

AMENDMENT NO. 1

CITY OF HALLANDALE BEACH PROFESSIONAL/MANAGEMENT RETIREMENT PLAN

The Plan named above gives the Employer the right to amend it at any time. According to that right, the Plan is amended, as follows:

By adding the following to the **TABLE OF CONTENTS**

Section 5.05 ----- Transfer Benefit

By adding the following to the list of employment classifications in the definition of **Eligible Employee** in the DEFINITIONS SECTION of Article I:

Not a Transferring Participant.

By adding the following to the DEFINITIONS SECTION of Article I:

Transfer Benefit means the Salary Reduction Contribution Account determined as of the date a Transferring Participant elects to transfer his participation in this Plan to the Employer's Defined Contribution Retirement Plan.

Transferring Participant means any Employee who is a Participant of this Plan who elects to transfer his participation in this Plan and his Transfer Benefit to the Employer's Defined Contribution Retirement Plan. Such Transferring Participant shall cease to be a Participant in this Plan as of the date of such transfer and is therefore ineligible to participate in this Plan.

By adding the following to Article V:

SECTION 5.05--TRANSFER BENEFIT.

A Participant under this Plan may elect to become a Transferring Participant at any time within the 180-day period beginning on the date this Amendment No. 1 is adopted by the Employer. The request to become a Transferring Participant shall be made in accordance with rules prescribed by the Employer for this purpose.

A Participant who requests to transfer participation in this Plan to the Employer's Defined Contribution Retirement Plan becomes a Transferring Participant. The Transferring Participant ceases to be a Participant of this Plan on the date of such transfer and the Transferring Participant's Transfer Benefit will be transferred to the Employer's Defined Contribution Retirement Plan with no further benefits accrued under this Plan. Such Transfer Benefit is made in lieu of any other benefits payable under this Plan.

This amendment is made an integral part of the aforesaid Plan and is controlling over the terms of said Plan with respect to the particular items addressed expressly herein. All other provisions of the Plan remain unchanged and controlling.

Unless otherwise stated on any page of this amendment, eligibility for benefits and the amount of any benefits payable to or on behalf of an individual who is an Inactive Participant on the effective date(s) stated above, shall be determined according to the provisions of the aforesaid Plan as in effect on the day before he became an Inactive Participant.

Signing this amendment, the Employer, as plan sponsor, has made the decision to adopt this plan amendment. The Employer is acting in reliance on its own discretion and on the legal and tax advice of its own advisors, and not that of any member of the Principal Financial Group or any representative of a member company of the Principal Financial Group.

Signed this _____ day of _____, _____.

CITY OF HALLENDALE BEACH

By _____

Title