SUMMARY OF THE
CITY OF RIPON MONEY PURCHASE THRIFT
PENSION PLAN

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I. INTRODUCTION

As an employee of the City of Ripon (City), you may become eligible to participate in the City of Ripon Money Purchase Thrift Pension Plan, under which you may become entitled to the retirement benefits provided by the City under the plan for the eligible employees.

This summary of the plan (Summary) provides a brief description of the plan for your easy reference. Note that this Summary is just a summary and general description of the plan – it does not necessarily fully describe or summarize all of the provisions and all of the benefits that may be provided through the plan.

The City has a copy of the official plan document, as it may be modified from time to time, that is readily available for your inspection. If you have questions or need a copy of the plan, please contact the City Clerk.

If there is ever any conflict between the plan document and any statements made in this Summary, the plan document will control. Please remember that no employee of the City – not even your supervisor – has any authority to bind the City to any benefit or procedure that conflicts with the official plan document or this Summary.

Although the City currently intends to continue the plan, the City has reserved the right to amend, reduce or terminate the plan at any time and for any reason, subject to certain rules protecting your benefits accrued to the date of amendment or termination.

Neither this Summary nor the official plan document confers any contractual right to any person either to become or to remain an employee of the City.

II. PLAN INFORMATION

A. Plan Name And Number.

The name of the plan is the "City of Ripon Money Purchase Thrift Pension Plan." The plan number is 001.

B. Employer (Referred to as the City).

The Employer is:

City of Ripon
259 North Wilma Avenue
Ripon, California 95366
(209) 599-2108

C. Employer Identification Number.

The City's identification number is 94-2502539.

D. Type Of Plan.

This plan is Money Purchase Thrift Pension Plan.

E. Entity Maintaining Plan Funds.

Contributions to the plan are placed into a trust. The entity maintaining plan funds is the City of Ripon Money Purchase Thrift Pension Retirement Trust (Trust).

F. Trustee.

The trustee of the retirement trust is the Bank of Stockton.

G. Plan Administrator.

The City (or the person designated by the City) is the "Plan Administrator." The Plan Administrator is responsible for the overall operation of the plan. The Plan Administrator has the right to make rules and decisions concerning the operation of the plan and the eligibility for benefits.

H. Plan Year.

Records of contributions and account values are kept for each plan year. The plan year is July 1 to June 30.

I. Effective Date.

The plan was effective as of July 31, 1970. The plan was most recently amended effective as of July 1, 2008.

III. ELIGIBILITY AND PARTICIPATION

A. Eligibility.

In order to be eligible to participate in the plan, you must have completed six months of continuous service with the City. If so, you will be eligible to participate in the plan on the first day of the month on or after these eligibility requirements have been satisfied (if you are still employed by the City then).

In addition to the requirements above, you are not eligible to participate in the plan if you are:

1. An employee other than a full-time employee of the City;

2. A public safety officer;

3. A leased employee;

4. A non-resident alien who receives no earned income from the City which constitutes income from sources within the United States; and

5. A worker the City did not treat as an employee but who is subsequently determined to be an employee by a local state or federal governmental entity or by a court of competent jurisdiction.

B. Service.

1. Year Of Service.

A year of service is a 12-month period in which you have been credited with at least 1,000 hours of service. These periods are based on the plan year in which you were hired by the City and any succeeding plan year. A year of service is used for purposes of determining vesting.

2. Hour Of Service.

Hour of service means any service for which you are either directly or indirectly compensated by the City for performance of duties. Hours of service are also credited to you up to 501 hours when no duties are performed as a result of maternity or paternity leave, vacation, holiday, illness, incapacity, layoff, jury duty or leave of absence.

3. Breaks In Service.

A break in service happens when you do not complete at least 501 hours of service during any 12-month period. Authorized periods of absence, however, will not result in a break in service. If you terminate employment after becoming a participant and later return to work at the City, you will rejoin the plan on the date you are rehired. If you terminate employment with the City after becoming a participant in the plan but before you have a vested interest in any employer contributions under the plan, once you have five consecutive breaks in service, your service before these breaks in service will not be counted if you are rehired by the City and you will be considered a new employee for eligibility purposes.

