

Long-Term Disability Plan and rate sheet

Exhibit XVIII, Attachment A

2008 LONG TERM DISABILITY PLAN

ARTICLE I

Definitions

Sec. 1.1 "Actively at Work" shall mean the Employee is performing all the regular duties of his employment at a regularly established business location of his Employer or another location to which he may be required to travel to perform the regular duties of his employment. An Employee, for purposes of this document only, shall be deemed Actively at Work on each day of a regular paid vacation or holiday, or on a scheduled non-working day, on which he is not suffering from Total Disability provided he was Actively at Work on the last preceding regular work day. In no event will an Employee be considered to be Actively at Work if he is not physically able to perform all of the usual and customary duties of his employment.

Sec. 1.2 "Basic Monthly Earnings" shall mean the Participant's current base monthly rate of pay for his current occupation, plus longevity pay if applicable, excluding overtime, assignment pay, higher class pay or additional compensation, based on his normal work hours. For purpose of this Section 1.2, monthly rate of pay shall be bi-weekly rate times 26 pay periods divided by 12. The amount of Basic Monthly Earnings which the Employer reports to the Plan Administrator for any Participant will be considered conclusive.

Sec. 1.3 Reserved.

Sec. 1.4 "Elimination Period" shall mean the first 180 days or a period equal to the total number of full days of benefits provided by the Compensable Sick Plan, during which the Participant must be suffering from continuous Total Disability before Monthly Benefits, provided by the Plan, will be payable.

Sec. 1.5 "Employee" shall mean any person who is a full-time regular Employee of the Employer as determined from the Employer's records. "Employee" does not include elected officials, or Police Officer or Police Officer Trainee.

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Sec. 1.6 "Employer" shall mean the City of Houston.

Sec. 1.7 "Hospital" shall mean any hospital which is registered with American Hospital Association and approved by the Plan Administrator for the rendition of services.

Sec. 1.8 "Mental Illness" shall mean a neurosis, psychoneurosis, psychopath or any other mental or emotional illness or functional disorder.

Sec. 1.9 "Monthly Benefit" shall mean an amount equal to the lesser of a Participant's Monthly Coverage or 70% of the Basic Monthly Earnings minus Other Income Benefits as defined in Section 1.12.

Sec. 1.10 "Monthly Coverage" shall mean fifty percent (50%) of each Participant's Basic Monthly Earnings rounded to the nearest dollar. No increase in the amount of Monthly Coverage for a Participant shall occur if he is not Actively at Work on the date he becomes eligible for such increase; it will not be effective until the next date he is Actively at Work.

Sec. 1.11 "Occupational Classification" shall mean a Participant's regular occupation as reported to the Plan Administrator by the Employer. The Employer's determination of the occupation of a Participant will be considered conclusive.

Sec. 1.12 "Other Income Benefits" shall mean:

- (a) The sum of any periodic cash payments provided on account of a Participant's Total Disability (other than from this Plan):
 - (i) Under any group insurance coverage or similar arrangement of coverage for individuals in a group, but only to the extent that the group insurance and benefits under the Plan in the aggregate exceed 50% of a Participant's Basic Monthly Earnings.
 - (ii) under the United States Social Security Act, including benefits payable to the Participant's dependents on account of the Participant's Total Disability;

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- (iii) under any state, federal or governmental disability or retirement plan including the United States Railroad Retirement Act;
 - (iv) for the purpose of compensating a Participant for lost wages or lost capacity to earn wages, under any Worker's Compensation Act or similar legislation, or any state, or the maritime doctrine of maintenance, wages and cure or under any plan pursuant to a non-occupational disability benefits law or similar legislation;
 - (v) under any salary, formal salary continuation plan, wages, vacation pay, commissions or other similar remuneration that the Participant receives, or is entitled to receive, from the Employer;
 - (vi) under any disability benefits or retirement benefits payable under any group pension or retirement plan to which the Employer contributed;
 - (vii) under any retirement benefits, or benefits in the nature of retirement benefits, that are provided under the United States Social Security Act;
 - (viii) under any payments of benefits which are paid in addition to a life insurance death benefit and are provided in connection with any accidental bodily injury or sickness under any group insurance contract for which contract the Employer shall have paid, directly or indirectly, all or a portion of the cost, or made payroll deductions which became payable on or after the commencement of the Total Disability for which the Monthly Benefit is payable; and
- (b) Any income that a Participant elects to receive or has been awarded in a lump sum, rather than in periodic installments, will be considered to have been received on the equivalent monthly basis. However, recovery of

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any overpayment that resulted from a lump sum payment shall occur during the lesser of the number of months until the Participant's 65th or 70th birthday or the Participant is ineligible to receive a benefit from the plan, whichever is first to occur.

