

**ADOPTION AGREEMENT**  
**FOR**  
**EMERITI RETIREE HEALTH MODEL PLAN**  
**MAY 20, 2016 AMENDMENT**



**ADOPTION AGREEMENT  
EMERITI RETIREE HEALTH MODEL PLAN  
MAY 20, 2016 AMENDMENT**

The Adoption Agreement, Emeriti Health Model Plan, for Saint Mary's College of California, is amended to read as follows effective as of May 20, 2016.

**I. Basic Plan Information.**

- A. The name of the adopting Plan Sponsor (i.e., the Member Organization under the Emeriti Program Membership Contract) is:

*Saint Mary's College of California*

- B. The Plan Sponsor's Federal "Employer Identification Number" is  
**94-1156599**

- C. The name of the Plan shall be the **Emeriti Retiree Health Plan for Saint Mary's College of California** (hereinafter referred to as the "Plan"). Capitalized terms in this Adoption Agreement shall have the meaning specified in the Plan unless otherwise expressly indicated.

- D. The Effective Date of the Sponsor's Plan shall be:

**July 1, 2007**

The corresponding start dates of the component parts of the Plan shall be:

1. **July 1, 2007 (according to Section IV, below)**  
*(Start Date) Employer Contributions to the VEBA Trust Account*
2. **The later of July 1, 2007 or the date on which there are 50 employees eligible to make contributions to the Plan (according to Section V, below)**  
*(Start Date) Employee After-Tax Contributions to the VEBA Trust Account*
3. **January 1, 2008 (according to Schedule E, below)**  
*(Start Date) Current retired employees in the Emeriti Health Insurance Plan Options*
4. **July 1, 2007 (according to Schedule D, below)**  
*(Start Date) Future Age-In Retirees Eligible for the Emeriti Health Insurance*

E. The three-digit Plan Identification Number shall be:

**625**

*(the number should be 501 or higher based upon the Plan Sponsor's currently assigned plan identification numbers for its health and welfare benefit plans).*

F. In order for this Adoption Agreement to be effective, the Plan Sponsor and any Participating Affiliates must each be recognized by the Internal Revenue Service as an organization exempt from federal tax under Section 501(c)(3) of the Internal Revenue Code.

G.

**Please enclose proof** of the Plan Sponsor's and any Participating Affiliate's 501(c)(3) status with this Adoption Agreement.

**II. Participating Affiliates.** The definition of "Employer" under the Plan includes the Plan Sponsor and any Participating Affiliates.

**DEFAULT ELECTION:**

The default election under the Plan is that no organization or other entity that is under "common control" with the Plan Sponsor (as determined by the Plan Sponsor in accordance with Section 414(c) of the Internal Revenue Code and any applicable Internal Revenue Service guidance thereunder) shall participate in this Plan as a Participating Affiliate.

In lieu of the default election, the Plan Sponsor may elect to permit some or all Internal Revenue Code Section 501(c)(3) organizations with which it is under common control to participate as Participating Affiliates under this Plan as follows:

**OPTIONAL ELECTION:** *(check if elected):*

The Plan Sponsor elects to include under this Plan the Participating Affiliates listed on Schedule F, which shall each be considered an Employer under the Plan. The Plan Sponsor warrants that it has determined with its independent counsel that the Plan Sponsor and such Participating Affiliates are under "common control" within the meaning of Section 414(c) of Internal Revenue Code and any applicable Internal Revenue Service guidance thereunder. The Plan Sponsor assumes full responsibility for such designation

***Note: The Plan Sponsor must enclose proof of any Participating Affiliate's tax-exempt status under Section 501(c)(3) of the Internal Revenue Code.***

**III. Participant/Dependent Eligibility.**

- A. Employees. Eligible Employees may become Participants in the Plan if they meet the requirements of Section 2.10 of the Plan, subject to the following exclusions.

**DEFAULT ELECTION:**

X

The default election under the Plan is that all Employees who are at least age twenty one (21) shall be Eligible Employees. Notwithstanding the default election, the Plan Sponsor may elect to exclude certain classes of Employees as follows

**OPTIONAL ELECTION:** The Plan Sponsor elects to exclude the following classes of Employees from the definition of Eligible Employee *(if elected, check all that apply)*:

Employees who have not completed the following number of years of service:

1 year;

2 years; or

3 years.