4. Inactive Participant.

If you have less than 1,000 hours of service but at least 501 hours in a plan year, you will still be a participant in the plan, but you will be considered an inactive participant. Your benefits and vesting will not increase during this time.

IV. CONTRIBUTIONS

A. Amount Of Contributions.

1. Mandatory Contribution.

You shall be required to contribute 5% of your compensation each plan year. However, the terms of the written collective bargaining agreement or Memorandum of Understanding between the City and any union representing the employees of the City (MOU) may require the City to make such 5% contribution on your behalf. If you are not represented by any union, any mandatory contributions shall be designated as Employer "pick-up" contributions.

2. City Contribution.

If you make the required mandatory contribution above, or it is made on your behalf, each plan year the City will contribute an amount equal to 10% of your compensation.

3. Voluntary Contribution.

You are not required to make contributions to the plan in excess of the mandatory contribution (see above). However, the plan allows you to make additional employee contributions up to 6.6% of your compensation.

4. Matching Contribution.

If you choose to make voluntary contributions to the plan, the City will match them at a 50% rate, up to 3.3% of your compensation.

B. Forfeitures.

Forfeitures of the non-vested portion of the accounts of participants who terminate during a plan year (see Termination Benefit section, below) are allocated to participants eligible to receive the City contributions in the same proportion that each participant's compensation for the plan year bears to the total compensation of all participants for the plan year.

C. Maximum Contribution Allocation.

The Internal Revenue Service (IRS) limits the amount that can be allocated to your account for any plan year. This limit applies to our contributions, your mandatory and voluntary contributions, and any forfeited amounts from terminated participants that may be allocated to your account. The total amount of our contributions, your mandatory and voluntary contributions, and forfeitures that can be allocated to your account for any plan year cannot exceed the lesser of 100% of your compensation for the plan year or $46,000 for the plan year beginning July 1, 2008 (this amount may be changed in future years to reflect the cost of living as permitted under federal regulations or to reflect changes in the law). This allocation limitation does not apply to the amount of earnings that can be allocated to your account.

D. Compensation.

Compensation for each plan year means all compensation received by you from the City during that plan year that is included in your gross income other than overtime, commissions, discretionary bonuses, employee contributions that are treated as City contributions, certain reimbursements, expense allowances, fringe benefits, moving expenses, deferred compensation and welfare benefits. However, the plan, by law, cannot recognize compensation during a plan year in excess of a dollar limit that is adjusted periodically by the IRS for cost of living increases.

For the plan year beginning July 1, 2008, the compensation limit is $230,000.

Compensation shall include only amounts that were earned while you were a participant. Effective as of July 1, 2009, compensation shall include differential wage payments received by you on active duty in the uniformed services. Compensation does not include amounts paid after you have a severance from employment.

V. INVESTMENTS

All contributions to the plan on your behalf will be credited to one or more separate accounts established in your name. Plan contributions are held in trust by the trustee for the exclusive benefit of participating employees and their beneficiaries.

When you are eligible to participate in the plan, you will be provided with information about the investment options available. You will direct the trustees as to the investment of your account. To the extent you do not direct the trustees on a timely basis to invest your account, then your account shall be invested by the trustee.

When you direct investments, your accounts are segregated for purposes of determining the gains, earnings or losses on these investments. Your account does not share in the investment performance for other participants who have directed their own investments.

You should remember that the amount of your benefits under the plan will depend, in part, upon your choice of investments. Gains as well as losses can occur and you will be responsible for any losses resulting from your choice of investments. There are no guarantees of performance, and neither the City, the Plan Administrator, the trustee, nor any of their representatives provide investment advice or ensure or otherwise guarantee the value or performance of any investment you choose.

