

**SUBMITTAL TO THE BOARD OF SUPERVISORS
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**

123



FROM: Human Resources

SUBMITTAL DATE:
March 1, 2012

SUBJECT: 2012 Voluntary Employees' Beneficiary Association Post Employment Program Health Savings Plan – Amended Plan Summary, Amended and Restated Plan Document

RECOMMENDED MOTION: That the Board of Supervisors 1) ratify and approve the County's Voluntary Employees' Beneficiary Association (VEBA) Post Employment Program (PEP) Health Savings Plan (HSP) Amended and Restated Plan Document (Attachment A), effective January 1, 2012, to reflect recent legislation and contract changes; 2) ratify and approve the Amended Plan Summary to reflect legislative changes and clarifications to improve the readability of the Summary (Attachment B); 3) authorize the chairperson to sign four (4) copies of Attachment A; and 4) retain one (1) copy of the signed document and return three (3) copies of the signed documents to Human Resources for distribution.

BACKGROUND: The County of Riverside VEBA HSP was approved by the Board of Supervisors on November 26, 2002, and ratified on June 10, 2003. The VEBA HSP is designed to provide tax-free

S. Atin
Shawn Atin, Asst. Human Resources Director for
Barbara A. Olivier
Asst. County Executive Officer/Human Resources Dir.

FINANCIAL DATA	Current F.Y. Total Cost:	\$ 0	In Current Year Budget:	No
	Current F.Y. Net County Cost:	\$ 0	Budget Adjustment:	No
	Annual Net County Cost:	\$ 0	For Fiscal Year:	2011/12

SOURCE OF FUNDS: Fees are paid by Plan participants – no additional cost to the County.

Positions To Be Deleted Per A-30	<input type="checkbox"/>
Requires 4/5 Vote	<input type="checkbox"/>

C.E.O. RECOMMENDATION: APPROVE

BY: *Elizabeth J. Olson*
Elizabeth J. Olson

County Executive Office Signature

MINUTES OF THE BOARD OF SUPERVISORS

On motion of Supervisor Stone, seconded by Supervisor Ashley and duly carried, IT WAS ORDERED that the above matter is approved as recommended.

Ayes: Buster, Stone, Benoit and Ashley
Nays: None
Absent: Tavaglione
Date: March 20, 2012
xc: HR

Kecia Harper-Ihem
Clerk of the Board
BY: *Kecia Harper-Ihem*
Deputy

Prev. Agn. Ref.: 01/10/12, 3.37;
11/26/02, 3.39

District: All

Agenda Number:

3.9

ATTACHMENTS FILED

WITH THE CLERK OF THE BOARD

FORM APPROVED COUNTY COUNSEL
BY: *TAWNY V. DEU* DATE: 3-7-12
Departmental Concurrence

- Policy
- Policy
- Consent
- Consent

Dept's Recomm.:
Per Exec. Ofc.:

COUNTY OF RIVERSIDE
CALIFORNIA VOLUNTARY EMPLOYEES' BENEFICIARY ASSOCIATION
POST-EMPLOYMENT HEALTH SAVINGS PLAN
("VEBA HSP" or "Plan")

THIS PLAN is amended and restated by The County of Riverside, California ("Employer") for the benefit of its eligible Participants.

Article I.
Name, Documents & Definitions

1.1 **Name.** The name of this Plan shall be the County of Riverside, Voluntary Employees' Beneficiary Association Post-Employment Health Savings Plan ("Plan"). It is intended that the plan qualify as a Voluntary Employees' Beneficiary Association under Internal Revenue Code § 501(c)(9).

1.2 **Plan Documents.** This Plan, together with the Trust instrument, any applicable collective bargaining agreements, the Plan Summary, and the individual Enrollment Form, shall constitute the Plan documents.

1.3 **Definitions.**

1.3.1 "**Administrator**" means the County of Riverside.

1.3.2 "**Dependent**" means the Participant's spouse, dependent, or child (who as of the end of the taxable year has not attained age 27) as determined under IRC § 105(b).

1.3.3 "**Disabled**" means the Employee is eligible for California Public Employees' Retirement System disability retirement or Social Security disability payments.

1.3.4 "**Effective Date**" for this Plan document shall be January 1, 2012.

1.3.5 "**Employee**" means any current or former employee of the Employer, as defined by Treasury Regulation § 1.501(c)(9)-2(b).