- (c) Until Primary Social Security Disability Benefits are actually awarded or until a decision is rendered by the Administrative Law Judge, Social Security Disability Benefits will be deemed to have been provided and the Employer may include an estimate of the amount of such benefits in its computation of benefits payable under the Plan. So long as the Plan Administrator shall have made a determination that it is reasonable to believe that the benefits or payment will be deemed to have been provided and the Employer may include an estimate of the amount of these benefits or payments in its computation of benefits payable under this Plan.
- (d) For the purpose of determining Other Income Benefits for any period of Total Disability, the Employer will disregard any increase in the amount of the periodic cash payments payable to the Participant and his dependents under the United States Social Security Act (except increases due to changes in the number of dependents) which become effective after Monthly Benefits become payable and after the date the first such payment under the United States Social Security Act is payable.
- (e) For the purpose of determining Other Income Benefits for any period of Total Disability, the Employer will disregard any payments under any state's Worker's Compensation Act or similar legislation that are expressly for the reimbursement of actual medical expenses incurred by the Employee or for punitive damage paid by the Employer.

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Sec. 1.13 "Participant" shall mean an Employee who is covered hereunder.

Sec. 1.14 "Physician" shall mean a person (other than a Hospital resident or intern) who is a Doctor of Medicine, Doctor of Osteopathy, Doctor of Podiatry, Doctor of Dentistry, Doctor of Optometry, or Doctor of Chiropractic, or a psychologist who is certified and licensed by the Texas State Board of Examiners of Psychologists under Article 4512c of Vernon's Civil Service Statutes of the State of Texas, Annotated. The terms Doctor of Medicine, Doctor of Osteopathy, Doctor of Podiatry, Doctor of Dentistry, Doctor of Optometry, and Doctor of Chiropractic as used herein shall have the meaning assigned to them by the Insurance Code of Texas. However, the term "Physician" shall be limited as follows:

- (a) A "Physician" who provides medical treatment to a Claimant must be licensed in the state in which he/she practices and is regulated. The Physician must also be in a treatment specialty relevant to the primary disabling condition of the Claimant.
- (b) A "Physician" must be a psychiatrist or PHD, level psychologist if the Physician is treating a Claimant whose disability resulted from mental/nervous disorders.
- (c) A "Physician" is not the Claimant or a member of his or her immediate family, which is defined to include parents, children, spouses, siblings, mother/father-in-law, or sister/brother-in-law.

Sec. 1.145 "Plan" shall mean the benefit plan that is described in this document.

Sec. 1.15 "Plan Administrator" shall mean a third party administrator retained by the City Council of the City of Houston to administer this plan. The Human Resources Director shall regularly review the activities of the Plan Administrator.

Sec. 1.16 "Plan Effective Date" shall mean September 1, 2008, 12:01 a.m. Central Standard Time.

Sec. 1.17 Reserved.

Sec. 1.18 Reserved.

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Sec. 1.19 "Rehabilitative Employment" shall mean any:

- (a) Gainful employment undertaken by the Participant while receiving Monthly Benefits under this Plan;
- (b) Planned vocational rehabilitation or training program operated or sponsored by the United States government or by any state or local government.
- (c) Planned vocational rehabilitation or training for disabled persons; or
- (d) Planned vocational rehabilitation training program approved by the Plan Administrator prior to the Participant's participation in such program.

Sec. 1.20 "Retirement Date" shall mean the first effective date of a Participant's retirement benefit payments under any pension plan with respect to which the Employer contributes or makes payroll deductions.