VI. BENEFITS

A. Retirement, Death, Disability And Termination Benefit.

Your normal retirement age is the date you reach age 65. If you continue to work after you reach your normal retirement age, you will remain a participant in the plan on the same terms and conditions as prior to your normal retirement age.

When you reach your normal retirement age, you will be entitled to the full value of your account. The value of your account will depend upon how much has been contributed for you, how long you were in the plan and the trust's earnings.

Early retirement under the plan is age 55. You will receive your vested benefit when you retire after your early retirement age.

In the event of your death prior to retirement, your beneficiary will be entitled to the full value of your account.

In the event of your total and permanent disability (as defined in the plan) prior to retirement, you will be entitled to the full value of your account.

The primary purpose of the plan is to provide income at the time of retirement. However, if you terminate employment before retirement, other than by death or disability, you will be entitled to a portion of your account according to the following vesting schedule:

Years of Service	**Vested Percentage**
Less than 2	0%
2	20%
3	40%
4	60%
5	80%
6 or More	100%

NOTE: Your mandatory, voluntary and matching contributions are 100% vested at all times.

If you quit, are terminated or permanently laid off from employment with the City before you are fully vested, you will forfeit the non-vested portion of your plan account when you receive a distribution of the vested portion. Any forfeitures are allocated to other participants' accounts in future years.

If you leave the City and then return, your previous years of service, but not the period you were gone, will count for vesting purposes in the plan after you complete one more year of service. If you were not vested in the City contributions when you leave and you have five consecutive breaks in service, your previous years of service will not count for vesting purposes in the plan when you return.

B. Form Of Benefit Payable To You.

The distribution of your vested account will be made as soon as practicable after your severance from employment in any of the following payment forms or a combination thereof as selected by you or your beneficiary:

1. Lump sum;

2. Monthly, quarterly, semi-annual or annual installments not to exceed your life expectancy or joint life expectancy of you and your beneficiary;

3. Fixed or variable installment contract not to exceed 30 years (limited by the above life expectancy requirements);

4. Substantially equal consecutive monthly installments, plus interest, with your account being segregated into an interest-bearing account in any bank or savings and loan association certificate of deposit or savings account, or thrift associating account of any kind, so long as it is insured; provided, that the present value of the payments projected to be made over your life expectancy is more than 50% of the present value of the total payments projected to be made to you and your beneficiaries; or

5. Substantially equal consecutive monthly installments for a period not in excess of your then life expectancy; provided, that the present value of the payments projected to be made over the period of your life expectancy is more than 50% of the present value of the total payments projected to be made to you and your beneficiaries.

If the value of your vested account balance is $1,000 or less, the Plan Administrator will distribute the vested portion of your account balance to you in cash as soon as administratively feasible after your severance from employment without the need for your consent.

If your vested account balance is $5,000 or less, but greater than $1,000, and you do not elect to receive it in cash or have it transferred to another qualified plan in a direct rollover, the Plan Administrator will automatically transfer the value of your vested account balance directly to an individual retirement account or annuity (IRA) selected by the Plan Administrator and set up in your name as soon as practical without your consent. The Plan Administrator will provide you with information regarding the IRA provider and the investment product for the IRA when distribution information is sent to you after termination at your employment. If you terminated employment and reached age 65, the Plan Administrator may distribute your benefit without your consent.

You may postpone taxation of your benefit by a transfer of your distribution into an IRA or a Roth IRA (certain limitations may apply), another employer's qualified plan, 403(b) plan or governmental 457(b) plan. If you are interested in transferring your distribution to another employer's plan, you should discus it with your new employer to determine if the employer sponsors a plan and whether that plan will accept transfers. Please contact the Plan Administrator for more information about rollover and transfer requirements.

