

**CALIFORNIA BANKERS ASSOCIATION EMPLOYEE  
BENEFIT PLAN**

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## **SECTION 1. INTRODUCTION AND HISTORY**

The California Bankers Association, a California non-profit mutual benefit corporation (“CBA”), sponsors an employee welfare benefit plan (the “Plan”) to provide for employees, officers, directors and certain former employees of CBA and its member and prospective member banks (“Participants”) life, health, accident, educational and other similar benefits as are available from time to time pursuant to the Plan. The Plan assets are held in the Group Insurance Plan Trust (the “Trust”) pursuant to which US Bank serves as Trustee (“Trustee”).

In January 1976, CBA by resolution of its Board of Directors, delegated its rights, liabilities, duties, and obligations under the Plan, except for the authority to terminate the Plan, to the Group Insurance Plan Committee (the “Committee”). In 2008 the CBA sought to terminate the Plan as then constituted. The Plan was revised effective September 2011 by CBA for the initial purpose of offering life and disability insurance to Participants. The Plan is hereby restated effective January 1, 2016 to provide, in addition to existing benefits, scholarship/education benefits that help advance the careers of Participants in the banking industry. Dependents are ineligible for the scholarship benefit. The provisions of this Plan shall apply with respect to any covered expenses incurred on or after the effective date of the Plan. For all purposes under the Plan, a covered expense is incurred on the date a service or supply is rendered, not on the date of onset of an illness or occurrence of an accident.

This document together with the evidences of coverage, certificates of coverage, scholarship rules, or other benefit descriptions of the Benefit Programs (hereinafter, collectively “Summary Plan Descriptions”) and the insurance policies or other contracts between the California Bankers Association Group Insurance Trust (“Trust”) and the Insurance Companies,

constitute the official plan document for California Bankers Association Group Insurance Plan (the “Plan”). The Plan is intended to provide group welfare plan benefits to Eligible Employees of Participating Employers and, as applicable, their eligible Dependents. The Plan’s scholarship/educational benefit is described in Section 4 of this document.

The terms of the Summary Plan Descriptions and the insurance policies and contracts between the Trust and the Insurance Companies under which benefits are provided, are hereby incorporated by reference and shall be an integral part of the Plan. The Summary Plan Descriptions describe the terms of coverage, including, but not limited to, eligibility, participation, commencement of participation, the covered services and supplies, exclusions, limitations on benefits, coordination of benefits, any applicable copayments or coinsurance, deductibles, out-of-pocket maximums, annual and lifetime maximum benefits, provider networks, termination of participation and coverage, continuation of coverage and conversion privileges, if any, claims and appeal procedures and rights of recovery and subrogation.

## **SECTION 2. PLAN ADMINISTRATION**

The California Bankers Association Group Insurance Plan Committee (“Committee”) is the “Plan Administrator” and the California Bankers Association is the “Plan Sponsor” as such terms are used in ERISA. The Committee, in its capacity as the Plan Administrator, is the named fiduciary which has the discretionary authority to control and manage the operation and administration of the Plan. The Committee is the named fiduciary with respect to control over or management of the assets of the Plan. The Committee shall have the full, exclusive and discretionary authority to prescribe such forms, make such rules, regulations, interpretations and computations, construe the terms of the Plan and determine all issues relating to coverage and eligibility for benefits and take such other action to administer the Plan as it may deem necessary

or appropriate in its sole discretion. The Committee's rules, regulations, interpretations, computations and actions shall be final and binding on all persons. In administering the Plan, the Committee shall at all times discharge its duties with respect to the Plan in accordance with the standards set forth in Section 404(a)(1) of ERISA.

The Committee will carry out its duties and responsibilities under the Plan through administrators that it has contracted with to perform such duties and responsibilities. The Committee, in its sole discretion, may engage other persons to render advice or to perform services with regard to its responsibilities under the Plan. These persons may include (without limitation) third party administrators, accountants, actuaries, attorneys, consultants and Claims Administrators.