Sec. 1.21 "Total Disability" or "Totally Disabled" shall mean Participant is totally and permanently disabled, if:

- (a) during the Elimination Period and the next six (6) months of a period of total disability, he is under the regular care and attendance of a licensed Physician (other than himself or a member of his immediate family) and is unable to perform the material duties of his Occupational Classification; and
- (b) after the satisfaction of the Elimination Period plus the next six (6) months as provided in Sec. 1.21 (a), he is unable to engage in any gainful occupation or employment for which he is or becomes reasonably fitted by education, training or experience.

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ARTICLE II

Eligibility

Sec. 2.1 Eligibility. Each Employee, on the Plan Effective Date, who has completed one year of continuous service, beginning with the Employee's most recent hire date, is eligible for the Monthly Coverage on such Plan Effective Date. Each Employee after the Plan Effective Date applicable to the Employee who has completed one year of continuous service, beginning with the Employee's most recent hire date, shall be eligible for participation in the Plan on the first of the month following the completion of such service. Periods of leave without pay, disciplinary suspension periods and other periods of time, exclusive of days on which the employee is not scheduled to work, shall be excluded from the foregoing computation of continuous service, unless otherwise required by law. Participation in the Plan is restricted to the Employees covered by the Compensable Sick Leave Plan, as established under Chapter 14 of the Code of Ordinances, Houston, Texas.

Sec. 2.2 Eligibility on Reinstatement. A former Employee who satisfies the requirements for reinstatement within the time period set by law following service in the military forces of the United States will have all of the time from his most recent previous employment date count toward satisfying the service required to be eligible to participate in the Plan. In such case, a reinstated prior Participant shall immediately resume participation upon returning to active employment.

Sec. 2.3 Eligibility on Re-employment. A former Employee who has been re-employed by the Employer will be subject to the eligibility requirements as provided in Sec. 2.1 of the Plan. This Sec. 2.3 will apply whether or not the former Employee was a Participant at the time employment terminated.

Sec. 2.4 Effective Date. An Employee's coverage in the Plan will become effective on the first of the month following satisfactory completion of one year of continuous regular full-time employment calculated from the Employee's most recent hire date.

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ARTICLE III

Disability Income Protection

Sec. 3.1 Monthly Benefit. Upon receipt of due proof that a Participant, while covered under this Plan, has incurred Total Disability, the Plan Administrator will, subject to the provisions of this Article III, pay the Participant a Monthly Benefit until such Monthly Benefits are terminated under the provisions of Article IV of this Plan. No Monthly Benefit will be paid to the Participant:

- (a) during the Elimination Period;
- (b) for more than a time period equal to the Elimination Period plus six (6) months, unless the Participant's condition thereafter satisfies the increased standard for Total Disability, as provided in Sec. 1.21 (b), effective at that point in time.

Sec. 3.2 Amount of Benefit for Part of a Month. If benefits are payable for any period of time which is less than a full month, the amount of Monthly Benefit for such period will be proportionately reduced to be 1/30 of the amount determined for the Monthly Benefit times the number of calendar days for which benefits are payable.

Sec. 3.3 Minimum Amount of Monthly Benefit. The minimum amount of Monthly Benefit payable for a monthly period of disability of a Participant is fifty dollars (\$50), regardless of any adjustments, except that if a Participant refuses to engage in a rehabilitation program as provided in Sec. 4.2, or fails to provide evidence of continued disability as provided in Sec. 4.3, his benefits may be terminated in their entirety.

Sec. 3.4 Rehabilitation. The Plan Administrator will pay adjusted benefits if a Participant participates in Rehabilitative Employment, provided a Monthly Benefit is otherwise payable because of his Total Disability. Adjusted benefits will be paid during the Participant's participation in Rehabilitative Employment provided that the Participant returns to work on a limited basis as part of a plan of rehabilitation recommended and supervised by a licensed

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Physician, other than himself or a member of his immediate family. The amount of adjusted benefits is the Monthly Benefit for which the Participant would otherwise be eligible, reduced by seventy percent (70%) of the income he received from gainful occupation during his Rehabilitative Employment. Adjusted benefits will not in any case be less than the minimum amount of Monthly Benefit provided for in Sec. 3.3 hereof.