Employees included in a unit of Employees covered by a collective bargaining agreement between the Employer and Employee representatives, if retiree health benefits were the subject of good faith bargaining.

X

Employees hired on a seasonal basis

X

Employees regularly scheduled to perform less than twenty (20) Hours of Service per week. The term "Hour of Service" means each hour worked by a Participant for which he or she is directly or indirectly paid or entitled to payment by the Employer as an Employee. This exclusion shall not apply to Employees employed under a Services Agreement for the Phased Retirement Program.

With respect to Employer Contributions, any Employee who is a “key employee” as defined in Section 416(i) of the Internal Revenue Code

Other excluded classes (if elected, please **complete Schedule A** of this Adoption Agreement).

*Note: If “Other” is selected, the Plan Sponsor represents that it has consulted with its own legal counsel, has performed necessary nondiscrimination testing at its own expense, will perform additional tests as required on an ongoing basis, and assumes full responsibility for its exclusion elections.*

- B. Dependents. The Plan Sponsor’s election regarding which of the Participant’s dependents to cover under the Plan affects which dependents of the Participant are eligible for Health Insurance Coverage and Reimbursement Benefits (though it does not directly correlate to the amount of Employer Contributions).

*Note: Note that Dependent Relatives can only be eligible for Reimbursement Benefits and not Health Insurance Coverage.*

**DEFAULT ELECTION:**

The default election under the Plan is that the Plan permits coverage of the Spouse and any Dependent Child of the Participant, provided they meet all applicable eligibility requirements and are properly designated by the Participant. In addition to the default election, the Plan Sponsor may elect to permit coverage of certain other family members of the Participant as follows:

**OPTIONAL ELECTION:** The Plan Sponsor elects that the Plan will also permit coverage for the following family members of a Participant, provided they meet all applicable eligibility requirements and are properly designated by the Participant (*if elected, check one or both*):

Domestic Partners (*if elected, check only one*):

Same-sex Domestic Partners only

Opposite-sex Domestic Partners only

Same-sex and opposite-sex Domestic Partners of Eligible Employees provided they are registered as a domestic partnership under California Family Code Section 297 (“Registered Domestic Partners”). A Registered Domestic Partner may be either a Dependent Domestic Partner or an Independent Domestic Partner under the Plan. Domestic partners who are not Registered Domestic Partners or who are not eligible to become Registered Domestic Partners are not eligible for benefits under the Plan.

Dependent Relatives

*Note: The definitions of Spouse, Dependent Child, Domestic Partner, and Dependent Relative are found in Article II of the Plan. The Participant is required to properly designate dependents with the Record Keeper in order for them to be eligible for benefits under the Plan.*

#### IV. Employer Contributions.

*The Plan Sponsor must execute an Employer-Contribution VEBA Trust Agreement with Fidelity Management Trust Company.*

##### A. Commencement of Employer Contributions.

###### **DEFAULT ELECTION:**

The default election under the Plan is that, once an Employee is hired, the Employer will commence making Employer Contributions to the Plan on behalf of such Employee on the date he or she becomes an Eligible Employee.

In lieu of the default election, the Plan Sponsor may elect that Employer Contributions will commence based upon an attained age as follows:

###### **OPTIONAL ELECTION:** *(check if elected):*

The Plan Sponsor elects that, once an Employee is hired, the Employer will commence making Employer Contributions to the Plan on behalf of such Employee on the later of the date he or she becomes an Eligible Employee and attains age

**40**

*(must be no greater than age 40).*

*Note: If Employer Contributions will commence based upon age (the optional election), the Plan Sponsor represents that it has consulted with its own legal counsel, has performed necessary nondiscrimination testing at its own expense, will perform additional tests as required on an ongoing basis, and assumes full responsibility for its election.*

B. Cessation of Employer Contributions.

**DEFAULT ELECTION:**

The default election under the Plan is that the Employer will cease making Employer Contributions to a Participant's Employer-Contribution Account as of the date the Participant ceases to be employed by the Employer.