The Committee may appoint and delegate to one or more individuals or entities, including but not limited to the applicable third party administrators and Claims Administrator(s), the power and duty to handle the day-to-day administration of the Plan. To the extent that the Committee delegates fiduciary functions to other persons, or such fiduciary functions are granted to such other persons under the terms of the Plan, such persons shall have the same discretionary power and authority to perform such functions as described above. The Plan Administrator and each administrator is a named fiduciary as that term is used in ERISA with respect to the particular duties and responsibilities herein provided to be allocated to each of them, respectively, or as otherwise provided pursuant to an applicable administrative services agreement or a contract with an Insurance Company.

### **SECTION 3. ELIGIBILITY AND PARTICIPATION.**

Any Eligible Employee shall become a Participant as of the later of the following: (a) the date designated in the participation agreement or enrollment documentation of the relevant

carrier for which coverage is sought; or (b) the date he or she becomes eligible to participate in the Plan.

Participation in the Plan is subject to any enrollment requirements described in the Summary Plan Descriptions and/or the provision of any forms or other information required by the Insurance Company that administers the Benefit Program. Subject to all other terms of the Plan, coverage for Eligible Employees shall terminate under the Plan or a Benefit Program upon the earliest to occur of the following: (a) the date Eligible Employee terminates employment or ceases to meet the requirements for eligibility; (b) the date after the month when the last Required Contribution, if any, is made by the Eligible Employee; (c) the date the Trust ceases to provide coverage for the class of employees to which the Eligible Employee belonged; (d) the date the Benefit Program terminates; (e) the date the Plan terminates; and (f) the date the Eligible Employee's Participating Employer ceases to participate in the Plan. Subject to all other terms of the Plan, coverage for Dependents, to the extent available, shall terminate under the Plan or a Benefit Program upon the earliest to occur of the following: (a) the date Eligible Employee's coverage terminates; (b) the date the Dependent ceases to meet the requirements for eligibility; (c) the date after the month the last Required Contribution is made on behalf of the Dependent; (d) the date the Trust ceases to provide coverage for the class of dependents to which the Dependent belonged; (e) the date the Benefit Program terminates; and (f) the date the Plan terminates.

## **SECTION 4. SCHOLARSHIP/EDUCATION BENEFIT**

### **4.1 Eligibility**

The Plan's scholarship/education benefit is available to each active full-time employee who is scheduled to work at least 30 hours per week for a Participating Employer that is a member of CBA and who is regarded as a "full-time employee" by such Participating Employer.

### **4.2 Benefit Available**

Each calendar year, the Plan will make available up to \$250,000 for eligible employees to receive eligible scholarship/education benefits consistent with the goal of fostering access to scholarships from different Participating Employers. Annual amounts may be adjusted at the Trustee's discretion. Where in a given year applications for scholarships in total or for specific scholarships exceed or are expected to exceed available funds, limits may be placed on awards to applicants from the same Participating Employer whose Participants have received prior awards. The \$250,000 annual limit applies to all eligible employees and, once allocated to eligible expenses, will cease to be available for the remainder of the applicable calendar year. For example, 50 eligible employees have applied for and received approval for \$250,000 in eligible scholarship/education expenses as of July 31, 2016 for the 2016 calendar year. As such, no further benefit will be available under the Plan for scholarship/educational expenses as of August 1, 2016. Lastly, Plan scholarship/education benefits are available to the extent funding is available as determined by the Committee in its sole discretion.

Eligible employees may apply for a scholarship/education benefit by submitting a properly completed application (and any other required documentation) to the Plan for any of the following expenses which are further described below:

- (a) Tuition for selected banking schools; or

- (b) Tuition for courses related to banking offered by an accredited educational institution; or
- (c) Fees for selected certificate programs and related preparation courses and study materials that are related to a career in the banking industry; or
- (d) Fees for selected certificated CBA training programs.