1.3.6 "**Employer**" means the County of Riverside, California and, individually and collectively, any governmental entity affiliated with the County for purposes of Section 501(c)(9) of the IRC that maintains the Plan.

1.3.7 "**Enrollment Form**" means the form which may be used by the Employer when enrolling Participants.

1.3.8 "**Fiduciaries**" under this Plan are the Trustee and the Employer.

1.3.9 "**IRC**" means the Internal Revenue Code of 1986, as amended from time to time.

1.3.10 "Investment Account" means any investment account established by the Trustee to fund benefits under the Plan. The Trust's power to invest funds is described in the Trust instrument.

1.3.11 "Medical Benefits" means medical care expenses defined by IRC § 213(d) and IRC § 106(f) (for years to which IRC § 106(f) applies) and as described in Section 5.1.

1.3.12 "Participant" means a current or former Employee for whom Employer deposits have been received by the Trust and whose Participant Account has a positive balance.

1.3.13 "Participant Account" refers to the account maintained with respect to each Participant to record his/her share of the contributions of the Employer and adjustments relating thereto.

1.3.14 "Plan Year" is the calendar year except the first year for this Plan is the period from December 1, 2002 to December 31, 2002.

1.3.15 "Third-party Administrator" means an administrator appointed or contracted by the Employer from time to time to administer all or a portion of the Plan.

1.3.16 "Trust or Trust Instrument" refers to the Trust Agreement for the Voluntary Employees' Beneficiary Association Post-Employment Health Savings Plan dated December 1, 2002 and effective until December 31, 2011, and thereafter refers to the Trust Agreement for the Voluntary Employees' Beneficiary Association Post-Employment Health Savings Plan dated January 1, 2012.

1.3.17 "Trustee" refers to the bank serving as Trustee as appointed by the County of Riverside, California.

Article II. **Participation**

2.1 In General. Subject to the limitations of Section 2.2, and subject to the eligibility provisions of Employer policies and applicable collective bargaining agreements, an Employee becomes a Participant under this Plan at the time of the first Employer deposit to this Plan on behalf of the Employee.

2.2 Limitations. This Plan does not permit any condition for eligibility or benefits which would discriminate in favor of any class of Participants to the extent such discrimination is prohibited by applicable law.

2.3 Duration of Participation. Once an Employee becomes a Participant in the Plan, his/her participation shall continue as long as funds remain in his/her Participant Account.

Article III.
Funding of Benefits

3.1 **Deposits.** The Employer shall deposit to this Plan on behalf of its eligible Employees on terms pursuant to collective bargaining agreements or Employer policies, whichever is applicable. Employer deposits shall be specifically allocated to appropriate Participant Accounts for the purpose of providing for payment of the benefits described hereinafter as set forth in any applicable collective bargaining agreements or Employer policies.

Article IV.
Participant Accounts

4.1 **Participant Accounts.** Accounting records shall be maintained by the Third-party Administrator to reflect that portion of the Trust with respect to each Participant, and the contributions, income, losses, increases and decreases for expenses or benefit payments attributable to each such account. Separate investments shall not be required to be maintained with respect to separate Participant Accounts.

4.2 **Receipt of Deposits.** Deposits for any Plan Year will be credited as received by the Trustee and are to be allocated as directed by the Third-party Administrator.

4.3 **Accounting Steps.** The Third-party Administrator shall:

4.3.1 Allocate and credit any Employer deposit to this Plan that is made during the month to a Participant Account within 2 business days of receipt of such contribution.

4.3.2 At the end of each month, adjust each Participant Account upward or downward, by an amount equal to the net income or loss accrued under this Plan by the Account; and

4.3.3 At the end of each month, charge to each Participant Account applicable fees, payments or distributions attributable to the Account or which are otherwise allocable to the Account that have not been charged previously.

Article V.
Medical Benefits

5.1 **Medical Benefits.** Medical Benefits must be payment or reimbursement for medical care benefits as defined by IRC §213 and limited by IRC § 106(f) where applicable and excludable from income under IRC §105 and 106, as amended from time to time. Reimbursements are limited to medical benefits not provided by Social Security, Medicare, or any other medical insurance contract or plan, and the payments or reimbursements may not be made for items paid or payable by any other insurance contract or plan, or for expenses that are deducted by the Participant under any section of the Internal Revenue Code, or for expenses which were incurred prior to becoming a Participant of the Plan.

