

Chapter 5.19 COUNTY OF LOS ANGELES PENSION SAVINGS PLAN

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5.19.001 Restatement.

This Pension Savings Plan has been amended and restated effective January 1, 1999, to comply with and reflect certain changes made to the Code by the Small Business Job Protection Act of 1996, the Taxpayer Relief Act of 1997, the Economic Growth and Tax Relief Reconciliation Act of 2001 ("EGTRRA") and the Job Creation and Worker Assistance Act of 2002. (Ord. 2004-0001 § 2 (part), 2004.)

5.19.010 Purpose.

This Pension Savings Plan is designed to provide for a retirement plan effective January 1, 1992 for certain employees of Los Angeles County who are not eligible to participate in the Los Angeles County Employees Retirement Association. The Plan is a benefit enhancement provided to employees in lieu of participation in the Social Security System.

While the County intends to continue the Plan, it reserves the right to terminate the Plan, in whole or in part, at any time subject to negotiations with employee representatives. Benefits under the Plan shall at all times be limited to those payable from a Participant's account to the extent funded by County contributions that have been made and credited to such account. Therefore, neither participation in the Plan nor eligibility therefor shall entitle any employee to have the Plan or any of its provisions continued for his benefit in the future. (Ord. 2004-0001 § 2 (part), 2004.)

5.19.020 Definitions.

The following terms when used herein with initial capital letters, unless the context clearly indicates otherwise, shall have the following respective meanings:

A. "Administrative Committee" means a committee consisting of: the Auditor-Controller, County Counsel, Treasurer and Tax Collector, and Chief Administrative Officer of the County, one member appointed by Local 660, Los Angeles County Employees' Association, SEIU, AFL-CIO (Local 660), and one member appointed by the Coalition of County Unions, AFL-CIO (Coalition). The Administrative Committee shall be the administrator of the Plan, and may delegate all or part of its powers, duties, and authority in such capacity (without ceasing to be the administrator of the Plan) as hereinafter provided. Administrative Committee members may designate named alternates that may serve in their absence; provided, however, not more than one such named alternate shall be designated for Local 660 and the Coalition, respectively.

B. "Agent" means any agent duly authorized to perform specified duties by its respective principal.

C. "Alternate Payee" means any spouse or former spouse of a Participant who is recognized under a CDRO as having a right to receive all, or a portion of, the benefits payable under the Plan with respect to such Participant.

D. "Basic Deferred Compensation Contribution" means an amount equal to 4.5 percent of a Participant's Compensation that is deducted from such Participant's wages by the County and credited to such

Participant's Investment Account as a term and condition of the Participant's employment with the County.

E. "Beneficiary" means such person or persons as a Participant may designate to receive his interest under the Plan after his death. The designation may be made, and may be revoked or changed, only by a written instrument (in form acceptable to the Administrative Committee) signed by the Participant and filed with the Administrative Committee before his death. In the absence of a designation and at any other time when there is no existing Beneficiary designated by the Participant, his Beneficiary shall be his spouse, if living 30 days after the date of this death, or, if not, his children (by blood or adoption) equally (with children of a deceased child to share equally the share of such deceased child). If a Beneficiary cannot be determined pursuant to the preceding sentence, the Beneficiary shall be the Participant's estate.

F. "Board" means the Los Angeles County Board of Supervisors.

G. "CAO" means the Chief Administrative Officer of the County appointed by the Board pursuant to the Los Angeles County Code.

H. "CDRO" means a "certified domestic relations order," which is a domestic relations order that the Administrative Committee has determined satisfies the requirements of a qualified domestic relations order, as defined in Code section 414(p)(1), and is consistent with the terms of this Plan.

I. "Code" means the Internal Revenue Code of 1986, as amended.

J. "Compensation" means the amount of an Employee's wages as defined for purposes of Section 3121 of the Code; provided that the amount of an Employee's wages taken into account under the Plan for any Plan Year (1) shall include any Deferred Compensation Contributions made on behalf of the Employee for such Plan Year, but (2) shall not exceed the contribution and benefit base determined under Section 230 of the Social Security Act for such Plan Year.

K. "County" means (i) the County of Los Angeles, (ii) any governmental entity of which the Board is the governing body, and (iii) any Trial Court Entity to the extent participation in the Plan by such Entity is authorized by State law or rules of court and provided such Entity has not elected not to participate in the Plan.

L. "Deferred Compensation Contribution" means a Participant's Basic Deferred Compensation Contribution and Supplemental Deferred Compensation Contribution, if any.

M. "Disability" means the complete and continuous inability and incapacity of the Participant to perform the duties of his or her position with the County.

N. "Discretionary Trustee" means a Trustee who, under the terms of the Trust Agreement, has the discretionary authority to invest the Plan assets in one or more Investment Funds.

O. "Effective Date" means January 1, 1992. The Restatement Effective Date is January 1, 1999, unless a provision expressly states otherwise. Certain provisions of this amendment and restatement, however, are effective before or after the effective date. Provisions which are effective prior to the Effective Date shall be deemed to amend the corresponding provisions of the Plan as amended and in effect before this restatement. Events occurring before the applicable effective date of any provisions of this restatement shall be governed by the applicable provisions of the Plan in effect on the date of the event. Certain provisions of this Plan as amended are intended as good faith compliance with the requirements of EGTRRA and are to be construed in accordance with EGTRRA and guidance issued thereunder.

P. "Eligible Earnings" means any compensation for service performed for the County which is currently includable in gross income under the Code. On or after January 1, 2003, Eligible Earnings shall have the same meaning as Includible Compensation.

Q. "Eligible Rollover Distribution" means any distribution made on or after January 1, 2002 of all or part of the balance to the credit of the Participant in an Eligible Retirement Plan other than: (i) any distribution which is one of a series of substantially equal periodic payments made not less frequently than annually for the life (or life expectancy) of a Participant or beneficiary or the joint lives (or joint life expectancies) of such individual and his designated beneficiary, or for a specified period of 10 years or more; (ii) any distribution to the extent such distribution is required by Code section 401(a)(9); (iii) any distribution which is made upon hardship or unforeseeable emergency of the employee; and (iv) any distribution which is (a) a return of elective deferrals described in Section 1.415-6(b)(6)(iv) of the Treasury Regulations which is returned due to the limitations under Code section 415, (b) a corrective distribution of excess contributions described in Section 1.401(k)-1(f)(4) of the Treasury Regulations, excess deferrals described in Section 1.402(g)-1(e)(3) of the Treasury Regulations or excess aggregate contributions described in Section 1.401(m)-1(e)(3) of the Treasury Regulations, together with the income allocable thereto, (c) a loan treated as a distribution under Code section 72(p) and not excepted from such

treatment under Code section 72(p)(2), (d) a deemed distribution of a loan in default, (e) a dividend on employer securities described in Code section 404(k), (f) the P.S. 58 cost of life insurance coverage, and (g) any other similar item designated by the Commissioner of Internal Revenue.

R. "Eligible Retirement Plan" means: (i) an individual retirement account under Code section 408(a); (ii) a "conduit" individual retirement account described in Code section 408(d)(3)(A)(ii); (iii) an individual retirement annuity under Code section 408(b); (iv) an annuity plan described in Code section 403(a); (v) a plan which is qualified under Code section 401(a); (vi) a tax-sheltered annuity contract under Code section 403(b); and (vii) an eligible deferred compensation plan under Code section 457(b) which is maintained by a state, political subdivision of a state, or any agency or instrumentality of a state or political subdivision of a state.

S. "Employee" means an individual who has been determined by the County (regardless of any determination made by any other person or entity) to be a common law employee of the County for federal income and/or employment tax purposes. If it is determined that an individual was erroneously categorized as not being an Employee, he or she shall be treated as an Employee under the Plan only prospectively from the date of such determination.

T. "Entry Date" means the later of January 1, 1992 or the date on which an Employee satisfies the participation requirements of Section 5.19.030.