An eligible employee may apply for more than one type of scholarship/education benefit at the same time. All correspondence relating to the scholarship/education benefit, including applications for benefits, must be sent to the Plan at the following address:

California Bankers Association  
Scholarship Administration  
1303 J Street, Suite 600  
Sacramento, CA 95814  
(916) 438-4400

**Banking School Benefit:** The scholarship/education tuition benefit for selected banking schools covers fees for room and board and registration fees, where applicable. The banking school benefit is available for enrollment and attendance at the following select banking schools: Pacific Coast Banking School (University of Washington) and Stonier Graduate School of Banking (University of Pennsylvania). To apply for the banking school benefit, an eligible employee must complete and submit to the Plan: (1) a CBA Scholarship Application (contact the Plan to obtain an application or obtain from the plan's Web site at [www.calbankers.com](http://www.calbankers.com)); (2) a letter of recommendation from the applicant's bank's senior management that endorses the employee's training at the applicable banking school and request for a Plan scholarship; and (3) a personal statement. The Plan will notify the applicant of its decision. If an application is approved, the eligible employee will be eligible for payment of tuition/registration fees for the entire course of instruction subject to confirmation each year of enrollment and continued full-time employment with an eligible Participating Employer upon confirmation each year to the

Plan of continued eligibility. Note: The Plan reserves the right to review an employee's continued eligibility and entitlement to benefits for subsequent years of instruction at a banking school. Payment of approved banking benefits is not guaranteed.

To obtain a Plan benefit, approved applicants who have been successfully admitted to a banking school, must direct the school to submit a tuition fee statement to the Plan and the Plan will send the approved scholarship amount to the banking school directly. Applicants are responsible for informing the Plan if, after having commenced instruction, they are deferring instruction or will not continue. Only new applicants to a banking school whose application for a scholarship is received on or after January 1, 2016, are eligible for this scholarship benefit. A Participating Employer may have no more than one scholarship recipient (in this category) enrolled at a banking school at one time.

If an employee whose application for benefits has been approved defers instruction or discontinues training at a banking school, the employee must immediately notify the Plan.

Banking-Related Courses: The scholarship/education tuition benefit covers the tuition for an eligible employee of up to \$1,000 for any course that is: (1) related to the business of banking; (2) offered by an accredited educational institution, and (3) taken for a grade.

Examples of allowable courses for which Plan scholarship/education benefits may be available include: accounting, finance, real estate transactions, marketing, business administration, information systems, investments, financial institutions, business law, and commercial law.

While a benefit of up to \$1,000 is available for a covered course, an approved benefit may be reduced or an otherwise eligible course may be rejected, if the Plan later determines that the

course curriculum or institution does not meet college-level standards. The banking-related course benefit does not include the costs for books or other related fees or expenses.

To apply for the banking-related course tuition benefit, an eligible employee must complete and submit a CBA Scholarship Application (contact the Plan to obtain an application or obtain from its Web site at [www.calbankers.com](http://www.calbankers.com)) to the Plan. Benefits are limited to enrollment in one course at a time. Furthermore, if an employee fails to complete a course for which a scholarship/education benefit had been awarded or receives a failing grade for a course, the employee will not be eligible for future scholarship/education benefit unless the coursework was not completed because of the employee's illness or other extenuating circumstance. (Note: If an employee's coursework is interrupted because of illness or other extenuating circumstance and, as a consequence, the course will not be completed, the employee must immediately notify the Plan.)

To obtain a Plan benefit, approved applicants must direct the educational institution to submit a tuition fee statement to the Plan and the Plan will send the approved scholarship amount to the educational institution directly with evidence of payment furnished to the applicant. Note: The Plan will provide notice of any reimbursement to each eligible employee's Participating Employer bank.

Professional Certification: The scholarship/education tuition benefit covers the tuition and related costs for an eligible employee to obtain the following professional certificates:

(1) **Institute of Certified Bankers Certified Regulatory Compliance Manager (CRCM) certification.** The scholarship covers the cost of the online preparation course (but not the live in-person review course), review materials, and examination fee. A

scholarship recipient is permitted to apply the online preparation course portion of the award toward the cost of the in-person course.