Notwithstanding the penultimate sentence of the immediately preceding paragraph, Medical Benefits may include the payment or reimbursement of benefits otherwise

provided under an IRC §125 plan (frequently referred to as a 'flexible spending account') covering the particular Participant, but only to the extent that such payment or reimbursement was not made by that other plan and is ineligible for payment or reimbursement from that other plan because the amount available from that plan to that Participant has been exhausted.

Participants who are covered by an IRC § 125 health care flexible spending account which provides benefits covered under this Plan must exhaust benefits under the IRC § 125 plan prior to filing a request for reimbursement of Medical Benefits under this Plan.

5.1.1 Expenses. Medical Benefits are payable for expenses incurred by the Participant or the Participant's Dependent(s).

5.1.2 Claims for Benefits. Participants may file claims for Medical Benefits incurred on or after the date the Participant has separated from service with the Employer, provided that, before any claim may be submitted for reimbursement, the Third-party Administrator has received a completed and signed Enrollment Form and any additional information that, in the discretion of the Third-party Administrator, is required or necessary for the Plan to comply with applicable law, including without limitation, the reporting requirements under Section 111 of the Medicare, Medicaid, and SCHIP Extension Act of 2007 (MMSEA). Participants who subsequently return to employment with the Employer may continue to file claims for Medical Benefits incurred on or after the date the Participant has separated from service with the Employer.

5.1.3 Payment of Benefits. Medical Benefits shall include but are not limited to Medical Benefits or premiums reimbursed directly to the participant or other person authorized pursuant to a court order or legal authorization. Reimbursements shall be made in accordance with rules and regulations established by the Third-party Administrator from time to time.

5.1.4 Dependent Medical Benefits in the Event of Death. If the Participant dies with a positive Participant Account balance, his/her surviving spouse, if any, may file claims for eligible Medical Benefits incurred by the Participant, the surviving spouse and any other Dependents. If a Participant dies without a surviving spouse and with Dependent(s), the guardian(s) of the Dependent(s) may file claims for eligible Medical Benefits on behalf of the Dependent(s). Upon the death of the last to die of the Participant, surviving spouse, or Dependent(s), the executor or administrator of the estate may file claims for any eligible Medical Benefits, after which any remaining account balance will be forfeited to the Plan.

5.2 Termination of Benefits. All benefits will terminate when the Participant's Account has no funds remaining.

Article VI. **General Provisions**

6.1 Source of Benefits. The Plan's obligation to any Participant for Medical Benefits, or to any Dependent for Medical Benefits in the event of the Participant's death under the Plan shall be limited to the balance in such Participant Account. Neither the County of Riverside,

California, its agents, officers, or employees, nor the Trustee or Third-party Administrator shall be responsible for any Medical Benefits under the Plan.

6.2 Investment of Participant Accounts. The Employer shall determine the options to be made available through the Trust for the investment of Participant Accounts, and each Participant shall elect one or more of the options. Participant elections shall be made and changed in accordance with procedures established by the Third-party Administrator and as may be amended from time to time. In the event no election has been made with respect to a Participant Account, that Account shall be invested in a default investment.

6.3 Mechanics of Payment. The Participant, or in the event of the Participant's death, a spouse or Dependent's guardian, or if no Dependent(s) remain eligible to file claims, the beneficiary determined under Section 5.1.4 may submit a request for eligible benefits to the Third-party Administrator for the Trustee:

6.3.1 To reimburse Medical Benefits for premium amounts paid to an insurance company, health maintenance organization, preferred provider organization or other eligible medical plan for qualified insurance premiums; or

6.3.2 To reimburse Medical Benefits for qualified COBRA premium payments;
or

6.3.3 To reimburse out-of-pocket Medical Benefits.

6.4 Claims Procedure. A person claiming benefits under the Plan (referred to in this Section as the "claimant") shall deliver a request for such benefit in writing to the Third-party Administrator. The Third-party Administrator shall review the claimant's request for a Plan benefit and shall thereafter notify the claimant of its decision as follows:

6.4.1 If the claimant's request for benefits is approved by the Third-party Administrator, it shall proceed to direct the Trustee with respect to the distribution of such benefits, and notify the claimant of such approval and distribute such benefits to the claimant.