U. "Includible Compensation" means wages, within the meaning of Section 3401(a) of the Code (for purposes of income tax withholding) but determined without regard to any rules that limit the remuneration included in wages based on the nature or location of the employment or the services performed, paid to an Employee by the County for services performed for the County. Includible Compensation also includes (i) any elective deferral (as defined in Code section 402(g)(3)), such as Tax Deferred Contributions under the County of Los Angeles Savings Plan, (ii) any amount which is contributed to a plan sponsored by the County at the election of the Employee and which is not includible in gross income under Code section 125, 132(f)(4) or 457, and (iii) any amount that is not available in cash to an Employee under the Choices, Options, Flexible Benefit Plans or Mega-Flex Plans (or a successor plan) because the Employee is unable to certify that the Employee has other health coverage. Any item of taxable income that is excluded from this definition of Includible Compensation may not be deferred in accordance with a Participant's Participation Agreement.

V. "Investment Account" means an account established by the Trustee for a Participant pursuant to Section 5.19.070, comprised of the Deferred Compensation Contributions and Matching Contributions made by the County on behalf of such Participant, and any gains or losses which result from investment of the account.

W. "Investment Fund" means any investment vehicle in which the Plan assets are invested. Any such Investment Fund shall be consistent with any limitations on forms of investment imposed under applicable State law.

X. "Investment Manager" means a person or entity appointed by the Administrative Committee or by the Trustee if, under the Trust Agreement, the Trustee is a Discretionary Trustee, who, with respect to an Investment Fund, has the discretion to determine which assets in such Fund shall be sold (or exchanged) and what investments shall be acquired for such Fund or a person or entity that provides investment services to an investment company registered under the Investment Company Act of 1940. Any Investment Manager must be either registered as an investment adviser under the Investment Advisers Act of 1940, a bank as defined thereunder or an insurance company qualified to manage, acquire or dispose of Plan assets under the laws of more than one state, provided, however, that this requirement shall not apply to the County Treasurer and, with respect to an Investment Fund that provides for investments in securities issued by an investment company registered under the Investment Company Act of 1940, the requirements of that act shall control. Any Investment Manager shall accept such appointment in writing and shall constitute a fiduciary with respect to the investment of Plan assets held in the particular Investment Fund for which the appointment applies, unless such person would not be treated as investing assets of the Plan if the Plan was covered by the Employee Retirement Income Security Act of 1974, as amended.

Y. "LACERA" means the Los Angeles County Employees Retirement Association.

Z. "Matching Contribution" means an amount equal to three percent of a Participant's Compensation that is credited by the County to such Participant's Investment Account.

AA. "Normal Retirement Age" means age 70½, unless the Participant shall have designated an alternative normal retirement age. A Participant's Normal Retirement Age shall not be earlier than age 65,

and shall not be later than age 70½. If a Participant uses the increased deferral limit set forth in Section 5.19.060A2, such Participant shall be deemed to have selected as his or her Normal Retirement Age the third Plan Year following the first Plan Year in which such increased limit is utilized or such earlier year as is necessary to comply with the limitations set forth above. Once a Participant has utilized the increased deferral limit to any extent, his or her Normal Retirement Age may not thereafter be changed for the purpose of utilizing the additional deferral limit provided under Section 5.19.060A2 of this Plan.

BB. "Participant" means an Employee (or former Employee) who has satisfied the eligibility requirements of Section 5.19.030 and who has not yet received a distribution of his entire Investment Account.

CC. "Plan" means the County of Los Angeles Pension Savings Plan, the terms and provisions of which are herein set forth, as the same may be amended, supplemented or restated from time to time.

DD. "Plan Administrator" means the Administrative Committee.

EE. "Plan Year" means the 12-month period beginning on January 1st and ending on the following December 31st, commencing in January, 1992.

FF. "Retirement" means a Participant's Separation from Employment on or after the attainment of age 50.

GG. "Separation from Employment" or "Separated from Employment" means any termination of a Participant's relationship with the County as an Employee, including termination due to death or Retirement.

HH. "Supplemental Deferred Compensation Contribution" means any amount of Compensation deferred by a Participant pursuant to Section 5.19.040B.

II. "TPA" means a third-party administrator who has entered into a contract with the County to provide record-keeping services, employee communication services, claims administration services or other similar services. Alternatively, the County may act as the "TPA" to provide these services.

JJ. "Trial Court Act" means the Trial Court Employment Protection and Governance Act, California Government Code section 71600 et seq.

KK. "Trial Court Employee" means a "trial court employee," as defined under the Trial Court Act, who is an Employee and satisfies Section 5.19.030 for purposes of becoming a Participant in the Plan.

LL. "Trial Court Entity" means each Los Angeles County Municipal Court, Los Angeles County Superior Court, and each unified, successor trial court entity (or portion thereof) established in the County of Los Angeles pursuant to California Government Code section 70200 et seq.

MM. "Trust Agreement" means the agreement(s) executed by the County and a Trustee which establishes either a trust fund or custodial account to provide for the investment, reinvestment, administration and distribution of contributions made under the Plan and the earnings thereon, as amended from time to time.

NN. "Trust Fund" means the assets of the Plan held by the Trustee pursuant to the Trust Agreement.

OO. "Trustee" means the one or more persons or entities who have entered into a Trust Agreement as a trustee or custodian, and any duly appointed successor. For these purposes, the custodian of any custodial account created for the purposes of holding Plan assets must be a bank, as described in Code section 408(n), or a person who meets the nonbank trustee requirements of paragraphs (2) through (6) of Section 1.408-2(e) of the Income Tax Regulations relating to the use of nonbank trustees. To the extent consistent with applicable law, the County Treasurer may serve as the Trustee. The Trustee may be a Discretionary Trustee.

PP. "Valuation Date" means the date with respect to which the value of the assets comprising the Trust Fund or any portion thereof is determined. Unless otherwise determined by the Administrative Committee, a Valuation Date occurs on the last business day of each month.

Unless the context otherwise indicates, the masculine wherever used shall include the feminine and neuter, and the singular shall include the plural. (Ord. 2004-0001 § 2 (part), 2004.)

5.19.030 Commencement of participation.

An Employee shall become a Participant in the Plan on the Entry Date coincident with or next following any date on which he becomes a member of a group or class of Employees that (1) is ineligible to participate in LACERA or the Judges Retirement Law, and (2) would, disregarding participation in this Plan, be treated as receiving "wages" for "employment" as those terms are defined in Code section 3121. An Employee shall cease to be a Participant for purposes of Sections 5.19.040 and 5.19.050 upon (1) his Separation from Employment, (2) the commencement of his participation in LACERA or the Judges

Retirement Law, or (3) becoming a member of a group or class of Employees that, disregarding participation in this Plan, would not be treated as receiving “wages” for “employment” as those terms are defined in Code section 3121. An Employee shall cease to be a Participant for all other purposes upon the distribution of his entire interest in his Investment Account. (Ord. 2004-0001 § 2 (part), 2004.)

5.19.040 Deferred Compensation Contributions.

A. Basic Deferred Compensation Contribution. Subject to the limitations of Section 5.19.060, as a term and condition of employment, each Employee who becomes a Participant shall agree to defer 4.5 percent of his Compensation for a Plan Year, and the County shall agree to credit such deferred Compensation to the Participant’s Investment Account as a Deferred Compensation Contribution for such Plan Year. Such agreement shall only apply with respect to Compensation earned by the Employee for services rendered to the County on or after the date on which he becomes a Participant and during subsequent calendar months.

B. Supplemental Deferred Compensation Contributions. Effective as of January 1, 1992, and subject to the limitations of Section 5.19.060, a Participant may enter into an agreement with the County (on a form provided by the County or its Agent) to defer irrevocably a portion of his Compensation in addition to the amounts deferred under Section 5.19.040A. Such an agreement (1) shall only apply with respect to Compensation earned by the Participant for services rendered to the County on or after the first day of the calendar month following the execution of the agreement, and (2) shall remain in effect for a minimum of one calendar month. The agreement shall thereafter be effective until the Participant (1) ceases to be a Participant for purposes of this Section 5.19.040B, or (2) modifies or revokes such agreement as of the first day of any calendar month by written notice delivered to the County or its Agent at least 20 days before the first day of each month. (Ord. 2004-0001 § 2 (part), 2004.)