If a Participant performs work for wage or profit which is received less frequently than monthly, amount of such wage or profit will be prorated over the number of months during which it was earned.

Sec. 3.5 Successive Disability. If two or more disabilities, commencing while a Participant is covered under the Plan are due to the same or related causes, and not separated by 180 consecutive days or more Actively at Work they shall be considered as having occurred during one disability. However, during the Elimination Period, successive periods of Total Disability due to the same or related causes shall be considered one disability if separated by less than 14 days of Actively at Work.

Sec. 3.6 Recovery of Overpayment. If any payments have been made by the Plan Administrator in a total amount in excess of the maximum amount of payment necessary at that time to satisfy the intent of the Plan, the Plan Administrator will have the right to recover these payments to the extent of the excess.

ARTICLE IV

Termination of Benefits

Sec. 4.1 Termination of Benefits for Disabled Claimants. A Participant in receipt of Monthly Benefits under this Plan will have his benefits terminate on the first of the following to occur:

- (a) the date of his death;
- (b) the date he is no longer Totally Disabled;
- (c) if disability commenced on or before August 31, 1994, then the later of:

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- (i) the Participant's seventieth (70th) birthday, if disability commenced prior to age 69, or
- (ii) if disability commenced after Participant's sixty-ninth (69th) birthday, benefits may continue up to twelve (12) months; or
- (d) if disability commenced after August 31, 1994, then the later of:
 - (i) the Participant's sixty-fifth (65th) birthday, if disability commenced prior to age 64, or
 - (ii) if disability commenced after Participant's sixty-fourth (64th) birthday, benefits may continue up to twelve (12) months.

Anything herein to the contrary notwithstanding, if a Participant has his coverage terminated due to termination of employment, but is determined to have been Totally Disabled on the date of his termination, he shall be entitled during the continuance of disability to the Monthly Benefit, if any, to which he would have been entitled had the coverage not so terminated.

Sec. 4.2 Termination of Benefits for Failure to Participate in a Rehabilitation Program. Anything herein to the contrary notwithstanding, if a Participant refuses to engage in a rehabilitation program offered by the Plan Administrator and deemed appropriate medically by a Physician designated by the Plan Administrator, Monthly Benefits may be terminated. Benefits will be prospectively reinstated in such cases when the Participant agrees to actively pursue such a proposed rehabilitation program and will be paid thereafter under the existing provisions of the Plan.

Sec. 4.3 Termination of Benefits for Failure to Provide Evidence of Continued Disability. Anything herein to the contrary notwithstanding, if a Participant fails to provide evidence of continued Total Disability in the form and manner determined by the Plan Administrator or fails to provide proof of the existence or amount of Other Income Benefits to the Plan Administrator (including the employee's federal income tax records,

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if requested), Monthly Benefits may be terminated. Evidence of continued Total Disability and the amount, if any, of other Income Benefits must be provided at least once each twelve (12) months. Benefits may be reinstated in such cases when the Participant provides evidence satisfactory to the Plan Administrator that the Participant continues to be Totally Disabled and the amount, if any, of Other Income Benefits, provided that retroactive benefits may not be extended for a period exceeding six (6) months. Any reinstated Monthly Benefits will be paid thereafter under the existing provisions of the Plan.

ARTICLE V

Limitations

Sec. 5.1 Limitations. The coverage under this plan does not include, and no benefits will be paid for:

- (a) disability caused or contributed to or by;
 - (i) intentionally self-inflicted injuries, unless such action by the Employee resulted from a mental illness or disorder included in the edition of the American Psychiatric Association's Diagnostic and Statistic Manual of Mental Disorders that is current at the time the injury occurs;
 - (ii) active duty in the military or armed service (land, sea or air) of any country or international authority;
 - (iii) a bodily injury or illness for which the Participant, during the three (3) month period prior to the date his coverage under this Plan becomes effective, incurred expenses, received medical treatment, took prescribed drugs or medicines or consulted a Physician who recommended