6.4.2 In the event the Third-party Administrator determines that a claim is questionable, the Third-party Administrator shall within fifteen (15) days from the date the claimant's request for Plan benefits was received by the Third-party Administrator, unless special circumstances require an extension of time for reviewing said claim, provide the claimant with written notice of its need for additional information. In the event special circumstances require an extension of time for reviewing the claimant's request for benefits, the Third-party Administrator shall, prior to the expiration of the initial 15 day period referred to above, provide the claimant with written notice of the extension and of the special circumstances which require such extension and of the date by which the Third-party Administrator expects to render its decision. In no event shall such extension exceed a period of thirty (30) days from the date of the expiration of the initial period, totaling forty-five (45) days at a maximum.

6.4.3 If the claimant's request for benefits is denied, in whole or in part, by the Third-party Administrator, the Third-party Administrator shall notify the claimant of such denial and shall include in such notice, set forth in a manner calculated to be understood by the claimant, the following:

6.4.3.1 The specific reason or reasons for the denial and sufficient information to identify the claim involved, including the date of service, the health care provider, the claim amount (if applicable), and a statement describing the availability, upon request, of the diagnosis code, the treatment code, and the corresponding meaning of these codes;

6.4.3.2 Specific reference to pertinent Plan provisions or IRS rules and regulations on which the denial is based;

6.4.3.3 A description of any additional material or information necessary for the claimant to perfect the claim and an explanation of why such material or information is necessary; and

6.4.3.4 A description of available internal appeals processes, including information regarding how to initiate an appeal pursuant to Section 6.4.5 below.

6.4.4 In the event written notice of a denial of a request for benefits is not provided the claimant in the manner set forth in Section 6.4.3, the request shall be deemed denied as of the date on which the Third-party Administrator's time period for rendering its decision expires.

6.4.5 Any claimant whose request for benefits has been denied, in whole or in part, or such claimant's authorized representative, may appeal said denial of Plan benefits by submitting to the Third-party Administrator a written request for a review of such denied claim. Any such request for review must be delivered to the Third-party Administrator no later than one hundred and eighty (180) days from the date the claimant received written notification of the Third-party Administrator's initial denial of the claimant's request for benefits or from the date the claim was deemed denied, unless the Third-party Administrator, upon the written application of the claimant or his authorized representative, shall in its discretion agree in writing to an extension of said period.

6.4.6 During the period prescribed in Section 6.4.5 for filing a request for review of a denied claim, the Third-party Administrator shall permit the claimant to review pertinent documents and submit written issues and comments concerning the claimant's request for benefits.

6.4.7 Upon receiving a request by a claimant, or his authorized representative, for a review of a denied claim, the Third-party Administrator shall deliver the complete file to the Employer, who shall consider such request promptly, and shall advise the claimant of its decision within thirty (30) days from the date on which said request for review was received by the Third-party Administrator, unless special circumstances require an extension of time for reviewing said denied claim. In the event special

circumstances require an extension of time for reviewing said denied claim, the Employer shall, prior to the expiration of the initial 30-day period referred to above, provide the claimant with written notice of the extension and of the special circumstances which require such extension and of the date by which the Employer expects to render its decision. In no event shall such extension exceed a period of forty-five (45) days from the date on which the claimant's request for review was received by the Third-party Administrator. The Employer's decision shall be furnished to the claimant and shall:

6.4.7.1 Be written in a manner calculated to be understood by the claimant;

6.4.7.2 Include specific reasons for its decision and sufficient information to identify the claim involved, including the date of service, the health care provider, the claim amount (if applicable), and a statement describing the availability, upon request, of the diagnosis code, the treatment code, and the corresponding meanings of these codes; and

6.4.7.3 Include specific references to the pertinent Plan provisions or IRS rules on which the decision is based;

6.4.7.4 A description of available external review processes including information regarding how to initiate an appeal pursuant to paragraph 6.4.9 below; and

6.4.7.5 The availability of, and contact information for, an applicable office of health insurance consumer assistance or ombudsman.

6.4.8 The Employer may, in its discretion, determine that a hearing is required in order to properly consider the claimant's request for review of a denied claim. In the event the Employer determines that such hearing is required, such determination shall, in and of itself, constitute special circumstances permitting an extension of time in which to consider the claimant's request for review.

