

**CLEVELAND PUBLIC LIBRARY
EMPLOYEE BENEFITS PLAN**

Effective January 1, 2013

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WHEREAS, Cleveland Public Library (the “Plan Sponsor”) maintains various types of employee welfare benefit plans; and

WHEREAS, effective January 1, 2013, the Plan Sponsor wishes to consolidate such plans into one plan in order to clarify that such plans are provided under a single plan, program, or arrangement.

NOW, THEREFORE, the Plan Sponsor does hereby adopt the Cleveland Public Library Employee Benefits Plan (the “Plan”), effective January 1, 2013.

ARTICLE I
PURPOSE OF PLAN

The Plan is an employee welfare plan designed to provide certain welfare benefits for the eligible employees of the Plan Sponsor.

ARTICLE II DEFINITIONS

As used in this Plan, the following terms, when capitalized, shall have the meaning specified below unless the context clearly indicates to the contrary:

2.1 “Covered Benefit” shall mean any employee welfare benefit designated in Schedule I attached hereto, which may be revised from time to time without amendment to the Plan.

2.2 “Effective Date” of the Plan as set forth herein shall mean January 1, 2013.

2.3 “Employee” shall mean any person employed by the Employer, other than (i) a person who is classified by the employer as an independent contractor regardless of whether such person is later determined by the employer or otherwise to be a common law employee of the employer; (ii) an individual who is classified by the employer as a leased employee regardless of whether the individual is later determined by the employer or otherwise to be a common law employee of the employer; (iii) an employee classified by the employer as a temporary employee regardless of the hours such person works for the employer or duration of employment with the employer; (iv) a nonresident alien with no income from sources within the United States, or (v) a self-employed individual (within the meaning of Code Section 401(c)).

2.4 “Employer” means Cleveland Public Library.

2.5 “Participant” shall mean an Employee of the Plan Sponsor who has satisfied the eligibility and enrollment requirements applicable to a Covered Benefit and has not ceased to be eligible for coverage with respect to such Covered Benefit.

2.6 “Plan Administrator” shall mean the Plan Sponsor.

2.7 “Plan Sponsor” shall mean Cleveland Public Library and its successors.

2.8 “Plan Year” shall mean each 12 consecutive month period beginning on January 1 and ending on the next following December 31.

**ARTICLE III
BENEFITS AND COSTS**

3.1 The Covered Benefits under this Plan shall be those set forth in Schedule I. The type and amount of benefits available, the requirements for participation, and the other terms, conditions and limitations of coverage and benefits shall be as set forth in the Summary Plan Description, contracts, policies, or other written instruments governing the Covered Benefits. The terms of such contracts, policies or other written instruments, as amended from time to time, are incorporated into this Plan by reference.

3.2 Notwithstanding anything to the contrary in this Plan, including the provisions of any underlying contracts, policies or written instruments governing the Covered Benefits, the cost of the Covered Benefits shall be paid by the Plan Sponsor alone, jointly by the Plan Sponsor and eligible employees, or by eligible employees alone, as provided in Schedule II attached hereto.

**ARTICLE IV
PLAN ADMINISTRATION**

4.1 Plan Administrator. The administration of the Plan shall be under the supervision of the Plan Administrator. It shall be a principal duty of the Plan Administrator to see that the Plan is carried out in accordance with its terms, for the exclusive benefit of persons entitled to participate in the Plan. The Plan Administrator will have full power and discretion to administer the Plan in all of its details subject, however, to the applicable requirements of law. For this purpose, the Plan Administrator's powers and the powers of any claims fiduciary will include, but will not be limited to, the following discretionary authority, in addition to all other powers provided by this Plan:

(a) to make and enforce such rules and regulations as it deems necessary or proper for the efficient administration of the Plan;

(b) to interpret the Plan, its interpretation thereof in good faith to be final and conclusive on all persons claiming benefits under the Plan;

(c) to determine all questions concerning the Plan, including the eligibility of any person to participate in the Plan and the status and rights of any Participant; provided, further, that any such determination shall be final and conclusive;

(d) to compute the amount of benefits which will be payable to any Participant or other person in accordance with the provisions of the Plan, and to determine the person or persons to whom such benefits will be paid;

(e) to authorize the payment of benefits;

(f) to appoint such agents, counsel, accountants, consultants and actuaries as may be required to assist in administering the Plan; and

(g) to allocate and delegate its responsibilities under the Plan and to designate other persons to carry out any of its responsibilities under the Plan, any such allocation, delegation or designation to be by written instrument and in accordance with applicable requirements of law.