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- treatment, unless the disability commences after the twelve (12) month period immediately following the date the Participant's coverage under this Plan becomes effective;
- (iv) sky diving, undersea diving, or any activity undertaken in connection with sky or undersea diving, except when performed in the course of employment on behalf of the Employer;
 - (v) participation in, or resulting from participation in, the commission or attempted commission of a felony;
 - (vi) riding in any aircraft used for acrobatic or stunt flying;
 - (vii) riding in any aircraft or motor vehicle (whether on land or water) engaged in racing or any speed contest;
 - (viii) riding in a motor vehicle without a seat belt provided that the vehicle was equipped with a seat belt for the seat in which the Employee was riding;
 - (ix) riding on a motorcycle or all terrain vehicle without a helmet;
 - (x) illness or injury arising from any employment other than the employment with the Employer.
- (b) any period of disability:
- (i) during which the Participant is not under the care of a legally qualified Physician; or
 - (ii) caused or contributed to by Mental Illness after Monthly Benefits have been payable for twenty-four (24) months for that disability, which shall constitute the maximum lifetime benefit period for Mental Illness hereunder; or

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- (iii) caused or contributed to by chronic use of alcohol or use of narcotics, barbiturates or hallucinogenic substances after Monthly Benefits have been payable for twenty-four (24) months for that disability, which shall constitute the maximum lifetime benefit period for alcohol/substance abuse hereunder;
- (iv) for which application for a disability in effect on the date of termination of employment is submitted more than 60 calendar days after termination of employment.
- (c) any false or fraudulent claim or claim asserted on the basis of materially omitted or materially untruthful or misrepresented facts.

ARTICLE VI

Administration

Sec. 6.1 Governing Documents. The Plan shall be administered by the Plan Administrator in accordance with the provisions of this Plan document and any other duly authorized documents delegating authority and responsibility hereunder.

Sec. 6.2 Day-to-Day Administration. Subject to review and approval of the Human Resources Director, the Plan Administrator shall be responsible for:

- (a) the overall Plan administration;
- (b) the interpretation of the Plan provisions; and
- (c) development of such rules, forms and procedures as may be necessary to implement the Plan.

Sec. 6.3 Amendment and Termination. The Plan may be amended at any time and from time to time or terminated by action of the Mayor and City Council. This Plan may also be amended at any time and from time to time upon concurrence of the Mayor, Director of Finance, Human Resources Director, and City Attorney. No amendment shall be construed to

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deprive an Employee of any benefits to which he became entitled in connection with any claim incurred before the date of the amendment, subject to the continuation of the Plan and continuing availability of funds to pay claims. Benefits under the Plan are subject to the appropriation of funds from time to time by the Mayor and City Council and may be discontinued at any time by action of the Mayor and the City Council.

ARTICLE VII

Claims

Sec. 7.1 Filing A Claim. A written preliminary notice of claim form should be filed with the Plan Administrator after the Participant has been off the job for over three (3) months due to a Total Disability. Upon receipt of the Participant's claim, the Plan Administrator will provide the Participant with further proof of loss forms which he should complete and return to the Plan Administrator for processing.

Sec. 7.2 Proof of Loss. Written proof of loss should be submitted to the Plan Administrator as soon after the occurrence, or commencement of any loss covered by this Plan, as is reasonably possible. Upon receipt of such notice, the Plan Administrator will furnish the Claimant with proof of loss forms.

Written proof of loss forms should be submitted to the Plan Administrator within ninety (90) days after the date of such loss. Failure to furnish such proof within the specified time shall not invalidate or reduce any claim if it was not reasonably possible to give proof within such time, provided such proof is furnished as soon as is reasonably possible. In no event, except in the absence of legal capacity of the Claimant, shall benefits be available for any claim that is filed later than one year from the time the Total Disability commences. Except, a terminated employee must submit Proof of Loss, for a disability in effect on the date of termination, within 60 calendar days after termination of employment.

Sec. 7.3 Claims Evaluation. Under normal circumstances, disposition of a claim will be made within ninety (90) days of the date the completed proof of loss forms are received. The

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time for making disposition of a claim may be extended for an additional ninety (90) days under special circumstances; however, in such an event, the Claimant will be notified in writing of the reasons for the delay and when the extension expires. A Claimant whose claim is denied, in whole or in part, shall receive written notification thereof clearly describing:

- (a) the specific reasons for the denial;
- (b) the specific reference to the Plan provision on which the denial is based;
- (c) any additional material or information needed for the Claimant to perfect his claim;
- (d) an explanation of the Plan's claims review procedure; and
- (e) the procedure and time period for an appeal.