5.19.050 Matching Contributions.

Subject to the limitations of Section 5.19.060, the County shall agree to credit to the Investment Account of each Participant as a Matching Contribution for a Plan Year an amount equal to three percent of such Participant’s Compensation for the Plan Year. (Ord. 2004-0001 § 2 (part), 2004.)

5.19.060 Limits on amounts deferred.

A. Annual Limitations on Deferred Compensation Contributions.

1. For calendar years beginning on or after January 1, 2004, the amount deferred by a Participant under the Plan for any Plan Year shall not exceed a ceiling which shall be the lesser of (1) the Dollar Limit, as defined in this section, or (2) 100 percent of the Participant’s Includible Compensation, provided that the cumulative amount deferred shall not exceed 100 percent of the Participant’s cumulative Includible Compensation for the current Plan Year. The “Dollar Limit” means the “applicable dollar limit” as defined in Code section 457(e)(15) or a successor provision. For Plan Years beginning on or after January 1, 2007, the Dollar Limit shall be adjusted for the calendar year to reflect increases in cost-of-living in accordance with Code sections 457(e)(15) and 415(d).

2. The maximum amount under this subsection A that may be deferred in any of the last three Plan Years ending before the Plan Year in which the Participant attains Normal Retirement Age may be increased to the lesser of (1) twice the Dollar Limit in effect for such Plan Year, or (2) the sum of the Plan ceiling for the Plan Year determined under subsection A1 plus the Plan ceiling for any prior taxable years (determined under the applicable Code section 457(b)(2) limits and coordination requirements) in which the Participant was eligible to participate in the Plan, less the amount of Deferred Compensation Contributions made to the Plan for such prior taxable years.

3. For purposes of this Section 5.19.060, amounts deferred under the Plan include all Deferred Compensation Contributions for such Plan Year plus all Matching Contributions for such Plan Year.

B. In any Plan Year in which the Participant participates in more than one “eligible deferred compensation plan,” within the meaning of Code section 457(b), maintained by any “eligible employer,” within the

meaning of Code section 457(e)(1), the limitations on Deferred Compensation Contributions under subsection A shall apply to a Participant's aggregate annual amounts deferred under all such eligible deferred compensation plans in accordance with the individual limitation under Code section 457(c). For purposes of applying the individual limitation under Code section 457(c), the Plan limitation set forth in subsection A2 (special Code section 457 contribution for the three Plan Years prior to the Participant's Normal Retirement Age) shall be taken into account only to the extent that a Deferred Compensation Contribution is made for a Participant under the Plan as a result of such Plan limitation.

C. In any Plan Year in which the Participant participates in more than one "eligible deferred compensation plan," within the meaning of Code section 457(b), maintained by the County, the limitations on Deferred Compensation Contributions (including Matching Contributions) as determined under subsections A1 and A2 shall apply to a Participant's aggregate annual amounts deferred under all such eligible deferred compensation plans.

1. Amounts deferred under the Plan in excess of the maximum amounts determined under subsection A shall be distributed to the Participant, with allocable net income, as soon as administratively practical after the amount of the excess deferral is determined. With respect to excess deferrals that are attributable to Deferred Compensation Contributions, the excess deferrals shall be includible in gross income of the Participant in the taxable year in which the amounts were deferred under the Plan. With respect to excess deferrals that are attributable to Matching Contributions, the excess deferrals shall be includible in gross income of the Participant in the taxable year in which the contributions are made to the Plan.

2. Excess deferrals will be distributed from contributions that, pursuant to this provision, are treated as having been made to the Plan last. To the extent administratively practical, in any taxable year in which it is determined that excess deferrals are made to the Plan, the Plan will treat the contributions to the Plan as being made in the following order: first, Matching Contributions that were made to the Plan in the taxable year that excess deferrals are made; second, Basic Deferred Compensation Contributions; and, third, Supplemental Deferred Compensation Contributions. (Ord. 2004-0001 § 2 (part), 2004.)

5.19.070 Participants' Investment Accounts; vesting.

The Trustee shall maintain an Investment Account for each Participant. The Investment Account of each Participant shall be credited with earnings thereon, if any, and shall be credited or debited, as the case may be, with the net amount of any gains or losses which may result from the investment of the Investment Account in the Investment Fund. The County, the Administrative Committee and the Trustee shall not be liable for any losses on any investment credited to any Investment Account. The interest of each Participant in the Basic Deferred Compensation Contributions, Supplemental Deferred Compensation Contributions, and Matching Contributions, and any earnings thereon, credited to his Investment Account will be 100 percent vested and nonforfeitable at all times. (Ord. 2004-0001 § 2 (part), 2004.)

5.19.080 Investment of the Trust Fund.

A. Trust Fund. Notwithstanding any contrary provision of the Plan, in accordance with Section 457(g) of the Code, all contributions to the Plan, all property and rights purchased with such amounts, and all income attributable to such amounts, property or rights shall be held in trust and/or in one or more custodial accounts for the exclusive benefit of Participants and Beneficiaries under the Plan. Any trust under the Plan shall be established pursuant to a written agreement that constitutes a valid trust under the law of the State of California, and any custodian of a custodial account under the Plan shall be a bank, as described in Code section 408(n), or a person who meets the nonbank trustee requirements of Paragraphs (2) through (6) of Section 1.408-2(e) of the Income Tax Regulations relating to the use of nonbank trustees.

B. Investment of Trust Assets. If the Trustee is a Discretionary Trustee, it shall invest the assets of the Trust Fund in one or more Investment Funds as it may determine in its discretion. If the Trustee is not a Discretionary Trustee, it shall invest the assets of the Trust Fund as instructed by the Administrative Committee or its Agent in one or more Investment Funds as the Administrative Committee or its Agent in its discretion may determine. (Ord. 2004-0001 § 2 (part), 2004.)

5.19.090 Trust Fund allocation and valuation.

A. Allocation.

1. Contributions made to the Plan on behalf of a Participant shall be deposited and credited to the Participant's Investment Account by no later than the 15th business day of the month following the month in which the Participant's Deferred Compensation Contributions otherwise would have been payable to such Participant in cash.
2. If the Trustee is not a Discretionary Trustee, the assets credited to each Participant's Investment Account shall be allocated among the Investment Funds in accordance with the investment option or options chosen by the Administrative Committee effective no later than the first business day following the date on which the Trustee or its Agent has received appropriate instructions, or such later date as is commercially reasonable under the circumstances, unless otherwise provided by the Administrative Committee.
3. As of each Valuation Date, the net gain or loss of each Investment Fund, determined in accordance with Section 5.19.090B below, shall be allocated by the Trustee or its Agent to the Investment Accounts of Participants in such Investment Funds in proportion to the amounts of such Investment Accounts invested in such Investment Fund on such Valuation Date, exclusive of amounts to be credited but including amounts (other than the net loss, if any, determined pursuant to Section 5.19.090 B) to be debited to such Investment Accounts as of such Valuation Date.