In lieu of the default election, the Plan Sponsor may elect that the Employer will cease making Employer Contributions at a different time as follows:

**OPTIONAL ELECTION:** The Plan Sponsor elects that (*if elected, check only one*):

The Employer will cease making Employer Contributions to a Participant's Employer-Contribution Account as of the date when the Employer has made Employer Contributions to the Participant's Employer-Contribution Account for

***25 Years (600 semimonthly or bi-weekly payroll periods);***

provided, however that Employer Contributions will cease immediately if the Participant ceases to be an Eligible Employee employed by the Employer or if the Participant dies.

The Employer will cease making Employer Contributions to a Participant's Employer-Contribution Account as described in the previous check box. However, if a Participant ceases to be employed by the Employer after having satisfied the criteria for Retirement Eligibility, the Employer will continue making Employer Contributions until expiration of the maximum number of years stated in the previous check box (except in the event of the Participant's death). ***Note: Selecting this check box will result in post-employment Employer Contributions***

C. Formula for Employer Contributions.

Please **complete Schedule B** of this Adoption Agreement to establish the formula for Employer Contributions (*required*).

*Note: If the formula for Employer Contributions varies by class of employees, the Plan Sponsor represents that it has consulted with its own legal counsel, has performed necessary nondiscrimination testing at its own expense, will perform additional tests as required on an ongoing basis, and assumes full responsibility for its Employer Contribution design.*

D. Leaves of Absence.

The Employer is required to make Employer Contributions to the Plan on behalf of any Participant who for the Payroll Period is on a paid Authorized Leave of Absence, paid vacation, paid holiday, or regularly scheduled paid or unpaid summer absence.

The Employer is not required to make Employer Contributions to the Plan on behalf of any Participant who for the Payroll Period is absent from work for any other reason, except that the Plan Sponsor may elect whether Employer Contributions will be made in the case of any unpaid Authorized Leave of Absence (e.g., extended leave without pay with the expectation that the Employee will return).

**DEFAULT ELECTION:**

X

The default election under the Plan is that the Employer will not make Employer Contributions to the Plan on behalf of any Participant who for the Payroll Period is on an unpaid Authorized Leave of Absence. In lieu of the default election, the Plan Sponsor may elect that the Employer will make such contributions as follows:

**OPTIONAL ELECTION:** (*check if elected*):

The Plan Sponsor elects that the Employer will make Employer Contributions to the Plan on behalf of any Participant who for the Payroll Period is on an unpaid Authorized Leave of Absence.

E. Additional Conditions Regarding Employer Contributions.

Please **describe in Schedule C** of this Adoption Agreement any additional conditions affecting Employer Contributions (*optional*).

*Note: With respect to any additional conditions, the Plan Sponsor represents that it has consulted with its own legal counsel, has performed necessary nondiscrimination testing at its own expense, will perform additional tests as*

*required on an ongoing basis, and assumes full responsibility for its Employer Contribution design.*

**V. Voluntary Employee After-Tax Contributions.**

A. Right to Make Employee After-Tax Contributions.

**DEFAULT ELECTION:**

X

The default election under the Plan is that the Plan will permit voluntary Employee After-Tax Contributions (*the Plan Sponsor must execute the Employee After-Tax Contribution VEBA Trust Agreement with Fidelity Management Trust Company*).

In lieu of the default election, the Plan Sponsor may elect to not permit Employee After-Tax Contributions as follows:

**OPTIONAL ELECTION:** (*check if elected*):

The Plan Sponsor elects that the Plan will not permit voluntary Employee After-Tax Contributions.

*Note: Due to restrictions under the Internal Revenue Code, a Plan Sponsor whose Plan would have less than 50 employees eligible to make contributions to their accounts in the Employee After-Tax Contribution VEBA cannot permit Employee After-Tax Contributions and should check the foregoing box; such plans will consist of an Employer-Contribution VEBA only.*

B. Form of Employee After-Tax Contributions. During employment, voluntary Employee After-Tax Contributions are made by after-tax payroll deduction.

**DEFAULT ELECTION:**

The default election under the Plan is that the amount of after-tax payroll deductions is determined as a percentage of W-2 wages on an after-tax basis (“Compensation”), based on the Participant’s election in specific multiples of one percent (1%).