6.4.9 After exhausting the above claims procedures in full, any claimant whose request for benefits has been denied or deemed denied, in whole or in part, or such claimant's authorized representative, may file a request for an external review of such denied claim. Any such request for review must be delivered to the Third-party Administrator no later than four (4) months from the date the claimant received written notification of the Third-party Administrator's final denial of the claimant's request for benefits or from the date the claim was deemed denied. Within five (5) business days of receiving the external review request, the Third-party Administrator must complete a preliminary review to determine if the claimant was covered under the Plan, the claimant provided all the information and forms necessary to process the external review, and the claimant has exhausted the internal appeals process.

Once the review above is complete, the Third-party Administrator has one (1) business day to notify the claimant in writing of the outcome of its review. If claimant

is not eligible for external review, the notice must include contact information for Employee Benefits Security Administration of the Department of Labor. If the claimant's request for external review was incomplete, the notice must describe materials needed to complete the request and provide the later of 48 hours or the four month filing period to complete the filing.

Upon satisfaction of the above requirements, the Third-party Administrator will provide that an independent review organization (IRO) will be assigned using a method of assignment that assures the independent and impartiality of the assignment process. Claimant may submit to the IRO in writing additional information to consider when conducting the external review, and the IRO must forward any additional information submitted by the claimant to the Third-party Administrator within one (1) business day of receipt. The decision by the IRO is binding on the Plan, as well as the claimant, except to the extent other remedies are available under State or Federal law. For standard external review, the IRO must provide written notice to the Third-party Administrator and the claimant of its decision to uphold or reverse the benefit denial within no more than forty-five (45) days. An expedited external review in certain circumstances is available and the IRO must provide notice as soon as possible but no later than seventy two (72) hours after receipt of the request.

6.4.10 The claims procedures set forth in this Article 6 shall be strictly adhered to by each Claimant under this Plan, and no judicial or arbitration proceedings with respect to any claim for Plan benefits hereunder shall be commenced by any such claimant until the proceedings set forth herein have been exhausted in full.

6.5 Protected Health Information. The Plan, Trustee and Third-party Administrator shall comply with all applicable provisions of the Health Insurance Portability and Accountability Act of 1996 and the Health Information Technology for Economic and Clinical Health (HITECH) Act, enacted as part of the American Recovery and Reinvestment Act of 2009 with respect to protecting the privacy and security of protected health information.

Article VII. **Third-party Administrator**

7.1 Rights & Duties. The Employer shall enforce this Plan in accordance with its terms and shall be charged with its general administration. The Employer may delegate administrative duties to the Third-party Administrator or other designee. The Third-party Administrator shall exercise all of its discretion in a uniform, nondiscriminatory manner and shall have all necessary power and discretion to accomplish those purposes, including but not limited to the power:

7.1.1 To determine all questions relating to the eligibility of Employees to participate in the Plan.

7.1.2 To determine entitlement to benefits under the provisions of Article 6.

7.1.3 To compute and certify to the Employer the amount and kind of benefits payable to the Participants.

7.1.4 To maintain all the necessary records for the administration of this Plan other than those maintained by the Employer or the Trustee.

7.1.5 To prepare and file or distribute all reports and notices required by law.

7.1.6 To authorize all the disbursements by the Trustee from the Trust.

7.1.7 To inform the Trustee of the Participants' elections with respect to the investment of Participant Accounts.

7.1.8 To make, publish and interpret such rules for the regulation of this Plan that are not inconsistent with the terms hereof.

7.1.9 If a Third-party Administrator has been named, it shall assume and perform each and every duty and responsibility delegated to it by the Employer and Trustee.

7.2 Information. To enable the Third-party Administrator to perform its functions, the Employer shall supply it with full and timely information on all matters relating to Employer contributions with respect to Participants and the Employee's eligibility to participate in the Plan and information relative to the Employee's termination of employment. The Third-party Administrator shall maintain such information and advise the Employer of such other information as may be pertinent to the administration of the Trust.

7.2.1 The Third-party Administrator shall forward to each Participant information relative to the Participant's Account and how to request payment of benefits. The information will include a summary of the Plan, including claim procedures and forms. The Third-party Administrator shall also mail a written acknowledgement to the Participant within a reasonable amount of time after receipt of the initial deposit, acknowledging establishment of the Participant's Account, confirmation of the amount received, a description of the Plan, and a toll-free contact telephone number and e-mail address for error corrections or questions.