B. Valuation.

1. As of the close of business each Valuation Date, the Administrative Committee, its Agent or the Trustee, if it is a Discretionary Trustee, shall determine or cause to be determined the value of each Investment Fund. The Administrative Committee, its Agent or such Discretionary Trustee may rely on net asset value calculations, book values and other data with respect to the value of Plan assets held in the Investment Funds furnished to it by the Investment Managers, the County Treasurer, custodians or other entities authorized to provide valuation data. If the Trustee is not a Discretionary Trustee responsible for valuation, the Administrative Committee or its Agent shall communicate such valuation to the Trustee.
 2. Each such valuation shall be made on the basis of the net gain or loss to each such Investment Fund between the current Valuation Date and the last preceding Valuation Date. The net gain or loss of an Investment Fund shall include realized and unrealized earnings, interest income, dividends actually paid and other income of such Fund during such period, and shall be reduced by expenses paid, if any, that are to be charged to such Investment Fund in accordance with the terms of the Plan and the Trust Agreement. The transfer of funds to or from an Investment Fund, the allocation of Deferred Compensation Contributions, Supplemental Deferred Compensation Contributions and Matching Contributions, and payments, distributions and withdrawals from an Investment Fund to provide benefits under the Plan for Participants or Beneficiaries shall not be deemed to be income, expenses or losses of the Investment Fund. A similar valuation shall be made at any other time the Administrative Committee or its Agent deems it appropriate to make such a valuation.
 3. Notwithstanding the foregoing, the Administrative Committee or its Agent may, in accordance with applicable requirements of the Code and California law, (a) adopt, or instruct a Discretionary Trustee to adopt, such accounting procedures as the Administrative Committee or its Agent considers appropriate, reasonable and equitable to establish a proportionate crediting of net gain or loss of an Investment Fund and of Contributions made to an Investment Fund as of each Valuation Date, and (b) adopt, or instruct a Discretionary Trustee to adopt, such other valuation procedures as the Administrative Committee or its Agent considers appropriate, reasonable and equitable to determine the value of the Investment Funds. The reasonable and equitable decision of the Administrative Committee or a Discretionary Trustee, as applicable, as to the value of each Investment Fund as of each Valuation Date shall be conclusive and binding upon all Participants and Beneficiaries having any interest, direct or indirect, in such Investment Fund.
- C. No Guarantee against Loss. The County, the Administrative Committee and the Trustee do not guarantee in any manner the Investment Funds or any part thereof against loss or depreciation. All persons having an interest in the Investment Funds shall look solely to such Funds for payment with respect to such interest. (Ord. 2004-0001 § 2 (part), 2004.)

5.19.100 Benefit distributions.

A. Distributions in General. The Trustee shall distribute benefits under the Plan to a Participant or his Beneficiary only upon the Participant's Separation from Employment, Retirement, or death. In the event that a Participant Separates from Employment or retires he may elect to take a distribution or defer the distribution of his benefits as provided under subsections B or C, or direct the Plan to transfer or roll over the distribution to another plan pursuant to Section 5.19.140. If a Participant does not make an affirmative election regarding the distribution of his benefits after receiving the notice required under Code section 402(f), then, provided that the distribution is \$1,000.00 or less, the Participant's benefits shall be distributed in a single cash payment pursuant to either subsection B or C of this section, as appropriate. Notwithstanding any provisions of this section to the contrary, the commencement and duration of any form of benefit payment shall be in accordance with Code section 401(a)(9), regulations thereunder and Section 5.19.100E of this Plan.

B. Separation from Employment. If a Participant incurs a Separation from Employment prior to his attainment of age 50, the vested amount credited to his Investment Account shall become payable to the Participant or his Beneficiary on the date 60 days after the Participant incurs such Separation from Employment and shall be distributed in a single cash payment as soon as administratively feasible after the Participant elects, on a form provided by the Administrative Committee or its Agent, to receive his distribution. In lieu of taking a distribution currently, a Participant may: (1) defer the distribution of his benefits for up to 24 months pending rehire, or (2) if his Investment Account balance exceeds \$1,000.00, defer distribution of his benefits until a later date, but not beyond age 70 1/2. If a Participant does not make a timely election regarding the distribution of his benefits after receiving the notice required under Code section 402(f), the Participant will be deemed to have elected to defer distribution of his benefits, with the exception that the Participant's benefits will be distributed in a single cash payment as soon as administratively feasible, without the Participant's consent, if the Participant's Investment Account balance is \$1,000.00 or less on the date of distribution. The electing Participant or Beneficiary shall furnish such information as the County or its Agent may require.

C. Retirement.

1. Upon Retirement, the amount credited to a Participant's Investment Account shall become payable to the Participant or his Beneficiary on the date 60 days after the Participant incurs such Retirement and shall be distributed in a single cash payment as soon as administratively feasible after the Participant or his Beneficiary elects, on a form provided by the Administrative Committee or its Agent, to receive his distribution. If the balance in the Participant's Investment Account exceeds \$1,000.00, the Participant or his Beneficiary may instead elect, on a form provided by the County or its Agent, to delay the distribution of such amount to a later date. If a Participant does not make a timely election regarding the distribution of his benefits after receiving the notice required under Code section 402(f), the Participant will be deemed to have elected to defer distribution of his benefits, with the exception that the Participant's benefits will be distributed in a single cash payment as soon as administratively feasible, without the Participant's consent, if the Participant's Investment Account balance is \$1,000.00 or less on the date of distribution. The electing Participant or Beneficiary shall furnish such information as the County or its Agent may require.

2. Form of Benefit Payment. A Participant who Separates from Employment with the County due to Retirement, or Participant who Separates from Employment earlier but delays distribution of his benefits until at least age 50, may, if his or her Investment Account balance exceeds \$5,000.00, in lieu of receiving a single lump sum, irrevocably elect to receive his or her benefits in the form of (1) substantially equal monthly, quarterly, semi-annual or annual installment payments over a period not to exceed twenty years, or (2) consecutive, nonincreasing monthly payments for the life of the Participant or for the lives of the Participant and his or her designated Beneficiary and the last survivor of them. The Participant or the Beneficiary, as the case may be, may only elect a form of benefit payment prior to the commencement of any distribution under the Plan. Notwithstanding any of the foregoing, in the event that the balance of a Participant's Investment Account does not exceed \$5,000.00 at the time a distribution is elected, the Participant or the Beneficiary, as the case may be, may not elect a form of benefit payment other than a single cash payment.

D. Death.

1. Before Separation from Employment. In the event of the death of the Participant while he is an Employee, the County shall distribute the entire balance of his Investment Account to his Beneficiary in accordance with Section 5.19.100 C. Subject to the limitations of Section 5.19.100 E, such distribution shall commence not later than the last day of the Plan Year in which the deceased Participant would have

attained age 70½ unless payment of benefits has already commenced, in which event such payments shall be continued in accordance with the method of payment previously selected by the Participant.

2. Following Separation from Employment. In the event of the death of a Participant following his Separation from Employment, the County shall distribute the balance, if any, of his Investment Account to his Beneficiary in accordance with Section 5.19.100 C. Subject to the limitations of Section 5.19.100 E, such distribution shall commence not later than the last day of the Plan Year in which the deceased Participant would have attained age 70½ unless payment of benefits has already commenced, in which event such payments shall be continued in accordance with the method of payment previously selected by the Participant.

3. Notwithstanding any of the foregoing, if a Beneficiary does not file an election regarding distribution of the Participant's Investment Account balance within 30 days after the Plan Administrator or its Agent provides the Beneficiary with the election materials (including the notice required under Code section 402(f), if applicable), the Investment Account balance shall be distributed in a single cash payment as soon as administratively feasible. Upon the death of a Beneficiary, any amount to which such Beneficiary would be entitled but for the Beneficiary's death shall be paid to the Beneficiary's estate.

E. Code Section 401(a)(9) Minimum Distribution Requirements. The provisions of this subsection E of Section 5.19.100 will apply for the purposes of determining required minimum distributions for Distribution Calendar Years beginning with the 2003 calendar year. The requirements of this subsection E will take precedence over any inconsistent provisions of the Plan.