(2) Institute of Certified Bankers Certified Trust and Financial Advisor (CTFA) certification. The scholarship covers the cost of the online preparation course (but not the live in-person review course), review materials, and examination fee. A scholarship recipient is permitted to apply the online preparation course portion of the award toward the cost of the in-person course.

(3) ACAMS Certified Anti-Money Laundering Specialist certification or CAMS. Applicants are responsible for satisfying the requirements necessary to become eligible to take the appropriate examination. Upon receipt of a completed scholarship application, CBA will send approved scholarship amounts directly to the provider. Evidence of payment will be furnished to the applicant and to the bank's HR officer. This scholarship is not available for the cost of retaking an examination following a failure to pass a scholarship-supported examination.

(4) CBA Certificated Training Programs. The scholarship is available to pay for registration fees for selected CBA training programs, currently Safety and Soundness, and Bank Secrecy Act/Anti-Money Laundering—the scholarship covers the registration fee to these certificated in-person training courses in the amount of the member (early bird) registration rate. Applicants must submit a scholarship application together with the program registration. Scholarship funds for this category will be allotted to cover anticipated member registrations.

## **SECTION 5. CLAIMS ADMINISTRATION.**

The Committee shall appoint one or more Claims Administrator(s) (which may include Insurance Companies) which shall be responsible for paying benefits in accordance with the terms of the insurance policies or contracts for the Benefit Programs which govern the provision of those benefits and for performing the other duties of a Claims Administrator. A Claims Administrator has been appointed to administer the scholarship/education benefit described in Section 4, including the sole discretion to determine claims and any appeal of any denied claim.

## **SECTION 6. FUNDING POLICY AND METHOD OF PAYMENT.**

### **6.1 Cost of Coverage.**

Premiums for the insured Benefit Programs shall be determined by the Insurance Companies. The cost of coverage under each of the programs offered under this Plan will be paid either by the Eligible Employee, eligible Dependent or by the Trust or will be shared by the Participating Employers and the Eligible Employee or Dependent as described in the enrollment materials and other related communications provided to Eligible Employees by the Trust or Participating Employer. The Plan's scholarship/educational benefit is determined solely by the Committee and is paid by the Trust.

### **6.2 Amount of Participating Employer and Participant Contributions.**

Participating Employers are required to make monthly contributions to the Plan for certain benefits. Participants may also be required to pay a share of the monthly contributions to the Plan for certain benefits. These contributions are referred to as "Required Contributions" and the amount shall be determined from time to time by the Committee in its sole discretion and may vary between different Participants as determined by the Trust in its sole discretion. The Trust's objective in determining the amount of Required Contributions shall be to provide

sufficient funds to cover the projected cost of benefits, premiums and administrative expenses of the Plan (as determined by the Committee).

Factors that the Committee may consider in exercising such discretion include, but are not limited to, the particular plan or program with respect to which there is coverage, the projected cost of administrative fees and benefits or premiums under such Benefit Program, the prior claims experience of such Benefit Program, including the predecessor versions of such Benefit Program or the Plan, the amount of Participating Employer Contributions to the Plan, the number of Dependents for whom coverage is elected, the location of the Participant's employment or residence, and whether the Participant (or covered Dependent) is receiving regular coverage or continued coverage under COBRA or any state mandated continuation coverage, if applicable. Any change in the amount of Required Contributions shall be communicated to Participating Employers and Participants.

#### 6.3 Collection of Required Contributions.

The Trust will inform Participating Employers and Participants of the amount of Required Contributions, and such Participating Employer or Participant, as applicable, must remit funds for the required amount to the Trust each month. Required Contributions are due before the first day of the calendar month for which coverage is to be in effect. To the extent Required Contributions are due and unpaid, coverage will be terminated as of the last day for which Required Contributions have been paid. The Plan's scholarship/educational benefit currently does not require any contribution from any Participating Employer or Participant.