7.2.2 The Third-party Administrator shall mail a written statement quarterly, or at any other time upon request, which shall include the following information: Participant's name and address; deposits received and the month the amount was posted to the Participant's Account; total Participant Account value at statement date; net income or loss and applicable fees, payments or disbursements attributable or allocable to the Participant Account; all payout and disbursement amounts, ending/forward balance; e-mail address and toll-free contact telephone number for error corrections or questions regarding the statement.

7.2.3 The Third-party Administrator shall provide a monthly unaudited report to the Employer including the following: income statement, balance sheet, number of

Participant Accounts, and other such reports which are permitted by law the Employer requests and agreed to by the Third-party Administrator.

7.3 Consultants, Investment Managers, Third-party Administrators, Lawyers & Accountants. The Employer may employ such consultants, investment managers, Third-party Administrators, lawyers and accountants, as it reasonably deems necessary or useful in carrying out administration of the Plan, the cost of which shall be considered expenses of administering the Plan.

7.4 Compensation & Expenses. Consultant and investment manager expenses for the Plan may be paid by reasonable reductions of investment earnings and/or assessments from the Participants Accounts as determined by the Employer from time to time. The Employer shall be responsible for all other necessary Plan expenses including but not limited to: legal, third-party administrator, auditing, printing, postage, mail service, Trustee, bank, consultant fees not paid by reduction of investment earnings, etc.

7.5 Liability Limitation. The County of Riverside, California, its agents, officers, or employees, and the Third-party Administrator shall not be liable for the acts or omissions to act of any investment manager appointed to manage the assets of the Plan and Trust. The Employer shall not be liable for the acts or omissions to act of any investment manager appointed to manage the assets of the Plan and Trust if the Employer in appointing such manager acted with the care, skill, prudence and diligence under the circumstances then prevailing that a prudent person would use in the conduct of an enterprise of a like character and with like aims.

7.6 Notices & Directions. The address for delivery of all communications shall be: the County of Riverside, California, 4080 Lemon Street, Riverside, CA 92502-1569, marked to the attention of the Human Resources Director.

7.7 Funding Policy & Procedures. The Employer shall formulate policies, practices, and procedures to carry out the funding of the Plan, which shall be consistent with the Plan objectives and provisions required by applicable collective bargaining agreements and the provisions of applicable law.

Article VIII. **Amendment & Termination**

8.1 Permanency. It is the expectation of the Employer that this Plan will be continued indefinitely, but continuance of this Plan is not assumed as a contractual obligation of the Employer. This Plan may be amended or terminated only as provided in this Article.

8.2 Exclusive Benefit Rule. It shall be impossible for any part of the assets under this Plan to be used for, or diverted to, purposes other than the exclusive benefit of the Participants.

8.3 Amendments.

8.3.1 The Employer shall have the right to amend this Plan from time to time, and to amend or cancel any such amendments, however, if such amendment affects the Trustee's duties or liabilities, the amendment will need the Trustee's written approval.

8.3.2 Such amendments shall be as set forth in an instrument in writing executed by the Employer. Any amendment may be current, retroactive, or prospective, in each case as provided therein.

8.4 Discontinuance of Contributions. The Employer shall have the right to discontinue contributions without prior notice unless otherwise required by law.

8.5 Termination of Plan. The Employer shall have the right to terminate this Plan without prior notice unless otherwise required by law. In case of termination, the Employer shall also notify the Trustee of the Employer's decision with regard to disposition of the assets, based on the following options:

- a. A direct in-kind transfer of assets to a substantially similar IRC §501(c)(9) trust;
- b. A series of installment payments over a period of time of the assets from the Trust attributable to this Plan to another IRC §501(c)(9) trust;
- c. An immediate cash payment to another IRC §501(c)(9) trust or another program providing medical benefits for the Participants of this Plan, subject to any contractual adjustments due upon such a cash-out; or
- d. Any other method permitted by IRC §501(c)(9).