1. Definitions. For the purposes of this subsection E, the following terms, when used with initial capital letters, shall have the following respective meanings:

a. "Designated Beneficiary": The person who is designated as the Beneficiary as defined in Section 5.19.020 E and is the designated beneficiary under Code section 401(a)(9) and Section 1.401(a)(9)-4 of the Treasury Regulations.

b. "Distribution Calendar Year": A calendar year for which a minimum distribution is required. For distributions beginning before the Participant's death, the first Distribution Calendar Year is the calendar year immediately preceding the calendar year which contains the Participant's Required Beginning Date. For distributions beginning after the Participant's death, the first Distribution Calendar Year is the calendar year in which distributions are required to begin under subsection E3b. The required minimum distribution for the Participant's first Distribution Calendar Year will be made on or before the Participant's Required Beginning Date. The required minimum distribution for other Distribution Calendar Years, including the required minimum distribution for the Distribution Calendar Year in which the Member's Required Beginning Date occurs, will be made on or before December 31 of that Distribution Calendar Year.

c. "Life Expectancy": Life expectancy as computed by use of the Single Life Table in Section 1.401(a)(9)-9 of the Treasury Regulations.

d. "Participant's Account Balance": The Investment Account balance as of the last Valuation Date in the calendar year immediately preceding the Distribution Calendar Year (the "Valuation Calendar Year") increased by the amount of any contributions made and allocated or forfeitures allocated to the Investment Account balance as of dates in the Valuation Calendar Year after the Valuation Date and decreased by distributions made in the Valuation Calendar Year after the Valuation Date. The Investment Account balance for the Valuation Calendar Year includes any amounts rolled over or transferred to the Plan either in the Valuation Calendar Year or in the Distribution Calendar Year if distributed or transferred in the Valuation Calendar Year.

e. "Required Beginning Date": The applicable date specified in subsection E3 below.

2. General Rules. Notwithstanding any provision of the Plan to the contrary, all distributions required under this Section 5.19.100 will be determined and made in accordance with the Treasury Regulations under Code section 401(a)(9). The only permissible distribution options under this Plan are a lump sum distribution, substantially equal monthly, quarterly, semi-annual or annual installments not extending over more than twenty years, consecutive periodic payments for the life of the Participant or for the lives of the Participant and his or her designated Beneficiary and the last survivor of them, as permitted in subsection B or C, or minimum monthly distributions calculated in accordance with the rules provided in this subsection E.

3. Time of Distribution.

a. The Participant's entire interest will be distributed, or begin to be distributed no later than the Participant's Required Beginning Date. Except as described in subsection 3b below, the Required

Beginning Date of any Participant shall be the April 1 of the calendar year following the later of (1) the calendar year he terminates employment or (2) the calendar year he attains age 70½.

b. If the Participant dies before distributions begin, the Participant's entire interest will be distributed, or begin to be distributed, no later than as follows:

(1) If the Participant's surviving spouse is the Participant's sole Designated Beneficiary, then, unless the election described in subsection 3d below is made, distributions to the surviving spouse will begin by December 31 of the calendar year immediately following the calendar year in which the Participant died, or by December 31 of the calendar year in which the Participant would have attained age 70½, if later.

(2) If the Participant's surviving spouse is not the Participant's sole Designated Beneficiary, then, unless the election described in subsection 3d below is made, distributions to the Designated Beneficiary will begin by December 31 of the calendar year immediately following the calendar year in which the Participant died.

(3) If there is no Designated Beneficiary as of September 30 of the year following the year of the Participant's death, the Participant's entire interest will be distributed by December 31 of the calendar year containing the fifth anniversary of the Participant's death.

(4) If the Participant's surviving spouse is the Participant's sole Designated Beneficiary and the surviving spouse dies after the Participant but before distributions to the surviving spouse begin, this subsection 3b, other than subsection 3b(1), will apply as if the surviving spouse were the Participant.

c. For purposes of this subsection E, unless subsection 3b(4) applies, distributions are considered to begin on the Participant's Required Beginning Date. If subsection 3b(4) applies, distributions are considered to begin on the date distributions are required to begin to the surviving spouse under subsection 3b(1). If distributions under an annuity purchased from an insurance company irrevocably commence to the Participant before the Participant's Required Beginning Date (or to the Participant's surviving spouse before the date distributions are required to begin to the surviving spouse under subsection 3b(4)), the date distributions are considered to begin is the date distributions actually commence.

d. Notwithstanding the foregoing, if a Participant dies before distributions begin and there is a Designated Beneficiary, distribution to the Designated Beneficiary is not required to begin by the Required Beginning Date specified above if the Participant or the Beneficiary elects, on an individual basis, that the Participant's entire interest will be distributed to the Designated Beneficiary by December 31 of the calendar year containing the fifth anniversary of the Participant's death; provided, however, that if the Participant's surviving spouse is the Participant's sole Designated Beneficiary and the surviving spouse dies after the Participant but before distributions to either the Participant or the surviving spouse begin, this election will apply as if the surviving spouse were the Participant. The election provided in this subsection 3d must be made no later than the earlier of September 30 of the calendar year in which distribution would be required to begin, or by September 30 of the calendar year which contains the fifth anniversary of the Participant's (or, if applicable, surviving spouse's) death.

4. Required Minimum Distributions during Participant's Lifetime.

a. During the Participant's lifetime, the minimum amount that will be distributed for each Distribution Calendar Year is the lesser of:

(1) The quotient obtained by dividing the Participant's Account Balance by the distribution period in the Uniform Lifetime Table set forth in Section 1.401(a)(9)-9 of the Treasury Regulations, using the Participant's age as of the Participant's birthday in the Distribution Calendar Year; or

(2) If the Participant's sole Designated Beneficiary for the Distribution Calendar Year is the Participant's spouse and the spouse is more than 10 years younger than the Participant, the quotient obtained by dividing the Participant's Account Balance by the number in the Joint and Last Survivor Table set forth in Section 1.401(a)(9)-9 of the Treasury Regulations, using the Participant's and spouse's attained ages as of the Participant's and spouse's birthdays in the Distribution Calendar Year.

b. Required minimum distributions will be determined under this subsection E4 beginning with the first Distribution Calendar Year and up to and including the Distribution Calendar Year that includes the Participant's date of death.

c. If the Participant's interest is distributed in the form of an annuity purchased from an insurance company, distributions thereunder will be made in accordance with the requirements of Code section 401(a)(9) and the Treasury Regulations.

5. Required Minimum Distributions If Participant Dies after Distributions Begin.

a. Participant Survived by Designated Beneficiary. If the Participant dies on or after the date distributions

begin and there is a Designated Beneficiary, the minimum amount that will be distributed for each Distribution Calendar Year after the year of the Participant's death is the quotient obtained by dividing the Participant's Account Balance by the longer of the remaining Life Expectancy of the Participant or the remaining Life Expectancy of the Participant's Designated Beneficiary, determined as follows:

(1) The Participant's remaining Life Expectancy is calculated using the age of the Participant in the year of death, reduced by one for each subsequent year.

(2) If the Participant's surviving spouse is the Participant's sole Designated Beneficiary, the remaining Life Expectancy of the surviving spouse is calculated for each Distribution Calendar Year after the year of the Participant's death using the surviving spouse's age as of the spouse's birthday in that year. For Distribution Calendar Years after the year of the surviving spouse's death, the remaining Life Expectancy of the surviving spouse is calculated using the age of the surviving spouse as of the spouse's birthday in the calendar year of the spouse's death, reduced by one for each subsequent calendar year.

(3) If the Participant's surviving spouse is not the Participant's sole Designated Beneficiary, the Designated Beneficiary's remaining Life Expectancy is calculated using the age of the Beneficiary in the year following the year of the Participant's death, reduced by one for each subsequent year.

b. No Designated Beneficiary. If the Participant dies on or after the date distributions begin and there is no Designated Beneficiary (for example, if pursuant to the Plan, the Beneficiary is the Participant's estate) as of September 30 of the year after the year of the Participant's death, the minimum amount that will be distributed for each Distribution Calendar Year after the year of the Participant's death is the quotient obtained by dividing the Participant's Account Balance by the Participant's remaining Life Expectancy calculated using the age of the Participant in the year of death, reduced by one for each subsequent year.

c. If the Participant's interest is distributed in the form of an annuity purchased from an insurance company, distributions thereunder will be made in accordance with the requirements of Code section 401(a)(9) and the Treasury Regulations.