4.2 Examination of Records. The Plan Administrator will make available to each Participant such of his records as pertain to him, for examination at reasonable times during normal business hours.

4.3 Fiduciary.

(a) The Plan Administrator will be a fiduciary with authority to control and manage the operation and administration of the Plan.

(b) For purposes of the determination of the amount of, and entitlement to, Covered Benefits provided under insurance contracts, the respective insurer is the fiduciary under the Plan, with the full power to interpret and apply the terms

of the Plan as they relate to the Covered Benefit provided under the applicable insurance contract.

4.4 Plan Administrators Decision Final. Subject to applicable law, any interpretation of the provisions of the Plan and any decisions on any matter within the discretion of the Plan Administrator made by the Plan Administrator in good faith shall be binding on all persons. A misstatement or other mistake of fact shall be corrected when it becomes known and the Plan Administrator shall make such adjustment on account thereof as it considers equitable and practicable. The Plan Administrator shall not be liable in any manner for any determination of fact made in good faith.

4.5 Claims and Review Procedures.

(a) To obtain benefits from the insurer of a Covered Benefit program, a Participant shall follow the claims procedures under the applicable insurance contract, which may require the Participant to submit a claim in the manner prescribed by the insurer. In such case, the claim form may be available from the Plan Administrator.

(b) The claims review procedure adopted by the Plan is set forth in the summary plan description for the Plan.

ARTICLE V GENERAL PROVISIONS

5.1 Amendment and Termination of Plan. The Plan Sponsor specifically reserves to itself the right at any time, and from time to time, to amend or terminate this Plan and any Covered Benefit in whole or in part at any time without any liability whatsoever for such amendment or termination. The Plan Sponsor's right to amend or terminate includes, without limitation, the right to amend or terminate Covered Benefits provided to any class of Participants under this Plan. In the event of a dissolution, merger, consolidation, or reorganization of the Plan Sponsor, the Plan shall terminate unless it is continued by a successor to the Plan Sponsor. In the event the Plan Sponsor decides to amend or terminate this Plan, such decision shall be evidenced in writing via a written resolution of the Board of Trustees of the Plan Sponsor, or by signature of an officer with the authority to adopt amendments on behalf of the Plan Sponsor, except with respect to changes to Schedule I, which may be revised without plan amendment. In the event the Plan, or any Covered Benefit, is amended or terminated, any amounts that became payable under the terms of the Plan prior to the date of termination shall be paid in accordance with the terms of the Plan as in effect immediately prior to the date of such termination or amendment.

5.2 Cost of Administration. The costs and expenses incurred by the Plan Administrator in administering the Plan may be paid by the Plan Sponsor or by a trust established to fund any of the Covered Benefits, as may be determined by the Plan Administrator.

5.3 Funding and Payment of Benefits. The Covered Benefits provided under the Plan shall be paid solely from insurance contracts or from the general assets of the Plan Sponsor or from a trust established to fund any of the Covered Benefits. Benefits may be paid in part through contributions made to the Plan by the Plan Sponsor or by Participants on either a pre-tax or after-tax basis. Nothing herein shall be construed to require the Plan Sponsor to maintain any fund or segregate any amount for the benefit of any Participant, and no Participant or other person shall have any claim against, right to, or security or other interest in, any fund, account or asset of the Plan Sponsor from which any payment under the Plan may be made, unless required by applicable law.

5.4 Facility of Payment. When a person entitled to benefits under the Plan is under legal disability, or, in the Plan Administrator's opinion, is in any way incapacitated so as to be unable to manage his financial affairs, the Plan Administrator may direct that benefits be paid to such person's legal representative, or to a relative or friend of such person for such person's benefit, or the Plan Administrator may direct the application of such benefits for the benefit of such person. Any payment made in accordance with the preceding sentence shall be a full and complete discharge of any liability for such payment under the Plan.