In lieu of the default election, the Plan Sponsor may elect to permit after-tax payroll deductions to be made as follows:

**OPTIONAL ELECTION:** *(if elected, check only one):*

The Plan Sponsor elects the default election but limits the percentage of Compensation to

\_\_\_\_\_ % *(enter a whole number)* of Compensation.

***Minimum contribution of \$10.00 per pay period.***

The Plan Sponsor elects to limit the method for Participants to make after-tax payroll deductions to specific whole dollar amounts (e.g., \$50 per payroll period).

**VI. Right to Use Accounts Upon Cessation of Employment (*Avoiding Forfeiture of Accounts Upon Cessation of Employment*).**

A. Employee After-Tax Contributions.

A Participant shall not have to satisfy any requirements in order to avoid forfeiture of his or her Employee After-Tax Contribution Account upon ceasing employment with the Employer. ***Note: This preserves the Participant's Employee After-Tax Contribution Account to be used for Reimbursement Benefits even if he or she fails to qualify for Health Insurance Coverage under the Plan.***

B. Employer Contributions.

**DEFAULT ELECTION:**

The default election under the Plan is that a Participant shall not have to satisfy any requirements to avoid forfeiture of his or her Employer-Contribution Account upon ceasing employment with the Employer. ***Note: This preserves the Participant's Employer-Contribution Account to be used for Reimbursement Benefits even if he or she fails to qualify for Health Insurance Coverage under the Plan.***

In lieu of the default election, the Plan Sponsor may elect to subject each Participant's Employer-Contribution Account to the following:

**OPTIONAL ELECTION:** The Plan Sponsor elects that (*check if elected*):

X

A Participant who has satisfied the standard for “Retirement Eligibility” (see Section VII of the Adoption Agreement below) will avoid forfeiture of his or her Employer-Contribution Account upon cessation of employment. If a Participant has not satisfied the standard for Retirement Eligibility, the Participant will avoid forfeiture of his or her Employer-Contribution Account upon cessation of employment with the Employer only if he or she has performed at least

5

Years of Continuous Service (*enter a whole number; or enter N/A if a Participant who fails to satisfy the standard for Retirement Eligibility will forfeit the balance of his or her Employer-Contribution Account upon ceasing employment with the Employer*). **Note: This election can be used to preserve the Participant’s Employer-Contribution Account to be used for Reimbursement Benefits despite failing to qualify for Health Insurance Coverage under the Plan, or it can be used to preserve the Employer-Contribution Account only if the participant qualifies for Health Insurance Coverage under the Plan (by satisfying the standard for Retirement Eligibility).**

**ADDITIONAL OPTIONAL ELECTION:** *If Plan Sponsor makes the foregoing optional election, the Plan Sponsor may additionally make the following election (check if elected):*

Notwithstanding the foregoing optional election, if a Participant ceases employment prior to satisfying the standard for Retirement Eligibility,

\_\_\_\_\_ %

(enter a whole number from 0 to 99) of the balance of his or her Employer-Contribution Account will not forfeit as a result of cessation of employment with the Employer. The remaining portion shall remain subject to the above-selected optional election.

Notwithstanding anything in this Section VI.B, a Participant shall not forfeit any portion of his or her Employer-Contribution Account upon cessation of employment with the Employer due to becoming Permanently Disabled where the conditions of Section 5.8(b) are met.

**VII. Right to Access Benefits Upon Satisfaction of Retirement Eligibility.**

The Plan Sponsor elects the requirements for a Participant attaining Retirement Eligibility, which affects a Participant’s rights relating to benefits in the following ways:

- It determines whether a Participant meets the eligibility criteria for Health Insurance Coverage (*see Section 6.1 of the Plan*).
- It determines the timing of when a Participant can commence receiving Reimbursement Benefits (i.e., reimbursement for Qualified Medical Expenses) (*see Article VII of the Plan*).

**DEFAULT ELECTION:**

The default election under the Plan is that a Participant who is employed by the Employer meets the requirements for Retirement Eligibility under the Plan upon attaining:

- (i) age 55 having performed at least 10 Years of Continuous Service; or
- (ii) age 65 having performed at least 5 Years of Continuous Service (*e.g., in the case of employees hired at an advanced age*).