6. Death before Date Distributions Begin.

a. If the Participant dies before the date distributions begin and there is a Designated Beneficiary, then, unless the election described in subsection E3d above is made, the minimum amount that will be distributed for each Distribution Calendar Year after the year of the Participant's death is the quotient obtained by dividing the Participant's Account Balance by the remaining Life Expectancy of the Participant's Designated Beneficiary, determined as provided in subsection E5a above.

b. If the Participant dies before the date distributions begin and there is no Designated Beneficiary as of September 30 of the year following the year of the Participant's death, distribution of the Participant's entire interest will be completed by December 31 of the calendar year containing the fifth anniversary of the Participant's death.

c. If the Participant dies before the date distributions begin, the Participant's surviving spouse is the Participant's sole Designated Beneficiary, and the surviving spouse dies before distributions are required to begin to the surviving spouse under subsection 3b(1), this subsection E will apply as if the surviving spouse were the Participant.

d. If the Participant's interest is distributed in the form of an annuity purchased from an insurance company, distributions thereunder will be made in accordance with the requirements of Code section 401(a)(9) and the related Treasury Regulations.

F. Lost Participants. If the Participant or his Beneficiary cannot be located within four years of the date the Participant's interest under the Plan is first payable, the entire balance in his Investment Account shall be forfeited; provided, however, that the amount so forfeited shall be reinstated as of the date of the subsequent filing of an application for benefits under the Plan, and payment of such benefits shall commence no later than 60 days after such application is filed.

G. Application of Forfeitures. The Amount of Participant's Investment Account which is forfeited for a Plan Year in accordance with Section 5.19.100 F shall be placed in a suspense account and applied as soon as possible to restore the accounts of lost Participants who have filed an application for benefits, if any. (Ord. 2005-0037 §§ 1, 2, 3, 4, 2005; Ord. 2004-0001 § 2 (part), 2004.)

5.19.110 Administration of the Plan.

A. Responsibility for Administration. The Administrative Committee shall be responsible for the administration of the Plan, including but not limited to the preparation and delivery to the Board,

Participants, Beneficiaries and governmental agencies of all information, descriptions and reports required by applicable law, except to the extent responsibility for administration of the Plan is expressly assigned to another person under the terms of the Plan or the Trust Agreement. Each other fiduciary shall have such powers, duties and authorities as shall be specified in the Plan or Trust Agreement.

B. Administrative Committee Procedure.

1. The chairman of the Administrative Committee shall be the Chief Administrative Officer of the County. The chairman of the Administrative Committee shall select a secretary and may select such other officers as are needed from time to time. The members of the Administrative Committee or their designated representatives may authorize one or more of their number or any Agent or County Employee to carry out action that may be taken by the Administrative Committee.

2. The Administrative Committee shall hold meetings at least quarterly or more often at the call of the chairman. A majority of the members of the Administrative Committee shall constitute a quorum and all action taken by the Administrative Committee shall be by majority vote at a meeting at which a quorum is present. The Administrative Committee shall maintain written minutes of its meetings.

C. Authority.

1. The Administrative Committee shall interpret where necessary the provisions of the Plan and determine the rights and benefits of Participants and other persons under the Plan. The Administrative Committee also may modify any notice period required by the Plan or designate any County officer to serve as the recipient of any form or notice that has to be filed under the Plan. The Administrative Committee, in case of disputes, may make findings of fact with respect to any matter arising in connection with the administration of the Plan. Subject to the provisions of subsection D of this Section 5.19.110, such determinations and findings shall be final and conclusive, to the extent permitted by law, as to all interested persons for all purposes of the Plan. Unless the Trustee is a Discretionary Trustee with the power to appoint Investment Managers and enter into investment arrangements, the Administrative Committee may contract with one or more Investment Managers, or enter into one or more investment arrangements, with respect to the Investment Funds. The Administrative Committee shall instruct the Trustee as to the benefits to be paid hereunder and shall furnish the Trustee with any further information reasonably required by it for the purpose of distributing such benefits and making investments in or withdrawals from one or more of the Investment Funds. The Administrative Committee shall also have the authority to contract with one or more private firms for services related to the Plan, consistent with Section 44.7 of the Los Angeles County Charter, Chapter 2.121 of the County Code, State and County contracting policies and Chapter 7 of Title 9 of the California Government Code (Section 87000, et seq.).

2. The Administrative Committee may assign additional duties and responsibilities to its members, and, with the exception of those duties expressly reserved to the County under subsection C11 below, may from time to time reassign any of the duties and responsibilities set forth in this Section 5.19.110C as it deems appropriate.

3. The County, as Plan sponsor, shall be responsible for contracting with the Trustee(s) and the TPA.

4. Unless there is a Discretionary Trustee, the County Treasurer is responsible for recommending to the Administrative Committee contracts for the guaranteed investment contracts or bank deposit funds that comprise the fixed income Investment Funds, and for administering all investment contracts.

5. The CAO shall be responsible for recommendations to the Board on all matters involving the appointment or removal of the Trustee, the County budget, Employee relations and County policy relating to the Plan. The CAO also shall be responsible for the purchase of liability and fiduciary insurance and the administration of the Trust Agreement.

6. The Director of Human Resources for the County shall be responsible for all Participant contact and services associated with the Plan, recommendations to the Administrative Committee concerning Plan operations and for the conduct of certain business operations on the Administrative Committee's behalf, including the review of Plan expenses to determine that they do not exceed approved limits and the administration of the TPA contracts.

7. The County Counsel shall provide, or contract for, all legal advice or representation required by the Administrative Committee and/or the County and its officers and employees in connection with their administration of the Plan.

8. The County Auditor-Controller shall be responsible for recommending a Plan auditor, administering auditor contracts, writing the specifications for Plan audits, supervising Plan audits, processing of payroll deferrals and County contributions, maintaining appropriate County accounting records, transferring of funds and account allocation information to the TPA, Trustees or Investment Managers, and periodic

reviews of the financial integrity of the Plan.

9. Each of the above County officers may discharge any duty required by this section through any designated deputy or assistant or contractor.

10. The Trustee has those duties set forth in the Trust Agreement.

11. The County expressly reserves to itself the duties set forth in subsection 3, the first sentence of subsection 5 and subsections 7 and 8 of this Section 5.19.110C.

D. Revocability of Action. Any action taken by the Administrative Committee with respect to the rights or benefits under the Plan of any Participant or Beneficiary shall be revocable by the Administrative Committee as to payments, distributions or deliveries not theretofore made hereunder pursuant to such action. Appropriate adjustments may be made in future payments or distributions to a Participant or Beneficiary to offset any excess payment or underpayment theretofore made hereunder to such Participant or Beneficiary.

E. Employment of Assistance. The Administrative Committee may employ such expert communication and enrollment, auditing, investment, or other assistance as it deems necessary or advisable for the proper administration of the Plan and Investment Funds.

F. Uniform Administration of Plan. All action taken by the Administrative Committee under the Plan shall treat all persons similarly situated in a uniform and consistent manner.

G. Expense Charges to Plan.

1. With the approval of the Board, expenses incurred as a result of County employees performing the functions defined in this Section 5.19.110 may be charged through the Trustee or reimbursed from Plan earnings and paid to the County. The annual charges shall not exceed the amount approved by the Board of Supervisors in the County budget, and will only include direct, additional County costs.

2. Expenses incurred as a result of contractors performing the Plan functions described in this Section 5.19.110, third-party administrator and Trustee fees, and the cost of fiduciary and liability insurance, are limited by the contract or contracts approved by the Administrative Committee or the Board, and may be charged through the Trustee or reimbursed from Plan earnings and paid to the County. (Ord. 2004-0001 § 2 (part), 2004.)

