SMU

and

Your
RETIREMENT

A Summary Plan Description for the
Southern Methodist University
403(b) Retirement Plan

2012 Edition

Introduction

Important Information about the Plan

Plan Name:	Southern Methodist University Retirement Plan
Plan Sponsor:	Southern Methodist University ("SMU" or the "University") P.O. Box 750232 Dallas, TX 75275-0232 EIN: 75-0800689
Plan Number:	002
Plan Effective Date:	The Plan was originally effective September 1, 1976. This SPD describes the Plan as amended and restated effective as of January 1, 2012.
Plan Year:	January 1 - December 31
Plan Administrator:	Southern Methodist University P.O. Box 750232 Dallas, TX 75275-0232 (214) 768-3311
Agent for Service of Legal Process*:	Vice President for Legal Affairs and General Counsel Southern Methodist University Office of Legal Affairs 6425 Boaz Lane Dallas, TX 75205 *Legal process may also be served on the Plan Administrator.
Plan Recordkeeper:	Diversified Retirement Corporation ("Diversified") 440 Mamaroneck Avenue Harrison, NY 10528 (888) 755-5801
Annuity Contracts:	Information concerning TIAA-CREF annuity contracts remaining with TIAA-CREF, their terms, conditions and interpretations, claims and their review and service of legal process may be directed to: TIAA-CREF 730 Third Avenue New York, NY 10017 (800) 842-2776

Participation

Am I eligible to participate in the Plan?

You are eligible to enroll in the Plan and make voluntary pre-tax contributions, Roth contributions, and (if applicable) catch-up contributions if you are a full-time employee and not an excluded employee. (Each of these types of contributions is described under "Contributions to the Plan" below.) You are not eligible to participate if you regularly work fewer than 20 hours per week or are a student-teacher, a non-resident alien, or a leased employee.

Must I participate in the Plan?

If you are a regular, full-time employee age 36 or older, you *must* contribute at least 5% of your pay to the Plan on a pre-tax basis. If you do not fall into this category, you are not required to participate in the Plan.

When am I eligible to participate in the Plan?

If you are age 21 or older you are eligible to participate in the Plan and can generally receive SMU matching contributions. Once you enroll in the Plan, your contributions and SMU matching contributions will begin as soon as administratively feasible, typically with the first pay period following your enrollment. See "What types of contributions will the University make to the Plan on my behalf?" below for more information on when you will be eligible for matching contributions.

How do I enroll in the Plan?

Enrollment procedures will be provided during new employee orientation, during which you will have the opportunity to complete an "Easy Enroll" card. All other enrollments and enrollment changes will be made by signing into your Diversified account at smu.divinvest.com or by calling Diversified at 800-755-5801.

> If you do not self-enroll, mandatory contributions will automatically be withheld from your paychecks beginning with the first pay period following attainment of age 36.

Who is the beneficiary of my account?

As part of the enrollment process, you must name one or more beneficiaries for your Plan account. Your designated beneficiary/beneficiaries will receive the vested funds in your account if you should die.

> If you are married, your spouse will automatically be your beneficiary for 100% of your account. If you wish to designate someone else as beneficiary for all or part of your account, you must first submit the written consent of your spouse, witnessed by a notary public. Your spouse automatically will become the beneficiary if your non-spouse-designated Beneficiary dies before you or if a written, spousal consent is not on file.

If you are unmarried at the time of your death and you have not designated a beneficiary (or if your designated beneficiaries have died before you), your Plan account will be paid to your estate.

It is important to keep your beneficiary designations up to date. The latest beneficiary designation form on file with Diversified will apply.

If you have a frozen TIAA-CREF individual annuity account, the latest beneficiary designation form on file with TIAA-CREF will apply for that account.

Contributions

What types of contributions may/must I make under the Plan?

You may contribute any whole or partial percentage of your "regular salary" to the Plan as either voluntary pre-tax or voluntary Roth contributions, ***but you must contribute at least 5% of your Regular Salary to the Plan on a pre-tax basis to be eligible for SMU matching contributions*** (see "What is considered part of my regular salary?" below). Voluntary contributions will be deducted from your paycheck and credited to your Plan account as soon as administratively feasible following your enrollment. To enroll or make a change to your contribution amount, please sign into your account (or register if you have not yet done so) at smu.divinvest.com or call Diversified at 800-755-5801. Your contribution election will remain in effect until a new election is made.

> You will not pay any federal income taxes on any money that you contribute to the Plan as a pre-tax contribution until you withdraw this money from the Plan. You will also defer any income taxes on earnings that you accrue on pre-tax contributions held in the Plan. Note that you do pay Social Security (FICA) and certain other employment taxes on your pre-tax contributions when you make them. For example, if your regular salary is $20,000 per year and you elect to make pre-tax contributions to the Plan totaling $2,000, you only pay income taxes on $18,000.
>
> On the other hand, you will have taxes withheld on Roth contributions at the time that you contribute the money to the Plan, but will not pay taxes when you withdraw this money from the Plan. You also may not owe any taxes on the earnings that you accrue on these amounts depending upon whether your withdrawal is deemed "qualified." See "What are the tax effects of taking my benefits attributable to Roth contributions?" below for more information regarding qualified Roth distributions.