In lieu of the default election, the Plan Sponsor may elect different criteria for Retirement Eligibility as follows:

**OPTIONAL ELECTION:** (*check if elected*):

The Plan Sponsor elects that a Participant who is employed by the Employer meets the requirements for Retirement Eligibility under the Plan upon attaining:

age

**55**

(*enter 55 to 64*) having performed at least

**5**

(*enter 5 or higher*) Years of Continuous Service.

**VIII. Forfeitures Upon Last to Die (or Reach Majority).**

A. Forfeiture of Employee Contributions.

The balance in a Participant's Employee After-Tax Contribution Account is subject to forfeiture as described in Section 5.6 of the Plan. Such balance shall also forfeit upon the last to die (or reach majority) of the Participant, Spouse or Registered Domestic Partner, Dependent Children, and Dependent Relatives. Subject to Sections 5.9(c) and 8.4 of the Plan, forfeitures of Employee After-Tax Contributions are allocated to the Employee After-Tax Contribution Accounts of any remaining Participants with positive balances in their Employee After-Tax Contribution Accounts.

B. Forfeiture of Employer Contributions.

The balance in a Participant's Employer-Contribution Account is subject to forfeiture as described in Section 5.8 of the Plan. The balance in a Participant's Employer-Contribution Account shall forfeit when the Participant ceases to be employed by the Employer to the extent such Participant has failed to satisfy the requirements of Section VI.B above. In addition, the balance in a Participant's Employer-Contribution Account is forfeited upon the last to die (or reach majority) of the Participant, Spouse or Registered Domestic Partner, Dependent Children, and Dependent Relatives or as provided in Section 5.6 for inactive accounts.

**IX. Account Fee.**

Emeriti charges a Participant account fee of \$4 per month (\$48 per year). The Plan Sponsor may elect to pay all or a portion of that fee for Participants while they remain Employees.

**DEFAULT ELECTION:**

The default election is that the Plan Sponsor shall not pay any portion of the Participant account fee.

**OPTIONAL ELECTION:** (*if elected, check one dollar amount for each eligible group selected below*):

Active Employees: The Plan Sponsor elects to pay the following portion of the \$4 monthly Participant account fee (charged by Emeriti for its services to the Plan) for each Participant in active status (meaning active

Employees and Employees on Authorized Leave of Absence, including military leave):

\$1 per month.

\$2 per month.

\$3 per month.

\$4 per month.

Retired Employees: The Plan Sponsor elects to pay the following portion of the \$4 monthly Participant account fee (charged by Emeriti for its services to the Plan) for each Participant in retired status (meaning Participants who have ceased employment after satisfying the requirements of Retirement Eligibility, including due to being Permanently Disabled):

\$1 per month.

\$2 per month.

\$3 per month.

\$4 per month.

The Plan Sponsor may change this optional election on sixty (60) days notice to the Record Keeper without the need to amend the Plan. However, the Plan Sponsor is responsible for notifying Participants of any change to the election.

**X. HIPAA Privacy Rule Certification.**

In accordance with Section 164.504(f) of the Standards for Privacy of Individually Identifiable Health Information, 45 CFR Part 160 and Part 164 (the “Privacy Rule”), by signing this Adoption Agreement the Plan Sponsor certifies (on its own behalf and on behalf of each Participating Affiliate) that: (i) the Plan incorporates the provisions required by Section 164.504(f)(2); and (ii) the

Employer will fully comply with the obligations set forth in the Plan in Article XII – Health Privacy and the Privacy Rule.

**XI. Plan Sponsor’s Execution of Adoption Agreement**

Having made the elections described in this Adoption Agreement, the Plan Sponsor hereby adopts the Plan (consisting of this Adoption Agreement, including Schedules, and the attached Emeriti Retiree Health Model Plan). The Plan Sponsor acknowledges that the Plan shall only become effective if the accompanying Membership Contract and Trust Agreement(s) are executed by the parties thereto. The Plan Sponsor acknowledges its obligation to file IRS Form 1024 to establish the VEBA qualification of each trust established under the Plan.