5.5 Waiver of Notice. Any notice required under the Plan may be waived by the person entitled to such notice.

5.6 Participants' Rights. This Plan shall not be deemed to constitute a contract between the Plan Sponsor and any Participant or employee or to be a consideration or an inducement for the employment of any Participant, and nothing contained in this Plan shall be deemed to give any Participant the right to be retained in the service of the Plan Sponsor, or to interfere with the right of the Plan Sponsor to discharge any Participant at any time regardless of the effect which such discharge will have on any Participant. Furthermore, nothing contained in the Plan shall give a Participant any right, title or interest in any property of the Plan Sponsor, and neither the establishment of this Plan nor any amendment hereof nor the payment of any benefits, shall be construed as giving to any Participant or any other person any legal or equitable rights against the Plan Sponsor or the Plan Administrator, except as expressly provided under the terms of the Plan.

5.7 Non-Assignment. Neither a Participant nor beneficiary in this Plan has any right to assign his rights or benefits or any cause of action arising at anytime against the Plan or Plan Sponsor to any third party. Any assignments of rights, benefits or causes of action under the Plan will be void and unenforceable.

5.8 Governing Law. This Plan shall be construed and enforced according to the laws of the State of Ohio, to the extent not preempted by federal law.

ARTICLE VI
PRIVACY AND SECURITY PROVISIONS
APPLICABLE TO MEDICAL, DENTAL AND VISION BENEFITS

6.1 Providing Protected Health Information to Plan Sponsor.

(a) Disclosing Protected Health Information to Designated Classes of Employees of the Plan Sponsor. The Plan shall disclose Protected Health Information to designated classes of employees of the Plan Sponsor only upon the receipt of a certification of the Plan Sponsor that the Plan has been amended to incorporate the provisions of 45 CFR §164.504(f)(2)(ii), and that the Plan Sponsor agrees to the conditions of disclosure set forth in paragraph 4 of this Section.

(b) Adequate Separation Between Plan and Plan Sponsor. The Plan Sponsor has designated the following classes of employees as those eligible to receive Protected Health Information: the Payroll Manager, Chief Financial Officer, and Human Resources Director. These classes of employees only shall have access to and use Protected Health Information to the extent necessary to perform the Plan Administration Function that the Plan Sponsor performs for the Plan. In the event that any of these specified employees do not comply with the provisions of this Section, that employee shall be subject to disciplinary action by the Plan Sponsor for non-compliance pursuant to the Plan Sponsor's employee discipline and termination procedures.

(c) Notwithstanding the foregoing and Sections 6.2 and 6.3, effective January 1, 2013, the Plan shall not disclose Protected Health Information to the Plan Sponsor or any employees of the Plan Sponsor.

(d) The Plan may disclose PHI to an individual and/or entity who is a "business associate" under the Health Insurance Portability and Accountability Act of 1996, as amended, and for whom the Plan and the individual/entity has entered into an agreement regarding such duties as a business associate. Any such business associate shall only use PHI for the purposes specified under the terms of the agreement.

6.2 Conditions of Disclosure. The Plan Sponsor agrees that with respect to any Protected Health Information disclosed to it by the Plan, Plan Sponsor shall:

(a) Not use or further disclose the Protected Health Information other than as permitted or required by the Plan or as required by law.

(b) Ensure that any agents, including a subcontractor, to whom it provides Protected Health Information received from the Plan agree to the same restrictions and conditions that apply to the Plan Sponsor with respect to Protected Health Information not use or disclose the Protected Health Information for employment-related actions and decisions or in connection with any other benefit or employee benefit plan of the Plan Sponsor.

(c) Report to the Plan any use or disclosure of the information that is inconsistent with the uses or disclosures provided for of which it becomes aware.

(d) Make available Protected Health Information in accordance with 45 CFR §164.524.

(e) Make available Protected Health Information for amendment and incorporate any amendments to Protected Health Information in accordance with 45 CFR §164.526.

(f) Make available the information required to provide an accounting of disclosure in accordance with 45 CFR §164.528. Make its internal practices, books and records relating to the use and disclosure of Protected Health Information received from the Plan available to the Secretary of Health and Human Services for purposes of determining compliance by the Plan with subpart E of 45 CFR §164.

(g) If feasible, return or destroy all Protected Health Information received from the Plan that the Plan Sponsor still maintains in any form and retain no copies of such information when no longer needed for the purpose for which disclosure was made, except that, if such return or destruction of the information is infeasible, the Plan Sponsor shall maintain the information only for the purpose that makes return or destruction infeasible.