Article IX. Miscellaneous

9.1 The Trust. This Plan, the Trust, the Plan Summary, and the Enrollment Form are all parts of a single, integrated employee benefit system and shall be construed together. In the event of any conflict between the terms of this Plan, the Plan Summary, the Enrollment Form and the Trust, such conflict shall be resolved by reference to the Plan document in the following order of priority: the Plan, then the Plan Summary, then the Enrollment Form, and then the Trust. The terms of the Plan document with the higher order of priority shall control with respect to any such conflict.

9.2 Applicable Law. This Plan shall be construed, administered, and governed under the laws of the State of California. If any provision of this Plan shall be invalid or unenforceable, the remaining provisions hereof shall continue to be fully effective.

9.3 Gender & Number. Words used in the masculine shall apply to the feminine where applicable, and vice versa, and when the context requires, the plural shall be read as the singular and singular as the plural.

9.4 Headings. Headings used in this Plan are inserted for convenience of reference only, and any conflict between such headings and the text shall be resolved in favor of the text.

9.5 Unclaimed Accounts. In the event any Participant Account shall have been unclaimed for a period of at least three (3) years since the whereabouts or continued existence of

the person entitled thereto was last known to the Third-party Administrator, and the Third-party Administrator determines that the whereabouts or continued existence of such person cannot reasonably be ascertained, the remaining balance in such Participant Account shall be forfeited to the Plan, as authorized under California Code of Civil Procedure section 1521, subdivision (b) and as limited by subdivision (c) if applicable, to pay operating expenses of the Plan and the Participant Account shall terminate.

9.6 Audit and Recordkeeping. The Employer shall have the right to conduct an audit of Plan income, expenses, investments, and accounts or to have such audit conducted by an audit firm of its choosing. Similarly, Plan records shall be available for inspection and review by any regulatory agencies authorized by law to do so. The Third-party Administrator, Trustee, Employer and all persons and entities retained by any of them to perform services with respect to the Plan shall (a) cooperate with any such audit, inspection or review, and (b) retain any records within their possession pertaining to the Plan for a period of at least seven (7) years in accordance with the Plan's Document Retention and Destruction Policy, unless they first offer to turn over such records to the County of Riverside prior to disposing of such records. This Section 9.6 shall survive the termination of this document and the termination of the Plan.

9.7 Limitation on Rights. Neither the establishment of this Plan, nor any modifications or amendment thereof, nor the making of any contributions to or the payment of any benefits from the Plan shall be construed as giving any Participant, or any person whomsoever, any legal or equitable right against the Trustee, the County of Riverside, California, its agents, officers and employees.

9.8 Assignment. The interest of any Participant, Dependent or beneficiary, in the Plan or assets or Participant Account held with respect to the Plan shall not be subject to assignment or alienation, either by voluntary or involuntary act of the Participant, Dependent or beneficiary or by operation of law, and shall not be subject to assignment, attachment, execution, garnishment, or any other legal or equitable process.

9.9 Counterparts. This Plan may be adopted in an original and any number of counterparts, each of which shall be deemed to be an original of one and the same instrument. IN

[The remainder of this page was intentionally left blank.]

IN WITNESS WHEREOF, the County of Riverside, California has executed this amended and restated Plan Document on MAR 20 2012.

COUNTY OF RIVERSIDE:

By: 
Barbara A. Olivier
Asst. CEO / Human Resources Director

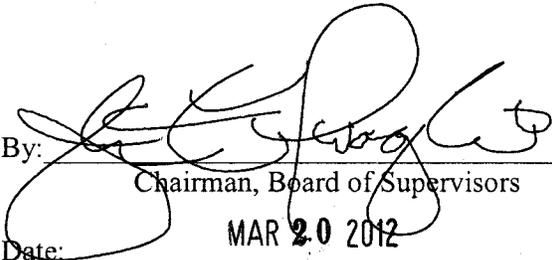
ATTEST:
Clerk of the Board
Kecia Harper-Ihem

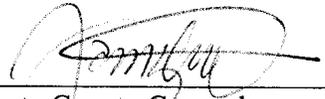
By: 
Deputy

Date: MAR 20 2012

Approved to form:

Pamela J. Walls
County Counsel

By: 
Chairman, Board of Supervisors
Date: MAR 20 2012

By: 
Deputy County Counsel

Approved as to form and content:

BY: WASHINGTON TRUST BANK,
a Washington corporation

By: 

Title: Vice President

Address: P.O. Box 2127

Spokane, WA 99210-2127