taxes for which the Trustee may be liable, which are, or may be, assessed with regard to the amount distributable to such payee. Prior to making any payment, the Trustee may require such releases or other documents from any lawful taxing authority and may require such indemnity from any payee or distributee as the Trustee deems necessary.

7.7 ACCOUNTS, RECORDS AND REPORTS

The Trustee will keep accurate records reflecting its administration of the Trust Fund and will make such records available to the Employer for review and audit. Within 90 days after each Plan Year, and within 90 days after its removal or resignation, the Trustee will file with the Employer an accounting of its administration of the Trust Fund during such year or from the end of the preceding Plan Year to the date of removal or resignation. Such accounting will include a statement of cash receipts and disbursements since the date of its last accounting and will contain an asset list showing the fair market value of investments held in the Trust Fund as of the end of the Plan Year as determined under Section 7.3. The Employer will review the accounting and will notify the Trustee in the event of its disapproval of the report within 90 days, providing the Trustee with a written description of the items in question. The Trustees will have 60 days to provide the Employer with a written explanation of the items in question. If the Employer again disapproves of the report, the Trustee will file its accounting in a court of competent jurisdiction for audit and adjudication.

7.8 EMPLOYMENT OF AGENTS AND COUNSEL

The Trustee may employ such agents, counsel, consultants, or service companies as it deems necessary and may pay their reasonable expenses and compensation. The Trustee will not be liable for any action taken or omitted by the Trustee in good faith pursuant to the advice of such agents and counsel. Any agent, counsel, consultant, service company and/or its successors will exercise no discretionary authority over investments or the disposition of Trust assets, and their services and duties will be ministerial only and will be to provide the Plan with those things required by law or by the Plan without in any way exercising any fiduciary authority or responsibility under the Plan. The duties of a third party administrator will be to safe-keep the individual records for all Participants and to prepare all required actuarial services and disclosure forms under the supervision of the Administrator and any Fiduciaries of the Plan. It is expressly stated that the third party administrator's services are only ministerial in nature and that under no circumstances will such third party administrator exercise any discretionary authority over Plan Participants, Plan investments, or Plan benefits.

7.9 DIVISION OF DUTIES AND INDEMNIFICATION

The division of duties and the indemnification of the Trustees of this Plan will be governed by the following provisions:

- (a) **No Guarantee Against Loss:** The Trustees will have the authority to manage and control the Trust Fund to the extent provided in this instrument, but do not guarantee the Trust Fund in any manner against investment loss or depreciation in asset value, or guarantee the adequacy of the Trust Fund to meet and discharge all or any liabilities of the Plan. The Trustees will not be liable for the making, retention or sale of any investment or reinvestment made by it, as herein provided, or for any loss to or diminution of the Trust Fund, or for any other loss or damage which may result from

the discharge of its duties hereunder, except to the extent it is judicially determined that the Trustees have failed to exercise the care, skill, prudence and diligence under the circumstances then prevailing that a prudent person acting in a like capacity and familiar with such matters would use in the conduct of an enterprise of a like character.