#### 6.4 Funding Policy and Method of Payment.

All Required Contributions are deposited in the Trust and, together with the income gains and losses therefrom, will be held in the Trust and used to pay premiums to an Insurance

Company for insured benefits and to the applicable education providers or Participants, as applicable for the Plan's scholarship/educational benefit, other eligible benefits or the reasonable administrative expenses of the Plan.

Except as otherwise provided herein, the Trust will make payments to the Insurance Companies for the Benefit Programs sufficient to meet current premiums, benefits and administrative expenses of the Plan.

#### 6.5 Payment of Benefits.

The Trust, in its sole and absolute discretion, may enter into Insurance Contracts with one or more Insurance Companies pursuant to which any or all of the benefits provided by the Plan shall be insured.

The benefits provided hereunder will be paid pursuant to the applicable Insurance Contract or in accordance with the terms and conditions of the documents governing any self-funded benefit, as applicable.

Premiums and any self-funded benefit (i.e., the Plan's scholarship/educational benefit) shall be paid from the Trust. Nothing herein will be construed to require the Trust to maintain any fund or segregate any amount for the benefit of any Retiree or Dependent, and no person shall have any claim against, right to, or security or other interest in any fund, account or asset of the Trust from which any payment under the Plan may be made. The Trust shall have no obligation to pay premiums or to provide benefits under the Plan to the extent Required Contributions or the assets of the Trust are insufficient. The Insurance Companies will be responsible for the processing of claims and the disbursement of insured benefits pursuant to the applicable Insurance Contract entered into with the Trust. The Committee or its delegated

Claims Administrator will be responsible for the processing of claims and the disbursement of the Plan's self-funded scholarship/educational benefit.

**SECTION 7. COORDINATION OF BENEFITS.**

If an individual is covered under this Plan is also covered under one or more health plans which provides medical benefits or services on an insured or self-funded basis, then the benefits payable with respect to that individual under this Plan are subject to reduction so that the sum of the benefits payable under this Plan and all other health plans will not exceed the total benefits which would be payable under this Plan without regard to such other health plans. The benefits under this Plan will be determined according to the coordination of benefits provisions described in the evidence of coverage issued by the applicable Insurance Company, as applicable.

**SECTION 8. RECOVERY OF OVERPAYMENTS AND THIRD PARTY RESPONSIBILITY.**

All benefits available under this Plan are subject to the rights of the Plan and the Claims Administrators to recover any overpayments and to the Plan's and Claims Administrators' rights of reimbursement and subrogation for claims which relate to injuries or illnesses caused by third parties. The benefits under this Plan will be determined according to the recovery of overpayment and third party responsibility provisions described in the evidence of coverage or certificate of coverage of the Benefit Programs.

**SECTION 9. ASSIGNMENT OR ALIENATION OF BENEFITS.**

Subject to any written direction of a Participant, all or a portion of any benefits provided by any Benefit Program contained in this Plan, may, at the option of such Benefit Program and unless the Participant requests otherwise in writing, be paid directly to the person rendering the

service. Any payment made by a Benefit Program in good faith pursuant to this provision shall fully discharge the Plan and the Trust to the extent of such payment. To the extent benefits are health plan benefits, such benefits may be assigned to an alternate recipient pursuant to a Qualified Medical Child Support Order (“QMCSO”) or a National Medical Support Notice which is deemed to be a QMCSO. The Plan’s scholarship/educational benefit (or any right under applicable law that may be associated with such benefit) are not assignable under any circumstance (note: the payment of a claim to a provider does not constitute an “assignment”). Except as expressly provided in this Section 9, assignment or alienation of any benefits under the Plan will not be permitted or recognized.

#### **SECTION 10. FACILITY OF PAYMENT.**

If any benefits of this Plan are payable to the estate of a Participant or to a Dependent who is a minor or otherwise not competent to give a valid release, the Plan may pay such benefits to any relative or other person or persons whom the Plan determines to have accepted competent responsibility for the care of such Participant or Dependent or the administration of the Participant’s estate. Any payment made by the Plan in good faith pursuant to this provision shall fully discharge the Plan and the Trust to the extent of such payment.

