

**AMENDMENT NO. 4 TO
THE CALIFORNIA TEACHERS ASSOCIATION
EMPLOYEES' RETIREMENT BENEFITS PLAN**

The undersigned hereby amend the following provision of the above-named Plan as set forth on the following pages:

Provisions Added or Amended

Effective Date and Time

Section 6.5.3

January 1, 2000

Section 6.5.4

January 1, 2000 (immediately after amended Section 6.5.3 takes effect)

EXECUTION

CALIFORNIA TEACHERS ASSOCIATION

CALIFORNIA STAFF ORGANIZATION

By: _____

By: _____

Dated: _____, 2001

Dated: _____, 2001

CALIFORNIA ASSOCIATE STAFF

By: _____

Dated: _____, 2001

**AMENDMENT NO. 4 TO
THE CALIFORNIA TEACHERS ASSOCIATION
EMPLOYEES' RETIREMENT BENEFITS PLAN**

1. Effective as of January 1, 2000 (but only with respect to persons who were receiving a Retirement Allowance immediately prior to that date), Section 6.5.3 is amended in its entirety to read as follows:

6.5.3 Most Recent Increase. Effective as of January 1, 2000, a further monthly increase of 2% shall take effect January 1, 2000, for persons who were receiving a Retirement Allowance from the Plan immediately prior to that date; *provided, however,* that the amount of such increase shall be determined under Section 6.5.4 and shall not be determined separately under this Section 6.5.3.

2. Effective as of January 1, 2000 (but immediately after amended Section 6.5.3 takes effect and only with respect to persons who were receiving a Retirement Allowance immediately prior to that date), Section 6.5 is amended by adding the following new Section 6.5.4 at the end thereof:

6.5.4 2000 Purchasing Power Adjustment. Effective as of January 1, 2000, the monthly amount of the Retirement Allowance payable from the Plan to any person who was receiving a Retirement Allowance immediately prior to January 1, 2000 shall be increased by *multiplying* (i) the monthly amount of the Retirement Allowance paid in December 1999, *by* (ii) the 2000 COLA and PPA Factor (as listed below) that corresponds to the Retirement Date (as defined in Section 7.2) of the retired Member or, with respect to a Deceased Member who died before his or her Retirement Date, the date of death of the Deceased Member (as defined in Section 8.3.1).

<i>Year of Member's Retirement or Death Date</i>	<i>2000 COLA and PPA Factor</i>
Before 1979	104.2%
1979-1999	102.0%

(a) For example, the monthly amount of the Retirement Allowance payable in January 2000 to an eligible retired Member whose monthly Retirement Allowance was \$1,000.00 in December 1999 (after

taking into account previous cost of living and/or purchasing power adjustments) and whose Retirement Date occurred in 1973 shall be \$1,042.00 (*i.e.*, \$1,000.00 *times* 1.042 (or 104.2%)).

(b) Any Retirement Allowance increase payable under this Section 6.5.4 for monthly payment dates occurring in 2000 and 2001 (but prior to the adoption of this Section 6.5.4) shall be implemented by including a one-time retroactive make-whole payment (with compound interest at the rate of 6% per annum) in a regular monthly payment.