- (b) **Representations Of The Sponsor:** The Sponsor warrants that all directions issued to the Trustees by it or the Plan Administrator will be in accordance with the terms of the Plan and not contrary to the provisions of the Employee Retirement Income Security Act of 1974 and the regulations issued thereunder.
- (c) **Directions By Others:** Trustees will not be answerable for any action taken pursuant to any direction, consent, certificate, or other document on the belief that the same is genuine and signed by the proper person. All directions by the Employer, a Participant or the Plan Administrator will be in writing. The Plan Administrator will deliver to the Trustees certificates evidencing the individual or individuals authorized to act as the Administrator and will deliver to the Trustees specimens of their signatures.
- (d) **Duties And Obligations Limited By The Plan:** The duties and obligations of the Trustees will be limited to those expressly imposed upon it by this Plan or subsequently agreed upon by the parties. Responsibility for administrative duties required under the Plan or applicable law not expressly imposed upon or agreed to by the Trustees, will rest solely with the Employer and with the Administrator.
- (e) **Indemnification:** The Trustees will be indemnified by the Employer against all liability to which the Trustees may be subjected, including all expenses reasonably incurred in its defense, for any action or failure to act resulting from compliance with the Employer's instructions, the Employer's employees or agents, the Administrator, or any other Fiduciary to the Plan, and for any liability arising from the actions or non-actions of any predecessor Trustees or Fiduciary or other Fiduciaries of the Plan.
- (f) **Trustees Not Responsible For Application Of Payments:** The Trustees will not be responsible in any way for the application of any payments it is directed to make or for the adequacy of the Fund to meet and discharge any and all liabilities under the Plan.
- (g) **Multiple Trustees:** If more than one Trustee is appointed, all acts and/or transactions taken on behalf of the Trust can only be taken with the consent of a majority of the Trustees unless the Trustees have agreed by a majority of their number that a particular act and/or transaction can be taken or approved by a single Trustee.
- (h) **Limitation Of Liability:** No Trustee will be liable for the act of any other Trustee or Fiduciary unless the Trustee has knowledge of such act.
- (i) **Trustees As Participants Or Beneficiaries:** Trustees will not be prevented from receiving any benefits to which they may be entitled as Participants or Beneficiaries in the Plan, so long as the benefits are computed and paid on a basis which is consistent with the terms of the Plan as applied to all other Participants and Beneficiaries.
- (j) **No Self-Dealing By Trustees:** The Trustees will not (1) deal with the assets of the Trust Fund in their own interest or for their own account; (2) in their individual or in any other capacity, act in any transaction involving the Trust Fund on behalf of a party,

or represent a party, whose interests are adverse to the interests of the Plan, or to the interests of its Participants or Beneficiaries; or (3) receive any consideration for their own personal accounts from any party dealing with the Plan in connection with a transaction involving assets of the Trust Fund.

7.10 APPOINTMENT OF INVESTMENT MANAGER

The Trustee may appoint an Investment Manager to manage and control the investment of all or any portion of the Trust Fund. Each Investment Manager will either be an investment advisor registered under the Investment Advisors Act of 1940; a bank as defined in that Act; or an insurance company qualified to manage, acquire or dispose of any asset of the Trust under the laws of more than one state. An Investment Manager will acknowledge in writing that it is a Fiduciary of the Plan. The Trustee will enter into an agreement with the Investment Manager specifying the duties and compensation of the Investment Manager and further specifying any other terms and conditions under which the Investment Manager will be retained. The Trustee will not be liable for any act or omission of an Investment Manager, and will not be liable for following the advice of an Investment Manager with respect to any duties delegated by the Trustee to the Investment Manager. The Trustee will have the power to determine the portion of the Plan's assets to be invested by a designated Investment Manager and to establish investment objectives and guidelines for the Investment Manager to follow.

7.11 ASSIGNMENT AND ALIENATION OF BENEFITS

Except as may otherwise be permitted under Code §401(a)(13)(C), or as may otherwise be permitted under a Qualified Domestic Relations Order as provided in Section 8.6, or as may otherwise be permitted under Section 7.15 relating to loans to Participants, no right or claim to, or interest in, any part of the Trust Fund, or any payment therefrom, will be assignable, transferable, or subject to sale, mortgage, pledge, hypothecation, commutation, anticipation, garnishment, attachment, execution, or levy of any kind, and the Trustees will not recognize any attempt to assign, transfer, sell, mortgage, pledge, hypothecate, commute, or anticipate the same, except to the extent required by law.

7.12 EXCLUSIVE BENEFIT RULE

All contributions made by the Employer or an Affiliated Employer will be used for the exclusive benefit of the Participants who are Employees of the Employer or Affiliated Employer and for Beneficiaries and will not be used for nor diverted to any other purpose except the payment of the costs of maintaining the Plan. All contributions made by an Adopting Employer who is not an Affiliated Employer will be used for the exclusive benefit of the Participants who are Employees of the Adopting Employer and for their Beneficiaries and will not be used for nor diverted to any other purpose except the payment of the Adopting Employers' proportionate costs of maintaining the Plan pursuant to Section 7.4.