#### **SECTION 11. BENEFIT CLAIMS AND REVIEW PROCEDURES.**

The claims and review procedures applicable to each Benefit Program are described in the applicable Summary Plan Description unless otherwise stated herein. No civil action under section 502(a) of ERISA may be brought for Plan benefits unless the claimant has first exhausted the administrative remedies described in the applicable Summary Plan Description. Any such action must be brought within the period described in the Summary Plan Description or within

three years of the date of the adverse benefit determination on appeal if the Summary Plan Description is silent.

The following claims and appeals procedure applies to the Plan's scholarship/education benefit described in Section 4. To file a claim, the substance of the claim must be submitted to the Plan at California Bankers Association, Scholarship Administration, 1303 J Street, Suite 600, Sacramento, CA 95814.

#### **11.1 If Your Claim Is Denied**

If the Plan denies an employee's claim for scholarship/education benefits, in whole or in part, a notice of the denial and an explanation of the Plan's appeal process will be provided to the employee.

The denial notice will include:

- Specific reason(s) for the denial;
  - Specific references to Plan provisions on which the denial is based;
  - A description of any additional material or information necessary to complete the application and an explanation of why the material or information is necessary;
  - A statement that copies of (or reasonable access to) all documents, records and other information relevant to the claim will be provided, upon request, and free-of-charge;
- and
- An explanation of the procedure for appealing the adverse benefit determination.

## 11.2 Filing an Appeal

If a claimant does not agree with the claims decision, he or she may request a review of the decision within 60 days of the date of the notice of the claim denial. The request must state all the reasons why the benefits should be paid, including any documents, records or other information relevant to or that support the claim. A claimant may obtain reasonable access to, or copies of, all documents and information relevant to his claim free of charge, subject to any legal privilege.

If the original denial is upheld, a written notice stating the following will be provided to the claimant within 60 days after the Plan's receipt of claim, unless an extension of up to 60 days is necessary due to matters beyond the control of the Claims Administrator.

Notice of any extension will be provided before the end of the initial 60-day period. :

- Specific reason(s) for the denial.
- Specific references to plan provisions on which the denial is based.
- A statement that copies of (or reasonable access to) all documents, records and other information relevant to the claim will be provided, upon request, and free-of-charge; and
- A statement regarding the right to bring an action under Section 502(a) under the Employee Retirement Income Security Act of 1974 (ERISA).

**SECTION 12. AMENDMENT AND TERMINATION.**

12.1 Right to Amend or Terminate.

The Committee reserves the right at any time, in its sole discretion, to amend the provisions of the Plan or any welfare plan benefit offered under this Plan to any extent (for example, in whole or in part) and in any manner it shall deem advisable, or terminate any welfare benefit offered under this Plan at any time without liability, including amendments to, or termination of, benefits in pay status under the Plan, or any welfare plan benefit offered under this Plan, by a written instrument signed by the Committee. Notwithstanding the foregoing, the CBA has the sole and exclusive right to terminate the Plan.

12.2 Effect of Amendment or Termination.

Any amendment or termination of the Plan will not affect any payment of a Covered Expense (as defined in the particular Summary Plan Description) incurred by a Participant before the effective date of such amendment or termination. Should the Plan be terminated, upon the satisfaction of all benefit liabilities and expenses of the Plan, any assets remaining shall be disposed of in accordance with the determination of CBA in any lawful manner, to include without limitation, distribution of all or part of any remaining assets to an exempt entity established for the benefit of the members of CBA.

## **SECTION 13. GENERAL PROVISIONS.**

### **13.1 Governing Law.**

This Plan shall be construed and enforced in accordance with ERISA and, to the extent not preempted by ERISA, in accordance with the law of the State of California.