**FOR THE PLAN SPONSOR**

Signature: *Peter A. Michell*

Name: *Peter A. Michell*

Title: *Vice President for Finance*

Date: ~~May \_\_, 2015~~ *July 1, 2016*

**ACCEPTED BY EMERITI**

Signature: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

**SCHEDULE A – OTHER CLASSES OF EMPLOYEES EXCLUDED FROM THE DEFINITION OF ELIGIBLE EMPLOYEE UNDER THE PLAN**

*Describe classes of excluded employees below:*

In addition to those employees specifically excluded on page 3, excluded employees include an employee hired prior to July 1, 2007 unless the employee fully executes and delivers to the Director of Human Resources for the College prior to 5:00 p.m. PDT on June 29, 2007 (and the Director of Human Resources accepts as complete) the election form attached as Schedule A-1. Also excluded are student workers; temporary employees who are scheduled to work, and do work, less than one year; and faculty teaching fewer than five (5) courses per academic year. The exclusion for faculty teaching fewer than five (5) courses per academic year shall not apply to Employees employed under a Services Agreement for the Phased Retirement Program.

---

---

---

---

---

---

---

---

---

---

---

**SCHEDULE B – FORMULA FOR EMPLOYER CONTRIBUTIONS  
UNDER SECTION 3.2 OF THE PLAN**

*Describe the annual flat dollar Employer contribution amount per participant (i.e., the “annual contribution” described in Section 3.2(b)(2)(ii) of the Plan). This amount may be expressed as a single amount or as two amounts – a base contribution and an additional contribution made in lieu of other compensation or benefits.*

\$55 per semimonthly or bi-weekly Payroll Period (maximum \$1320 per year). Employer Contributions are subject to the minimum service per Payroll Period requirements of Section III(A) above.

---

---

---

---

*In addition, describe any annual increases expressed as a percentage or dollar value:*

The College reserves the right to amend, modify or terminate the flat dollar amount of \$55 per Payroll Period pursuant to Article XII of the Plan.

---

---

---

---

*Note: The formula for Employer Contributions must result in the aggregate of all Employer Contributions satisfying the underwriting requirements of the Emeriti Program’s Health Insurer.*

**SCHEDULE C – ADDITIONAL CONDITIONS REGARDING  
EMPLOYER CONTRIBUTIONS**

*Describe additional conditions below (subject to any rules under the Emeriti Program):*

1. None

---

---

---

---

**SCHEDULE D – FUTURE AGE-IN RETIREES ELIGIBLE  
FOR THE EMERITI HEALTH INSURANCE**

*Describe below (or on a separate attached sheet) the rules applicable to transitional support—e.g., employees eligible for transitional Employer Contributions, amount of transitional Employer Contributions, and the schedule for making transitional Employer Contributions:*

An Eligible Employee hired prior to July 1, 2007 who:

- (i) retires on or after July 1, 2007,
- (ii) has completed fifteen (15) or more Years of full-time Continuous Service at the College,
- (iii) has attained age fifty-five (55) at retirement, and
- (iv) makes the written election to participate, described in Schedule A of this Adoption Agreement,

shall receive transitional support if the balance of the Employer-Contribution Account for said employee, calculated at the time of retirement, is not at least equal to the Projected Five-Year Contribution described below. The amount of transitional support shall be the amount necessary, if any, to bring the balance of the Eligible Employee's Employer Contribution Account at the time of retirement to equal the amount of the Projected Five-Year Contribution.

The Projected Five-Year Contribution is the sum of two amounts determined as follows:

- (1) An amount equal to the College's employee-only monthly contribution for the Eligible Employee's health benefits on the date immediately prior to the Eligible Employee's employment termination date, multiplied by a factor of 73.22.
- (2) An amount equal to the College's employee-only monthly contribution for the Eligible Employee's dental benefits on the date immediately prior to the Eligible Employee's employment termination date, multiplied by a factor of 73.22.

The election to participate in the Emeriti Program, as described on Schedule A of the Adoption Agreement, must be fully executed and delivered to the Director of Human Resources for the College prior to the time and date specified for such an election on Schedule A. The Director of Human Resources must accept the election as complete.