Sec. 7.4 Review of Denied Claims. Within sixty (60) days after receipt of written notice of denial of claim, a Claimant may request a review of such denied claim by writing the Plan Administrator. The Plan Administrator will notify the Human Resources Director in writing of all such requests.

A Claimant may submit written issues and comments, may review pertinent documents and may be represented by counsel. The Plan Administrator may request additional information, interrogate the Claimant or seek professional assistance before rendering its decision.

The Plan Administrator shall render its decision upon receiving confirmation and approval by the Human Resources Director. The decision either granting or denying the claims, in whole or in part, shall be rendered in writing. If the claim is denied, in whole or in part, the decision shall give the reasons for the denial citing pertinent Plan provisions.

Sec. 7.5 Right to Examine. The Plan Administrator, at its own expense will have the right to have the person whose Total Disability is the basis of a claim examined by a Physician of its own choice when and as often as it may be reasonably required to evaluate the claim.

Sec. 7.6 Legal Action. No action at law or in equity shall be brought to recover under

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this Plan prior to the expiration of the claims review procedure described herein.

ARTICLE VIII

General Provisions

Sec. 8.1 Free Choice of Physician. Any Participant will have a free choice of Physician, so long as the Physician is practicing within the scope of his license.

Sec. 8.2 Gender. Except when otherwise indicated by the text, any masculine terminology herein shall also include the feminine and the definitions of any terms herein, in the singular, shall also include the plural.

Sec. 8.3 Conformity With Law. If any provision of this Plan is contrary to any law to which it is subject, such provision is hereby amended to conform thereto.

Sec. 8.4 Nondiscrimination. In connection with the administration of this Plan, the Plan Administrator shall act so as not to discriminate between individuals in similar situations and the Plan Administrator shall be entitled to rely upon any action of the Employer in connection with the Plan without being obligated to inquire into the circumstances.

Sec. 8.5 Facility of Payment. If a Participant dies or becomes legally incapacitated while Monthly Benefits remain unpaid, the Plan Administrator may, at its option, make direct payment to any of the Participant's wife, husband, mother, father, child or children, brothers or sisters, provided that the payment shall be made to the executors, administrators or guardian of the Participant's estate if an executor, administrator or guardian has been appointed as provided by law and the said persons have notified the Plan Administrator of their legal capacity and provided proof thereof.

Any payment by the Plan Administrator in accordance with this Facility of Payment Provision will discharge the Plan Administrator from all further liability to the extent of the payment made.

Sec. 8.6 Subrogation. In consideration of benefits provided under this Plan, the Employer (as the source of payment of benefits under this Plan) shall be subrogated to any

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recovery (irrespective of whether there is recovery from the third party of the full amount of all claims against the third party) or right to recovery of any Employee or legal representative of an Employee (individually and collectively referred to as the "Claimant") against any person or entity, including any insurance maintained by such Employee. The Claimant shall cooperate in doing what is reasonably necessary to assist the Employer in exercising such rights, including, but not limited to:

- (i) notifying the Employer of the institution of a claim against a third party,
- (ii) notifying the third party and the third party's insurer, if any, of the Employer's subrogation rights, and
- (iii) releasing any information to the Employer that the Employer determines may assist the Employer in exercising its subrogation rights. The Claimant shall not do anything after a loss to prejudice such rights.

In its sole discretion, the Employer reserves the right to prosecute an action in the name of the Claimant against any third parties potentially liable to the Claimant. The Employer shall have the absolute discretion to settle subrogation claims on any basis it deems warranted and appropriate under the circumstances. If a Claimant initiates a lawsuit against any third parties potentially liable to the Claimant, the Employer shall not be responsible for any attorney's fees or court costs that may be incurred in the liability claim.