### **13.2 Proof of Age, Financial Support and Marital or Domestic Partnership Status.**

The Trust may require Participants and their spouses or Domestic Partners to furnish satisfactory proof of marital or Domestic Partnership status, as applicable, as a condition of enrolling and maintaining coverage of such Dependents under the Plan.

### **13.3 Workers' Compensation.**

The Plan is not in lieu of, and does not affect any requirement for coverage by Workers' Compensation Insurance.

### **13.4 No Guarantee of Tax Consequences.**

The Plan Administrator does not make any commitment or guarantee that any amounts paid to or for the benefit of any person under the Plan will be excludable from that person's gross income for federal, state, and/or local income tax purposes, or that any other federal, state, or local tax treatment will apply or be available to any person. *It is the obligation of each person to determine whether any payment under the Plan is excludable from gross income for federal, state, and/or local income tax purposes.*

### **13.5 Employment Rights.**

Nothing in the Plan shall be deemed to give any person any right to remain in the employ of a Participating Employer or to affect the right of the Participating Employer to terminate the employment of any person at any time with or without cause, which right is hereby reserved.

### 13.6 Statement of ERISA Rights

As a participant in the CBA Employee Benefit Plan, you are entitled to certain rights and protections under the Employee Retirement Income Security Act of 1974 (“ERISA”). ERISA provides that all Benefit Trust Fund participants shall be entitled to:

**Receive Information About Your Plan and Benefits.** Examine, without charge, at the trust administration office, all documents governing the plan, including insurance contracts and collective bargaining agreements and a copy of the latest annual report (Form 5500 series) filed by the plan with the U.S. Department of Labor and available at the Public Disclosure Room of the Employee Benefits Security Administration.

Obtain upon written request to the trust administrator, copies of documents governing the operation of the plan, including insurance contracts and collective bargaining agreements, and copies of the latest annual report (Form 5500 Series) and updated summary plan description. The administrator may make a reasonable charge for the copies.

**Receive a summary of the plan’s annual financial report.** The plan administrator is required by law to furnish each participant with a copy of the summary annual report.

**Prudent Actions by Plan Fiduciaries.** In addition to creating rights for plan participants, ERISA imposes duties upon the people who are responsible for the operation of the employee benefit plan. The people who create your plan, called “fiduciaries” of the plan, have a duty to do so prudently and in the interest of you and other plan participants and beneficiaries. No one, including your employer, your union, or any other person, may fire you or otherwise discriminate against you in any way to prevent you from obtaining a welfare benefit or exercising your rights under ERISA.

**Enforce Your Rights.** If your claim for a welfare benefit is denied in whole or in part you must receive a written explanation of the reason for the denial. You have the right to have the plan review and reconsider your claim. Under ERISA, there are steps you can take to enforce the above rights. For instance, if you request materials from the plan and do not receive them within 30 days, you may file suit in Federal Court. In such case, the Court may require the plan administrator to provide the materials and pay up to \$110 per day until you receive the materials, unless the materials were not sent because of reasons beyond the control of the administrator. If you have a claim for benefits which is denied or ignored, in whole or in part, you may file suit in a State or Federal Court. If it should happen that plan fiduciaries misuse the plan's money, or if you are discriminated against for asserting your rights, you may seek assistance from the U.S. Department of Labor, or you may file suit in a Federal Court. The Court will decide who should pay court costs and legal fees. If you are successful, the Court may order the person you have sued to pay these costs and fees. If you lose, the Court may order you to pay these costs and fees, for example, if it finds your claim is frivolous.

**Assistance with Your Questions.** If you have any questions about your plan, you should contact the plan administrator. If you have any questions about this statement or about your rights under ERISA, you should contact the nearest office of the Employee Benefits Security Administration, U.S. Department of Labor, listed in your telephone directory or the Division of Technical Assistance and Inquiries, Employee Benefits Security Administration, U.S. Department of Labor, 200 Constitution Avenue N.W., Washington, D.C. 20210. You may also obtain certain publications about your rights and responsibilities under ERISA by calling the publications hotline of the Employee Benefits Security Administration.