C. Death Benefit.

In the event of your death, your beneficiary will be entitled to the value of your vested accounts under the plan (you become 100% vested in your accounts if you die prior to your termination of employment with the City). If you are married at the time of your death, your spouse will be the beneficiary of the death benefit, unless you otherwise elect in writing on a form furnished to you by the Plan Administrator. However, if you wish to designate a beneficiary other than your spouse, your spouse must consent to such designation and waive all rights to the death benefit. Your spouse's consent must be in writing and witnessed by a notary or plan representative. In order to be valid, your beneficiary designation must be on file with the Plan Administrator prior to your death.

D. Assignment Of Benefits.

Benefits under the plan are intended only for you (or your beneficiary in the event of your death). Neither you nor your beneficiary can transfer, assign or pledge any benefit under the plan unless required by a court of law under a qualified domestic relations order.

E. Loans.

If you apply in writing to the Plan Administrator or the trustees and the Plan Administrator or the trustees approve your application, you may borrow funds from the plan. The Internal Revenue Code contains limits on how much a participant can borrow. These limits basically require that no loan, when added to the participant's other loans, may cause the loan balance to exceed the lesser of:

1. $50,000, reduced by the excess of the highest outstanding loan balance during the 1-year period ending on the day before the

date on which the loan is made over the outstanding balance of the loans on the date on which the loan is made; or

2. 50% of participant's accounts under all plans of the City.

Each loan must bear a reasonable rate of interest and be paid by payroll deductions over a period generally not to exceed five years. The interest rate charged should be fixed at the time of the borrowing and equal to the prime rate plus 1%. Upon termination of employment, the loan becomes payable in full. The Plan Administrator shall treat a loan in default if any scheduled payment remains unpaid at the end of 90 days. You should be aware that your failure to repay any such loan in accordance with its terms will result in taxable income to you.

In addition, effective July 1, 2007, you may not have more than two loans outstanding from the plan at any given time. A loan processing fee must be paid at the time the loan is made. This fee shall be established by the Plan Administrator.

F. Military Leave.

If you are on military leave, you earn hours of service for hours you normally would have worked. To be credited with these hours of service, you must return to work for the City within the period of time set by law. If you are on military leave and die, your beneficiary will receive the benefits under the plan as if you resumed employment on the date before your date of death.

G. Mandatory Distributions After Age 70-1/2.

IRS rules require that you begin receiving distributions no later than the April 1 following the calendar year in which you attain 70-1/2 or terminate employment, if later. For more information regarding these mandatory distributions, please contact the Plan Administrator.

H. Loss Of Benefits.

Benefits to you or your beneficiary may be reduced or lost if:

1. You terminate employment before you become a participant in the plan;

2. You elect not to participate in the plan;

3. Your accounts' investments do not perform as well as you had anticipated;

4. You terminate employment before you become fully vested; or

5. You fail to keep the plan informed of address changes.

I. Plan Discontinuance.

This plan is intended as a long-range permanent program; however, the City reserves the right to change, suspend or discontinue the plan at any time. In the event that the plan is discontinued, the participants will be 100% vested in their accounts at the time of such discontinuance.

J. Claims Procedure.

You or your designated beneficiaries have the right to make a claim with the Plan Administrator for benefits under the plan. The Plan Administrator will notify you in writing of any decision within 90 days after receipt of the claim (unless the Plan Administrator needs more time to review the claim).

If any request for benefits has been denied in whole or in part by the Plan Administrator, you may file an appeal for a review of the denial. The request for a review must be in writing and submitted to the Plan Administrator within 60 days after receipt of the notice of denial. You may examine documents pertinent to the review and may submit oral or written issues and comments. The Plan Administrator will notify you in writing of any decision within 60 days after receipt of the request for a review (unless the Plan Administrator needs more time to review your claim). If the Plan Administrator confirms the denial in whole or in part, you will receive the reasons for the decision and specific plan provisions upon which the decision was based.

The Plan Administrator has the exclusive right to interpret the plan's provisions. Decisions of the Plan Administrator are conclusive and binding. A claimant may not file suit for a denied claim unless and until the claimant has exhausted the administrative procedures summarized above (i.e., file a claim with the Plan Administrator, appeal a denied claim, and receive a denial on appeal).