5.19.120 Fiduciary responsibility.

A. Responsibilities Generally. The Plan fiduciaries shall have only such powers, duties, responsibilities and authorities as are specified in the Plan or the Trust Agreement. The Board has the responsibility for appointing, employing or removing any Plan Trustee and the Board Appointee to the Administrative Committee, for approving certain expenses charged to the Plan in accordance with Section 5.19.110 G, and for other duties as set forth in the Plan. The Administrative Committee, as Plan Administrator, is a Plan fiduciary with the responsibility and discretionary authority for interpreting the terms of the Plan, for administering the Plan in accordance with its terms, for appointing or removing any Investment Manager and entering into investment arrangements with respect to the Investment Funds (unless a Directed Trustee has the responsibility and discretionary authority to appoint and remove Investment Managers and enter into investment arrangements), for incurring or approving certain expenses and charging them to the Plan in accordance with Section 5.19.110 G, and for other duties as set forth in the Plan. The Administrative Committee and all other persons with discretionary control respecting the operation, administration, control or management of the Plan or the Trust Fund: (1) will perform their duties under the Plan and the Trust Agreement for the exclusive benefit, and solely in the interest, of Participants and their Beneficiaries; (2) shall be governed by, and adhere to, Chapter 7 of Title 9 of the California Government Code (Section 87000, et seq.), including but not limited to the disclosure and disqualification requirements and the limitations on gifts and honorariums set forth therein; and (3) shall act in accordance with the Uniform Prudent Investor Act and the other provisions of California Trust Law. Provisions (2) and (3) in the previous sentence shall not apply to a Plan fiduciary to the extent such provisions conflict with, or another standard of fiduciary conduct is expressly provided in, the terms of the applicable Trust Agreement, TPA contract or Investment Manager contract negotiated with such fiduciary.

B. Immunities. Except as otherwise provided by the Trust Agreement:

1. No fiduciary shall be liable for any action taken or not taken with respect to the Plan or the Trust Agreement except for his or her own negligence or willful misconduct except as otherwise provided in subsection 2 of this Section 5.19.120 B;

2. A fiduciary shall be liable for a breach of duty committed by another fiduciary (a "co-fiduciary") only under the following circumstances: (a) where the fiduciary participates in the breach of duty committed by a co-fiduciary, (b) where the fiduciary improperly delegates its duties to a co-fiduciary, (c) where the fiduciary approves, knowingly acquiesces in, or conceals a breach of duty committed by a co-fiduciary, (d) where the fiduciary negligently enables a co-fiduciary to commit a breach of duty, or (e) where the fiduciary fails to take reasonable steps to compel a co-fiduciary to redress a breach of duty if the fiduciary knows of, or has information from which he or she reasonably should have known of, the breach of duty;
3. The County and each officer and Employee thereof, the Administrative Committee and each member thereof, and any other person to whom the County or Administrative Committee delegates (or the Plan or Trust Agreement assigns) any duty with respect to the Plan or the Trust Agreement, may rely and shall be fully protected in acting in good faith upon the advice of counsel, who may be counsel for the County, upon the records of the County, upon the opinion, certificate, valuation, report, recommendation, or determination of the third-party administrator, the Trustee, and Investment Manager, the County Treasurer or of the County Auditor-Controller, or upon any certificate, statement or other representation made by or any information furnished by an Employee, a Participant, a Beneficiary or the Trustee concerning any fact required to be determined under any of the provisions of the Plan;
4. If any responsibility of a fiduciary is allocated to another person, then, except to the extent provided in subsection 2 of this Section 5.19.120 B, such fiduciary shall not be responsible for any act or omission of such person in carrying out such responsibility; and
5. No fiduciary shall have the duty to discharge any duty, function or responsibility which is assigned by the terms of the Plan or Trust Agreement or delegated pursuant to the provisions of Section 5.19.110 to another person. (Ord. 2004-0001 § 2 (part), 2004.)

5.19.130 Claims Procedures.

- A. Initial Claim. Any Participant or Beneficiary who believes that he or she is entitled to receive a benefit under the Plan but has not received one may file an application for benefits with the Administrative Committee.
- B. Appeal. If an application for benefits is denied, the Participant or Beneficiary will be advised of his or her right to appeal the denial to the Administrative Committee. The Participant or Beneficiary may appeal the denial of his or her application by filing with the Administrative Committee a written request for review of such claim stating the specific facts supporting his or her claim and specifying the remedy sought. The appeal shall be reviewed by Agents of the Administrative Committee. If the Agents determine that the claim is valid, benefits shall be distributed as soon as administratively feasible in accordance with Section 5.19.100. If, however, such Agents recommend denial of the claim, such appeal shall be reviewed by the Administrative Committee at its next open meeting. The determination of the Administrative Committee as to the denial of a claim on appeal shall be final and binding to the extent permitted by law. (Ord. 2004-0001 § 2 (part), 2004.)

5.19.140 Rollovers and Plan-to-Plan Transfers.

- A. Rollovers from the Plan.
 1. Effective for any distribution made on or after January 1, 2002, a Participant who is entitled to receive an Eligible Rollover Distribution from the Plan, may direct the Administrative Committee to have the distribution transferred in a lump sum directly to the trustee of an Eligible Retirement Plan, as defined in 5.19.020R, that permits the acceptance of rollover contributions.
 2. In order for a transfer to be made with respect to a Participant under this subsection A, (a) the Participant must designate in writing the Eligible Retirement Plan to receive the transferred amounts; (b) the Participant must timely provide the Administrative Committee with adequate information to enable the Administrative Committee to determine that the transferee plan is an Eligible Retirement Plan; (c) the entire amount to be transferred must be an Eligible Rollover Distribution; (d) the Participant must have received proper notice in accordance with Code section 402(f); and (e) in the case of a distribution of property other than money, the amount so transferred consists of the property distributed.
 3. A Participant's surviving spouse who becomes eligible to receive a distribution on the Participant's

death under Section 5.19.100 of the Plan or an Alternate Payee who is a Participant's spouse or former spouse who becomes eligible to receive a distribution under Section 5.19.175 of the Plan shall be treated as the Participant for purposes of this subsection A.

B. Transfers to or from Comparable Plans.

1. If a Participant undergoes a Separation from Employment in order to accept employment with another eligible governmental employer (within the meaning of Section 457(e)(1)(A) of the Code) which sponsors an "eligible deferred compensation plan" within the meaning of Section 457(b) of the Code, then that Participant may make an election not to have the vested amounts credited to such Participant's Investment Account distributed, but instead to have such amounts transferred to the "eligible deferred compensation plan" of the new employer of such Participant, provided that (a) the transferee plan specifically authorizes the acceptance of such transferred amounts, (b) the Participant's account balance under the transferee plan immediately after the transfer is at least equal to the total amount of the Participant's Investment Account immediately before the transfer, and (c) the Participant is performing services for the eligible governmental employer maintaining the transferee plan.

2. In the event that a Participant has entered County service after having been a Participant in another "eligible deferred compensation plan" maintained by another eligible governmental employer (within the meaning of Code section 457(e)(1)(A)), the Trustee will accept a transfer of funds from such other plan for credit to such Participant's Investment Account provided that the foregoing transfer requirements are met.

3. The Administrative Committee may require such documentation from a predecessor or successor plan as it deems necessary to assure that such plan is sponsored by another eligible governmental employer and the transfer meets the other requirements of this section and the law. A Participant's Investment Account may not be transferred to and the Plan may not accept a transfer of amounts from an eligible deferred compensation plan that does not comply with Code section 457(g) or a successor provision (relating to holding the assets of the plan in trust for the exclusive benefit of participants and beneficiaries). (Ord. 2004-0001 § 2 (part), 2004.)

5.19.150 Transfers to other county plans.

A Participant who remains an active County Employee, who commences participation in LACERA or the Judges Retirement Law and who meets the eligibility requirements of any other "eligible deferred compensation plan" sponsored by the County may elect, or the Administrative Committee may elect, to transfer the Participant's membership in the Plan and the amounts credited to his Investment Account to another "eligible deferred compensation plan," under such terms and conditions as are required by the other County "eligible deferred compensation plan." Such election shall be made on a form provided by the County or its Agent. Following such an election by either the Participant or the Administrative Committee, the investments in the Participant's Investment Account shall be liquidated and then the cash shall be transferred to the other County plan within a commercially reasonable period of time, unless the Administrative Committee otherwise makes arrangements for an in-kind transfer of assets. The Participant's account balance under the other County plan immediately after the transfer shall be at least equal to the total amount of the Participant's accounts under the Plan immediately before the transfer. (Ord. 2004-0001 § 2 (part), 2004.)