**SECTION 14. COMPLIANCE WITH OTHER APPLICABLE LAWS.**

14.1 COBRA Continuation Coverage.

A plan or program providing medical care (as defined in Code section 213(d)) offered through this Plan may constitute a group health plan within the meaning of Code section 5000(b)(1). Any plan or program sponsored by the Trust providing medical care which is offered through this Plan shall, if applicable, contain provisions complying with the COBRA continuation coverage requirements of Code section 4980B. Such provisions for continuation coverage as set forth in such plans or programs, if any, are hereby incorporated by reference into this Plan.

14.2 Medicare. Any plan or program sponsored by the Trust providing medical care which is offered through this Plan shall, if applicable, contain provisions complying with the Medicare secondary payer rules of 42 U.S.C. section 1395y and any regulations issued pursuant thereto. Such provisions for Medicare secondary payer rules as set forth in such plans or programs, if any, are hereby incorporated by reference into this Plan. Notwithstanding the foregoing, as this Plan is generally designed to cover retirees and their eligible dependents only and no current employees, this Plan shall generally be considered the secondary payer with respect to those individuals who are eligible for Medicare, irrespective of whether such individual is actually enrolled in Medicare, and Medicare shall generally be considered the primary payer.

**SECTION 15. DEFINITIONS.**

The terms and phrases in this Section 14 shall have the following meanings when used in this Plan unless a different meaning is clearly required by the context. Masculine pronouns include the feminine, plural nouns include the singular, and singular nouns include the plural

except where the context indicates otherwise.

15.1 Benefit Program. Any of the welfare benefit programs that the CBA may adopt from time to time.

15.2 Claims Administrator. An Insurance Company, or a firm that is not an insurance company, which regularly engages in the business of providing claims administration, adjustment and payment and claim review services to employee welfare benefit plans.

15.3 Code. The Internal Revenue Code of 1986, as amended from time to time.

15.4 Trust. The California Bankers Association Group Insurance Trust.

15.5 Dependent. The term dependent shall have the meaning set forth in the applicable Summary Plan Description for each Benefit Program offered under the Plan.

15.6 Eligible Employee. The term Eligible Employee is an Employee of a Participating Employer who meets the criteria for coverage as described in the applicable Summary Plan Description for each Benefit Program offered under the Plan and as reported by the Participating Employer to the Trust to be an “Eligible Employee” or such equivalent designation. “Eligible Employee” for purposes of the Plan’s scholarship/education benefit is described in Section 4 of this Plan.

Notwithstanding the foregoing, an individual’s status as an Eligible Employee shall be determined by the Trust, its subsidiaries or affiliates and all such determinations shall be conclusive and binding on all persons.

15.7 Employee. Any person employed by a Participating Employer.

15.8 ERISA. The Employee Retirement Income Security Act of 1974, as amended from time to time.

15.9 Insurance Company. Insurance Company qualified to engage in the business of

insurance in at least one state of the United States, and which is permitted by ERISA to hold assets of an employee benefit plan, free of trust.

15.10 Participant. An Eligible Employee and such Eligible Employee's Dependents who participate in one or more of the Benefit Programs contained in this Plan.

15.11 Participating Employer. A bank that is a member or prospective member in good standing of the California Bankers Association and that has entered into a valid and current participation agreement providing for participation by the Participating Employer's employees in the Plan.

15.12 Plan. The California Bankers Association Employee Benefit Plan as set forth herein.

15.13 Plan Year. The 12 consecutive month period beginning January 1 and ending December 31.

**SECTION 16. EXECUTION.**

IN WITNESS WHEREOF, this Plan to be executed as of \_\_\_\_\_.

**CALIFORNIA BANKERS ASSOCIATION**

By: \_\_\_\_\_

Its: \_\_\_\_\_

**APPENDIX A**  
**BENEFIT PROGRAMS**

**Group Life Insurance Program**

Group Short and Long-Term Disability Benefit Program

Scholarship/Educational Benefit Program