7.13 PURCHASE OF INSURANCE

The Trustee may purchase insurance Policies on the lives of the Participants in accordance with the provisions of this Section, provided that except in a fiduciary capacity, no Trustee who is also a Participant may exercise any ownership rights with respect to any Policy insuring the life of such Trustee in his or her capacity as a Participant:

- (a) **Insurance On Participants:** At the direction of the Administrator, the Trustee will purchase insurance Policies on the life of the Participant, provided that (1) the aggregate premiums paid on ordinary life insurance Policies must be less than 50% of the Participant's Account balance; (2) the aggregate premiums paid on term insurance Policies, universal life insurance Policies, and all other Policies which are not ordinary

life insurance Policies must be less than 25% of the Participant's Account balance; and (3) the sum of one-half of the premiums paid on ordinary life insurance Policies and the total of all other life insurance premiums cannot exceed 25% of the Participant's Account balance. However, notwithstanding the foregoing, 100% of that portion of a Participant's Account balance which has accumulated for at least 2 consecutive years may be used to pay life insurance premiums. All Policies will be vested exclusively in the Trustee and will be payable to the Trustee, subject to the rights of the Beneficiaries hereunder. The proceeds of any Policy payable because of a Participant's death will be added to the Participant's Account. An ordinary life insurance Policy is an insurance policy that has a non-decreasing death benefit and also has a non-increasing premium.

- (b) **Disposition Of Policies Upon Termination:** If a Terminated Participant's Vested Interest equals or exceeds the cash surrender value of any Policies issued on his life, the Trustee, with the consent of both the Administrator and the Terminated Participant, will transfer such Policies to the Terminated Participant, together with any restrictions the Administrator may impose concerning the Terminated Participant's right to surrender, assign, or otherwise realize cash on such Policies prior to his Normal Retirement Date. If the Terminated Participant's Vested Interest in his Participant's Account is less than the cash surrender values of such Policies, the Administrator may permit him to pay the Trustee the sum required to make distribution equal to the value of the Policies being assigned or transferred, or the Trustee may borrow the cash surrender values of the Policies from the insurer and then assign the Policies to the Terminated Participant.
- (c) **Disposition Of Policies At Retirement:** When a Participant retires, the Trustee, at the direction of the Administrator, must, with respect to any Policies purchased on the life of such Participant under paragraph (b), either (1) transfer them to the Participant, (2) with the Participant's consent, borrow their cash surrender values and transfer them to the Participant subject to the loan, or (3) surrender them for their cash surrender values. If options (2) or (3) are elected, the cash surrender values will be added to the Participant's Account for distribution in accordance with Section 5.1.
- (d) **Fiduciaries And Insurers Protected:** Trustee, Employer, Administrator, or any Fiduciary will be responsible for the validity of any Policy or the failure of any insurer to make payments thereunder, or for the action of any person which may delay payment or render a Policy void in whole or in part. No insurer issuing a Policy will be deemed a party to this Plan for any purpose or to be responsible for its validity; nor will it be required to look into the terms of the Plan nor to question any action of the Trustee. The obligations of the insurer will be determined solely by the Policy's terms and any other written agreements between it and the Trustee. The insurer will act only at the written direction of the Trustee, and will be discharged from all liability with respect to any amount paid to the Trustee. The insurer will not be obligated to see that any money paid by it to the Trustee or any other person is properly distributed or applied.