5.19.160 Amendment or termination of the Plan.

The Plan may be amended or terminated by the County at any time. No amendment or termination of the Plan shall reduce or impair the rights of any Participant or Beneficiary to the interest in their Investment Accounts. In the event that the Plan is terminated by the County, the County shall distribute to each Participant or his Beneficiary in a single cash payment the vested balance in such Participant's Investment Account as soon as practicable after such termination. (Ord. 2004-0001 § 2 (part), 2004.)

5.19.170 Nonalienation.

To the extent permitted by law and except as otherwise provided in the Plan, no right or interest of any kind of a Participant or Beneficiary hereunder shall be transferable or assignable by the Participant or Beneficiary, nor shall any such right or interest be subject to alienation, anticipation, encumbrance, garnishment, attachment, execution or levy of any kind, voluntary or involuntary. (Ord. 2004-0001 § 2 (part), 2004.)

5.19.175 Rights of an Alternate Payee under a CDRO.

A. Notwithstanding Section 5.19.170, an Alternate Payee shall have the right to make a claim for any benefits awarded to the Alternate Payee pursuant to a CDRO as provided in this section. If an Alternate Payee is awarded a specified interest in the Investment Account of the Participant pursuant to a CDRO, such interest of the Alternate Payee shall be segregated and separately accounted for by the Trustee in the name and for the benefit of the Alternate Payee.

B. Upon receipt of a domestic relations order, or, if earlier, notice that a domestic relations order may be sought, the Administrative Committee shall suspend distributions from the Participant's Investment Account, and shall take steps to ensure that the Participant and each Alternate Payee is aware of the order or proposed order and the suspension of distributions from the Participant's Investment Account. Moreover, the Administrative Committee shall determine, within a reasonable period after receipt of such order, whether such order is a CDRO. If the order is determined to be a CDRO, the Alternate Payee's interest under such order shall be segregated and/or distributed in accordance with the CDRO and this Section 5.19.175. If the order is determined not to be a CDRO, and the domestic relations order is not modified as necessary to constitute a CDRO within a reasonable period of time after such determination, the suspension of distributions from the Participant's Investment Account shall be discontinued. If an order is not received within a reasonable period of time after the County has been notified that such an order is being sought, the suspension of distributions from the Participant's Investment Account shall be discontinued.

C. Distributions to the Alternate Payee shall be made in accordance with the CDRO provided that the CDRO does not provide for distributions earlier than permitted by Code section 457(d) or otherwise conflict with the Plan's distribution provisions or the provisions of this section. On or after January 1, 2004, regardless of whether the Participant is eligible to take a distribution under the Plan, the CDRO may provide (or may be amended to provide) for an immediate distribution of the Alternate Payee's interest thereunder to the Alternate Payee. If a CDRO does not provide the form of distribution of benefits payable to an Alternate Payee, the Alternate Payee shall have the right to elect distribution in any form provided under this section. Pursuant to the CDRO or the Alternate Payee's election, the Alternate Payee's interest may be distributed in cash in a lump sum payment or in equal monthly, quarterly or annual installments not extending over more than fifteen years.

D. Unless the CDRO provides otherwise, an Alternate Payee shall have the right, in the same manner as a Participant, to designate a Beneficiary, who shall receive benefits payable to the Alternate Payee in the event that all of the Alternate Payee's benefits have not been distributed at the time of the Alternate Payee's death. If the Alternate Payee does not designate a Beneficiary, or if the Beneficiary predeceases the Alternate Payee, benefits payable to the Alternate Payee which have not been distributed shall be paid to the Alternate Payee's estate. Any death benefits payable under this section shall be paid in a lump sum as soon as administratively practicable after the Alternate Payee's death and as soon as permissible in accordance with Code section 457(d), with or without the Beneficiary's request. (Ord. 2004-0001 § 2 (part), 2004.)

5.19.180 Facility of payment.

Whenever any Participant entitled to Benefits under the Plan shall be under a legal disability or, in the sole judgment of the Administrative Committee, shall otherwise be unable to apply Benefits to his own best interest and advantage, the Trustee, at the direction of the Administrative Committee, may make payments to the Participant's legal representative, and the decision of the Administrative Committee shall completely discharge the liability of the Plan, the Administrative Committee, the County and the Trustee with respect to such benefits. (Ord. 2004-0001 § 2 (part), 2004.)

5.19.190 No enlargement of employment rights.

By accepting benefits under the Plan, a Participant does not thereby agree to continue for any period in the employ of the County, and the County by adopting the Plan, making contributions thereto or taking any action with respect to the Plan does not obligate itself to continue the employment of any Participant for any period. (Ord. 2004-0001 § 2 (part), 2004.)

5.19.200 Severability provision.

If any provision of the Plan or the application thereof to any circumstance or person is invalid, the remainder of the Plan and the application of such provision to other circumstances or persons shall not be affected thereby. (Ord. 2004-0001 § 2 (part), 2004.)

5.19.205 Military service.

Notwithstanding any provision of this Plan to the contrary, effective on and after December 12, 1994, contributions, benefits and service credit with respect to qualified military service will be provided in accordance with Code section 414(u). (Ord. 2004-0001 § 2 (part), 2004.)

5.19.210 Trial Court Entities.

Generally effective January 1, 2001, the Trial Court Act recognizes the Trial Court Entities as separate, successor employers for certain purposes, and provides that, if permitted by federal law, Trial Court Employees shall continue to be eligible to receive deferred compensation benefits under the Plan unless otherwise elected by their respective Trial Court Entities. Accordingly, if Trial Court Employees participate in the Plan on and after January 1, 2001, then, on and after that date, the applicable Trial Court Entity shall be a participating employer in the Plan and any agreement in effect pursuant to Section 5.19.040 for such Trial Court Employees to make Deferred Compensation Contributions to the Plan shall be deemed to be made under a separate agreement with the Trial Court Entity that employs them, and any County contributions made to the Plan on behalf of such Trial Court Employees shall be paid out of the budget of their respective Trial Court Entity. (Ord. 2004-0001 § 2 (part), 2004.)

5.19.215 Temporary suspension of Plan provisions.

Notwithstanding any provision of the Plan to the contrary, during any conversion period (including but not limited to a change of Trustee, TPA or Investment Funds or a plan merger or spin-off), in accordance with procedures established by the Administrative Committee, the Administrative Committee may temporarily suspend, in whole or in part, certain provisions of the Plan, which may include, but are not limited to, a Participant's right to change his contribution election, and a Participant's right to obtain a distribution from his Account. (Ord. 2004-0001 § 2 (part), 2004.)

5.19.220 Construction.

Except to the extent federal law controls, the Plan shall be governed, construed and administered according to the laws of the State of California. All persons making contributions or accepting or claiming benefits under the Plan shall be bound by and deemed to consent to its provisions. (Ord. 2004-0001 § 2 (part), 2004.)

5.19.230 EGTRRA Sunset Provision.

The changes made to this Plan in accordance with the terms of EGTRRA shall expire and no longer be effective upon the sunset of the applicable provisions of EGTRRA. Upon the sunset of the applicable EGTRRA provisions, the sections of the Plan intended to comply with EGTRRA and such other sections that the Administrative Committee determines are no longer applicable due to the sunset of relevant EGTRRA provisions will no longer be effective and notwithstanding anything in the Plan to the contrary, the Plan shall be construed in accordance with the terms of the Plan in effect as of December 31, 2001, except to the extent such terms are inconsistent with the applicable provisions of the Code and guidance issued thereunder, in which case, the Plan will be construed consistent with such applicable law. (Ord. 2004-0001 § 2 (part), 2004.)