

**AMERICAN LIBRARY ASSOCIATION
PERSONNEL POLICY MANUAL**

Item Number 804a

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SEVERANCE PLAN

Reviewed and
reissued 10/01/03

**SUMMARY PLAN DESCRIPTION
SEVERANCE PLAN**

Administration

The plan shall be administered by the Association. This Plan also constitutes the Summary Plan Description. The Association shall have the absolute and sole discretionary authority to:

- Construe and interpret the provisions of the plan, plan documents, summary plan description, as well as any communications related to the plan,
- Make factual determinations thereunder, including determining the rights or eligibility of employees or participants and any other persons, and the amounts of their benefits under the plan, and
- Remedy ambiguities, inconsistencies, or omissions.

Such determinations shall be binding on all parties. Benefits will only be paid if the Association, in its sole discretion, determines that the participant or beneficiary is entitled to them.

The Association has the authority to delegate any of its powers under this plan (including, without limitation, its power to administer claims and appeals) to any other person, persons, or committee in the administration of this plan. This person, persons, or committee may further delegate its reserved powers to another person, persons, or committee as they see fit. Any delegation or subsequent delegation shall include the same sole discretionary and final authority that the Association has listed herein, and any decisions, actions, or interpretations made by any delegate shall have the same ultimate binding effect as if made by the Association.

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Your Right Under ERISA

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

- Examine, without charge, at the plan administrator's office and at other specified locations, such as work sites, all documents governing the plan, including insurance contracts, and a copy of the latest annual report (Form 5500 Series) filed by the plan with the U.S. Department of Labor.
- Obtain, upon written request to the plan administrator, copies of documents governing the operation of the plan, including insurance contracts, and copies of the latest annual report (Form 5500 Series) and an updated summary plan description. The administrator may make a reasonable charge for the copies.
- Receive a summary of the plan's annual financial report. The plan administrator is required by law to furnish each participant with a copy of this summary annual report.

In addition to creating rights for plan participants, ERISA imposes duties upon the people who are responsible for the operation of the employee benefit plan. The people who operate your plan are called "fiduciaries" of the plan. A fiduciary has a duty to operate the plan prudently and in the interest of you and other plan participants and beneficiaries.

No one, including your employer or any other person, may fire you or otherwise discriminate against you in any way to prevent you from obtaining a benefit or exercising your rights under ERISA.

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If your claim for a benefit is denied in whole or in part, you must receive a written explanation of the reason for the denial. You have the right to have the plan reviewed and to have your claim reconsidered. Under ERISA, there are steps you can take to enforce the above rights. For instance, if you ask for materials from the plan administrator, and do not receive them within 30 days, you may file suit in a federal court. In such a case, the court may require the plan administrator to provide the materials and pay you up to \$110 a day until you receive the materials, unless the materials were not sent because of reasons beyond the control of the plan administrator.

If you have a claim for benefits that is denied or ignored, in whole or in part, you may file suit in a state or federal court. If plan fiduciaries misuse the plan's money, or if you are discriminated against for asserting your rights, you may seek assistance from the U.S. Department of Labor, or you may file suit in federal court. The court will decide who should pay court costs and legal fees. If you are successful, the court may order the party you have sued to pay these costs and fees. If you lose, the court may order you to pay these costs and fees (for example, if the court finds that your claim is frivolous).

If you have any questions about the plan, you should contact the plan administrator. If you have any questions about this statement or about your rights under ERISA, you should contact the nearest office of the Employee Benefits Security Administration, U.S.

Department of Labor, listed in your telephone directory or the Division of Technical Assistance and Inquiries, Employee Benefits Security Administration, U.S. Department of Labor, 200 Constitution Avenue, N.W., Washington, D.C. 20210.

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Administrative Information

Plan Name:

The American Library Association Health and Welfare Plan

Employer Identification Number (EIN):

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Plan Number:

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Plan Administrator and Plan Sponsor:

American Library Association
50 East Huron Street
Chicago, IL 60611

Plan Year:

Beginning January 1 and ending December 31

Legal Process:

Secretary
American Library Association
50 East Huron Street
Chicago, IL 60611

Funding:

This is an unfunded plan. Benefits are paid through the general assets of the American Library Association.