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September 10, 2008

Ms. Waverly Seward
Manager of Retirement
Shelby County Government
160 N. Main, Suite 950
Memphis, TN 38103

Confidential

Subject: Shelby County Retirement System – Plan A

Dear Waverly:

Mercer has been asked to review a proposed resolution to Plan A. The resolution would clarify how benefits are determined for City-to-County Transfer Employees and County-to-City Transfer Employees when there are multiple transfers between the County and the City. A participant with multiple transfers between the County and the City will be classified as a County-to-City Employee or a City-to-County Employee based on where the participant terminates employment, regardless of how many transfers between County and City have occurred.

The adoption of the resolution will have no material actuarial impact on the Retirement System due to the small number of participants in this situation.

I, Karen W. Buckner, meet the Qualification Standards of the American Academy of Actuaries to render the actuarial opinion contained in this letter.

Sincerely,

Karen W. Buckner

Karen W. Buckner, A.S.A., F.C.A.

The information contained in this document (including any attachments) is not intended by Mercer to be used, and it cannot be used, for the purpose of avoiding penalties under the Internal Revenue Code that may be imposed on the taxpayer.

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