The foregoing notwithstanding, for Eligible Employees who retired between January 1 and December 31, 2010, the Projected Five-Year Contribution for health benefits shall be the greater of the amount determined under subparagraph (1) of the previous paragraph and the amount equal to the arithmetic mean of the College's employee-only monthly

contribution rates for Eligible Employees' health benefits on the date immediately prior to the Eligible Employee's employment termination date, multiplied by a factor of 73.22, plus the amount determined under subparagraph (2) of the previous paragraph.

The transitional benefit shall be contributed to the employee's account within 30 days of the employee's date of retirement.

***Note: With respect to transition contributions, the Plan Sponsor represents that it has consulted with its own legal counsel, has performed necessary nondiscrimination testing at its own expense, and assumes full responsibility for its transition contribution design.***

**SCHEDULE E – HEALTH INSURANCE COVERAGE  
FOR CERTAIN CURRENT RETIREES  
AS OF PLAN EFFECTIVE DATE**

***Check only one of the following:***

The Plan Sponsor has one or more current plans and will transfer all retired participants in such plans to this Plan at the current funding level (*% of premium or whole dollar amount*).<sup>\*</sup> (*E.g., if the Plan Sponsor currently contributes 25% or more of premiums, a minimum of 25% of premiums (or an equivalent lump sum) must be contributed for current retirees on an ongoing basis, based upon the Post-65 Health Insurance Plan Option established as the benchmark under the Emeriti Program*)

The Plan Sponsor has one or more current plans and will transfer all retired participants to this Plan at the following funding level:

\_\_\_\_\_.<sup>\*</sup>  
(*E.g., if the Plan Sponsor currently contributes 25% or more of premiums, a minimum of 25% of premiums (or an equivalent lump sum) must be contributed for current retirees on an ongoing basis, based upon the Post-65 Health Insurance Plan Option established as the benchmark under the Emeriti Program.*)

The Plan Sponsor has one or more current plans and will keep existing retired participants in existing arrangements outside this Plan and the Emeriti Program.

The Plan Sponsor has no existing retiree medical plans and will invite all existing retirees to enroll in the Plan.<sup>\*</sup>

The Plan Sponsor has no existing retiree medical plans and will not invite existing retirees to enroll in the Plan.

**The foregoing elections are subject to the rules established under the Emeriti Program with respect to enrollment of existing retirees at Plan inception.**

**\* The Plan Sponsor will not offer retiree medical insurance to such individuals other than the Health Insurance Plan Options offered through the Emeriti Program under this Plan.**

***Describe additional conditions below:***

The Plan Sponsor has existing retiree medical and dental plans. Existing retirees currently covered by one of the College's medical and dental plans will be invited to enroll in the Plan by making the written election (Schedule A-1) to participate in the Plan. The election must be fully executed and delivered to the Director of Human Resources for the College prior to 5:00 p.m. PDT on June 29, 2007, and the Director of Human Resources must accept the election as complete.

For each such retiree who makes such an election and who retired within the five (5) year period preceding July 1, 2007, the Plan Sponsor will place into their Employer-Contribution Account an amount equal to (i) the Projected Five Year Contribution determined under Schedule D as if the Eligible Employee's last date of work was June 30, 2007, less (ii) the sum of all premiums paid following retirement of the retiree by the College to provide medical and dental benefits to the retiree and/or the retiree's dependents.

For retirees who have already completed the five-year period of health insurance coverage under Saint Mary's current retiree benefits plan, Saint Mary's will invite those individuals by the same deadline (5:00 pm PDT on June 29, 2007) to elect participation in the Emeriti health insurance options at their full cost. Upon election of Emeriti Program participation, these retirees will have a one-time option to enroll in the Emeriti post-65 insurance coverage effective January 1, 2008 (with enrollment taking place between the mid-fall and December 31, 2007).

**SCHEDULE F – PARTICIPATING AFFILIATES OF THE PLAN SPONSOR**

The following Internal Revenue Code Section 501(c)(3) organizations that are under “common control” with the Plan Sponsor (as determined by the Plan Sponsor in accordance with Section 414(c) of the Internal Revenue Code and any applicable Internal Revenue Service guidance thereunder) shall be Participating Affiliates under the Plan:

<b>Name of Participating Affiliate</b>	<b>Federal Employer Identification Number</b>
None	