7.14 LOANS TO PARTICIPANTS

The Employer, in accordance with a written loan procedure established by the Employer, may permit loans to be made to Participants and Beneficiaries on a non-discriminatory basis. If made available, a Participant or Beneficiary may make application to the Administrator requesting a loan. The Administrator will have the sole right to approve or disapprove the application provided that loans will be made available to all Participants on a reasonably equivalent basis. All loans must be evidenced by a legally enforceable agreement (which may

include more than one document) set forth in writing or in such other form as may be approved by the Internal Revenue Service, and the terms of such agreement must specify the amount and term of the loan, and the repayment schedule. Loans will not be made available to Highly Compensated Employees in an amount greater than the amount made available to other Employees, and no loan will be made to a Participant who is an Owner-Employee or a Shareholder-Employee except to the extent that such loan is treated as a prohibited transaction under Code §4975. Subject to the loan procedure, loans will be made in accordance with the following provisions:

- (a) **Minimum Loan And Maximum Loan:** No loan will be less than \$1,000 or, when added to the outstanding balance of all other loans to the Participant, will exceed the lesser of (1) \$50,000 reduced by the excess, if any, of the Participant's highest outstanding balance of loans during the 1-year period ending on the day before the loan was made, over the Participant's outstanding balance of loans on the day the loan was made; or (2) one-half of the Participant's Vested Aggregate Account.
- (b) **Aggregation Of Loans:** For purposes of the limitations in paragraph (a) above, all loans from all plans of the Employer and Affiliated Employers will be aggregated. An assignment or pledge of any portion of the Participant's Vested Aggregate Account balance, and a loan, pledge, or assignment with respect to any insurance contract purchased under the Plan, will be treated as a loan under this Section.
- (c) **Loans Must Bear Reasonable Interest:** Any loan granted hereunder must bear interest at a rate reasonable at the time of application, considering the purpose of the loan and the rate being charged by representative commercial banks in the local area for a similar loan, unless the Administrator sets forth a different method for determining loan interest rates in its loan procedures such as using the prime rate or some other rate based on the prime rate. The loan agreement will also provide for the payment of principal and interest not less than quarterly. The interest earned by the Trust on any loan granted hereunder will be credited to the Trust Fund rather than to the individual Participant's Account.
- (d) **Loans Must Be Secured:** If a Participant's loan application is approved by the Administrator, such Participant will be required to execute a note, a loan agreement and an assignment of his or her Vested Aggregate Account as collateral for the loan. The Participant must obtain the consent of his or her spouse, if any, within the 90 day period before the Participant's Vested Aggregate Account is used as security for the loan. A new consent is required if the Vested Aggregate Account is used for any renegotiation, extension, renewal or other revision of the loan, including any increase in the amount thereof. The consent must be written, must acknowledge the effect of the loan, must be witnessed by a notary public or the Administrator, and will thereafter be binding with respect to the consenting spouse or any subsequent spouse.
- (e) **Terms Of Repayment:** The term of a loan will not exceed 5 years except in the case of a loan for the purpose of acquiring any house, apartment, condominium, or mobile home (not used on a transient basis) which is used or is to be used within a reasonable time as the principal residence of the Participant. The term of a loan will be determined by the Administrator considering the maturity dates quoted by representative commercial banks in the local area for a similar loan. Notwithstanding the foregoing, however, loans made prior to January 1, 1987 which are used to acquire, construct, reconstruct or substantially rehabilitate any dwelling unit which, within a reasonable

period of time is to be used (determined at the time the loan is made) as a principal residence of the Participant or a member of his or her family within the meaning of Code §267(c)(4) may provide for periodic repayment over a reasonable period of time that may exceed 5 years. Additionally, loans made prior to January 1, 1987 may provide for periodic payments which are made less frequently than quarterly and which do not necessarily result in level amortization. The Administrator may allow a grace period for the making of any required installment payment, but any such period cannot extend beyond the last day of the calendar quarter following the calendar quarter in which the required installment was due.