(h) Ensure that the adequate separation between Plan and Plan Sponsor, required in 45 CFR §504(f)(2)(iii), is satisfied, and that such separation is supported by reasonable and appropriate security measures.

(i) Implement administrative, physical, and technical safeguards that reasonably and appropriately protect the confidentiality, integrity and availability of the electronic protected health information that it creates, receives, maintains, or transmits on behalf of the covered entity.

(j) Ensure that any agent, including a subcontractor, to whom it provides Protected Health Information agrees to implement reasonable and appropriate safeguards to protect it.

(k) Report to the Plan any security incident of which it becomes aware.

6.3 Definitions.

(a) Covered Entity means (i) a Health Plan, (ii) a health care clearinghouse, or (iii) a health care provider who transmits any Health Information in electronic form in connection with a Transaction.

(b) Electronic PHI is PHI that is maintained in or transmitted by electronic media. Electronic storage media includes memory devices in computers (hard drives), removable/ transportable digital memory medium, such as magnetic tape or disk, optical disk, or digital memory card. Electronic transmission media include any media used to exchange information already in electronic storage media, such as the Internet (wide-open), extranet (using Internet technology to link a business with information accessible only to collaborating parties), leased lines, dial-up lines, private networks, and physically moving removable/ transportable electronic storage media. Fax

machines and telephones are not considered electronic transmission media unless they transmit information stored in an electronic format (i.e. faxes that send information directly to a computer or from a computer, or telephones that send information via the internet).

(c) Health Information means any information, whether oral or recorded in any form or medium that (i) is created or received by a health care provider, Health Plan, public health authority, employer, life insurer, school or university, or health care clearinghouse; and (ii) relates to the past, present or future physical or mental health or condition of an individual; the provision of health care to an individual; or the past, present or future payment for the provision of health care to an individual.

(d) Health Plan means any individual or group plan that provides or pays the cost of medical care (as defined in Section 28\79(1)(2) of the PHS Act, 42 U.S.C. §300gg-91(a)(2).

(e) Individually Identifiable Health Information means a subset of Health Information, including demographic information collected from an individual, and (i) is created or received by a health care provider, Health Plan, employer or health care clearinghouse; and (ii) relates to the past, present or future physical or mental health or condition of an individual; the provision of health care to an individual; or the past, present or future payment for the provision of health care to an individual; and (iii) either identifies the individual or with respect to which there is a reasonable basis to believe the information can be used to identify the individual.

(f) Plan Administration Function means administration functions performed by the Plan Sponsor on behalf of the Plan, excluding functions performed by the Plan Sponsor in connection with any other benefit or benefit plan of the Plan Sponsor.

(g) Protected Health Information means Individually Identifiable Health Information that is (i) transmitted by electronic media; (ii) maintained in any media described in the definition of electronic media at 42 CFR §16.103; or (iii) transmitted or maintained in any other form or medium. Notwithstanding the preceding, Protected Health Information does not include Individually Identifiable Health Information in (i) education records covered by the Family Educational Rights and Privacy Act, as amended, 20 U.S.C. §1232g; (ii) records described at 20 U.S.C. §1232g(a)(4)(B)(iv); and (iii) employment records held by a Covered Entity in its role as employer.

(h) Summary Health Information means information that (i) summarizes the claims history, claims expenses or type of claims experienced by individuals for whom a plan sponsor had provided health benefits under a Health Plan; and (ii) from which the information described at 42 CFR §164.514(b)(2)(i) has been deleted, except that the geographic information described in 42 CFR §164.514(b)(2)(i)(B) need only be aggregated to the level of a five-digit zip code.

(i) Transaction means the transmission of information between two parties to carry out financial or administrative activities related to health care.

IN WITNESS WHEREOF, the Plan Sponsor has caused this Plan to be executed by its duly authorized officer on this _____day of _____, 20____.

CLEVELAND PUBLIC LIBRARY

By: _____

Its: _____

SCHEDULE I
COVERED BENEFITS

1. Medical
2. Dental
3. Vision
4. Dependent Care Assistance Program
5. Health Care Reimbursement Plan

SCHEDULE II

COST OF COVERED BENEFITS

As described in the materials provided to each participant in the Cleveland Public Library Employee Benefits Plan during each open enrollment.

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