The Employer shall be entitled, to the extent of any payments made to or on behalf of a Claimant, to be paid first from the proceeds of any settlement or judgment that may result from the exercise of any rights of recovery asserted by or on behalf of a Claimant against any person or entity legally responsible for the injury for which such payment was made. The Employer shall be reimbursed by the Claimant an amount of money equal to all sums paid by the Employer under the Plan to or on behalf of the Claimant and all expenses, costs and attorney's

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fees incurred by the Employer in connection with the prosecution and collection of its subrogation interest. The right is also hereby given the Employer to receive directly from any third party(ies), attorney(s), or insurance company(ies) any amount equal to the amount paid to or on behalf of the Claimant.

Amounts recovered in excess of the Employer's reimbursement and costs shall be paid to the Claimant, but that excess shall apply as a credit against liability of the Employer for further payment to or on behalf of the Claimant, which liability has arisen or may arise from the injury or illness that forms the basis of the claim asserted by or on behalf of the Claimant.

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EXHIBIT B -- FEES

LONG TERM DISABILITY RATE SHEET

Rates Effective from September 1, 2008 to August 31, 2013

SERVICES PROVIDED	1st YEAR	2nd YEAR	3rd YEAR	Renewal Rate or Formula Year 4	Renewal Rate or Formula Year 5
Monthly fee for each check issued to claimants in the month.	\$7	\$7	\$7	\$8	\$8
Flat monthly fee for standard administrative services.	\$250	\$250	\$250	\$275	\$275
Fee to establish each case file, obtain necessary medical examinations and claim investigations to perform initial evaluations of claims.	\$600	\$600	\$600	\$650	\$650
Fee for ongoing review of each claim over the duration of the disability	\$50	\$50	\$50	\$55	\$55
Fee for forms necessary for the administration of claims	Contractor invoices City	Contractor invoices City	Contractor invoices City	Contractor invoices City	Contractor invoices City
Fee for printing booklets describing Plan Provisions	Contractor invoices City	Contractor invoices City	Contractor invoices City	Contractor invoices City	Contractor invoices City
Additional fees (services to be described in detail).	Contractor invoices City	Contractor invoices City	Contractor invoices City	Contractor invoices City	Contractor invoices City
W-2 & Tax Reporting for each Claimant	\$15	\$15	\$15	\$15	\$15
Non Standard Claim Forms	Contractor invoices City	Contractor invoices City	Contractor invoices City	Contractor invoices City	Contractor invoices City
Rehabilitation Services	Contractor invoices City	Contractor invoices City	Contractor invoices City	Contractor invoices City	Contractor invoices City
Fee for Social Security Representation	Contractor invoices City	Contractor invoices City	Contractor invoices City	Contractor invoices City	Contractor invoices City
Fee for Presumptive Disabilities	Contractor invoices City	Contractor invoices City	Contractor invoices City	Contractor invoices City	Contractor invoices City
Fee for Hearing/Appeals Level	Contractor invoices City	Contractor invoices City	Contractor invoices City	Contractor invoices City	Contractor invoices City
Legal Consultation	Contractor invoices City	Contractor invoices City	Contractor invoices City	Contractor invoices City	Contractor invoices City

Note: Items listed above invoiced by Contractor to the City shall be reimbursable expenses for actual costs incurred by Contractor.

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The following charges for Social Security representation are estimates based on existing rates. Since subcontractors are used for representation, these charges may vary.

Social Security Representation	\$500 fee advance once a case is referred for representation. (Fee advance is credited to final settlement or will be returned if no award is won.)
➤ Presumptive Disabilities	\$500 for those awarded at the initial level.
➤ Initial Filings & Reconsiderations	Two times current monthly Social Security level primary insurance amount.
➤ Hearing/Appeals Level	3.5 times current monthly Social Security primary insurance amount plus direct out of pocket expenses incurred as a result of representing the Claimant.
The charges for the above services vary depending upon which level the award is won.	

Any costs or expenses incurred by Contractor in obtaining medical reports, attending physicians' statements, report of insurance support organizations, medical or rehabilitation consultant reports, or any other item of expense incurred with respect to any particular claims for benefits under the Plan are the responsibility of the City. Contractor shall have authority to make informational requests costing up to \$250 without City approval. The City must approve anything in excess of \$250 before the request is submitted and cost is incurred.