- (f) **Suspension Of Installment Payments:** Loan installment payments may be suspended for a period not longer than one year in which the Participant is on a leave of absence, either without pay or at a rate of pay (after income and employment tax withholding) that is less than the amount of the required installment payments. However, even if payments are suspended due to a leave of absence, the loan must still be repaid by the latest date permitted under the original terms of the loan and the payments due after the leave ends (or, if earlier, after the first year of the leave) must not be less than those required under the original terms of the loan.
- (g) **Repayment Of Loan Before Distribution Of Benefit:** If a Participant has received a loan from the Plan and the Participant or the Participant's Beneficiary is entitled to a payment from the Trust Fund before the loan is repaid in full, the Trustee will offset at the time of distribution the unpaid loan balance (including accrued interest) from the total amount otherwise due to the Participant or Beneficiary. If a valid spousal consent has been obtained pursuant to paragraph (d) above, then notwithstanding any other provision of this Plan, the portion of a Participant's Vested Aggregate Account used as a security interest for a loan will be taken into account for purposes of determining the amount of the Vested Aggregate Account payable at the time of death or distribution, but only if the reduction is used as a repayment of the loan. If less than 100% of a Participant's Vested Aggregate Account (determined without regard to the preceding sentence) is payable to a Participant's surviving spouse, then such Vested Aggregate Account will be adjusted by first reducing the Vested Aggregate Account by the amount of the security used as repayment of the loan, and then determining the benefit payable to the surviving spouse.
- (h) **Immediate Repayment:** A Participant's loan will become immediately due and payable if the Participant fails to make principal and/or interest payments for two successive calendar quarters. In such event, the Administrator will reduce the Participant's Vested Aggregate Account by the remaining principal and interest of the loan, and such reduction will constitute a distributable event (to the extent of the reduction) under the Plan. If the Participant's Vested Aggregate Account is less than the amount due, the Administrator will take whatever steps are necessary to collect the balance due.

7.15 DIRECTED INVESTMENT ACCOUNTS

If agreed to by the Trustees and approved by the Employer, Participants will be given the option to direct the investment of all or a portion of their Participant's Account (and any Rollover Contributions and Voluntary Employee Contributions) into a directed, or segregated investment selected by the Participant; or among alternative investment funds established as part of the overall Fund. Such alternative investment funds will be under the full control of the management of the Trustees. Alternatively, if investments outside the Trustees' control are allowed, Participants may not direct that investments be made in collectibles, other than U.S.

Government gold and silver coins. In this connection, a Participant's right to direct the investment of his or her own Rollover Contributions and Voluntary Employee Contributions will apply only to the selection of the desired fund. The following rules will apply to the administration of such funds and to the handling of Participants' investment directions:

- (a) **Investment Form:** Eligible Participants will complete an investment designation form stating the percentage to be invested in or transferred to or from the available funds. A Participant may change his or her investment election by filing a new investment designation form with the Employer or the Employer's designee. Such change will be effective no later than the first day of the next Election Period. Election Periods will be established at the discretion of the Employer but in any event will occur no less frequently than once in every 12-month period or, at the discretion of the Employer and the Trustee, once in every 3-month or 6-month period or at such other more frequent time which is uniformly available as determined by the Employer and the Trustee.
- (b) **Transfers Between Funds:** A Participant may elect to transfer all or part of his or her balance from one investment fund to another by filing an investment designation form with the Employer or with the Employer's designee within a reasonable administrative period prior to the next Election Period. The funds will be transferred by the Trustee or the Employer's designee as soon as practicable prior to, or by the start of, the new Election Period. Telephone and other electronic fund transfers will be permitted under uniform administrative procedures approved by the Trustee.
- (c) **Administrator Responsibility:** The Plan Administrator or the Plan Administrator's designee will be responsible when transmitting Employer and Employee contributions to show the dollar amount to be credited to each investment fund for each Participant.
- (d) **No Administrator Liability:** Except as otherwise provided herein, neither the Trustee, nor the Employer, nor any Plan fiduciary will be liable to the Participant or his or her Beneficiaries for any loss resulting from action taken at the direction of the Participant.
- (e) **Adoption Of Procedures:** All investment designations by Participants are to be made in accordance with such procedures as the Employer may adopt. At the discretion of the Employer and the Trustees, such procedures will permit sufficient selection among investment alternatives to satisfy the provisions of DOL regulation §2550.404(c)-1.