If you are a regular full-time employee age 36 or over, you must contribute 5% of your regular salary to the Plan as mandatory contributions on a pre-tax basis. Roth contributions are not permitted for the 5% mandatory contribution.

May I contribute any additional amounts to the Plan?

Age 50+ Catch-up Contributions: If you are age 50 or over, you may elect to make additional "catch-up" pre-tax or Roth contributions to the Plan. Catch-up contributions are limited to $5,500 per year in 2012. This limit will be adjusted for inflation in future years.

15 Year Rule Catch-up Contributions: In addition, a special catch-up rule may allow you to make additional contributions to the Plan if in the preceding calendar year (i) you have 15 or more full years of employment with the University, and (ii) your cumulative Plan voluntary deferrals (not

If you qualify to make these special catch-up contributions, you may contribute up to the lesser of (a) $3,000 per year, or (b) $5,000 times your years of service <u>minus</u> all prior Plan voluntary contributions. You may only contribute up to $15,000 in your lifetime under this special catch-up rule.

If you are over age 50, the first $3,000 of voluntary contributions made each year that exceeds the voluntary contribution limit (which, as explained below, is $17,000 for 2012) will be counted as a special catch-up contribution before such amounts are counted as over age 50 catch-up contributions described in the above paragraph. Thus, participants who want to maximize Plan contributions should take advantage of the special catch-up provision as soon as possible after completing 15 years of service.

What types of contributions will the University make to the Plan on my behalf?

If you are at least 21 years old and a non-temporary employee scheduled to work at least nine months per year and 20 hours per week and you contribute 5% (pre-tax only) of your regular salary to the Plan, the University will make matching contributions (based on your age) to the Plan on your behalf. If you were hired prior to June 1, 2010, you must be at least 26 years old and meet these requirements in order to be eligible to receive matching contributions.

> If you are classified as temporary, contract, a post-doctorate fellow, adjunct faculty, or a student, you will not be eligible to receive matching contributions regardless of your age, work schedule, or plan contributions.
>
> Contributions in excess of 5%, Roth contributions, and Catch-up contributions are not eligible for SMU matching contributions.

If you are eligible for matching contributions and are under age 41, the University will contribute an amount equal to 8% of your regular salary as a matching contribution. If you are eligible for matching contributions and are age 41 or older, the University will contribute an amount equal to 10% of your regular salary. See "What is considered part of my „regular salary‟?" below for more information on what is included in this amount.

Assuming that you contribute 5% of your regular salary to the Plan on a pre-tax basis (as either voluntary or mandatory contributions), the following illustrates the matching contributions that the University will make to the Plan on your behalf as a percentage of your regular salary:

Age	Your Contribution	SMU Contribution	Total
Prior to age 41	5%	8%	13%
On or after age 41	5%	10%	15%

If you continue your contributions, the University will continue to make its matching contribution to the Plan while you are on a paid leave of absence.

May I stop making contributions to the Plan?

If you are ***under*** age 36, your contributions are voluntary and you may stop your voluntary contributions by signing into your account via smu.divinvest.com or by calling Diversified at 800-755-5801. Your contribution change will take effect as soon as administratively feasible after making the change, depending primarily on the time of the month that you made the change. If you decide to start making voluntary contributions again at a later date, you may begin making them by signing into your account via smu.divinvest.com or by calling Diversified at 800-755-5801 and increasing your contribution percentage. Contributions will be deducted as soon as administratively possible thereafter.

If you are ***an eligible full-time employee age 36 or older***, you must contribute at least 5% of your regular salary to the Plan on a pre-tax basis as a condition of employment with SMU.

the University may choose to make a 100% vested contribution (called a qualified matching or qualified non-elective contribution) to any or all of the members of the non-highly compensated group who have met the eligibility requirements for the Plan. The University will notify you if your contributions exceed these limits and if they will need to be distributed or forfeited.

What is a "Highly Compensated Employee"?

A highly compensated employee is generally one who receives salary from the University of more than $110,000 in the prior year AND is among the top-paid 20% group of employees for the prior year. This limit will be adjusted for inflation in future years.

What happens if my voluntary contributions exceed the relevant limits in a Plan year?

The annual IRS dollar limit is an aggregate limit that applies to all *voluntary* contributions (excluding catch-up contributions) you may make under this Plan or any other cash or deferred arrangements (including other 403(b) plans, simplified employee pensions or 401(k) plans in which you may be participating).

While you are ultimately responsible for ensuring that you do not exceed the IRS limits, SMU will monitor your contributions to ensure that your contributions to the SMU plan do not exceed the annual limits. However, if your total contributions under all cash or deferred arrangements for a calendar year (including contributions made through a prior employer‟s plan during the calendar year) exceed the annual dollar limit, the excess must be included in your income for the year.

For this reason, it is important that you adjust your contributions to the SMU Plan, taking into consideration contributions you made to any other plans subject to the annual limits.

If your combined contributions exceed the annual limit, you should request in writing that these excess contributions be returned to you. If you fail to request such a return, you may be taxed twice, once in the year the contribution is made and a second time when the excess contribution is ultimately distributed to you by the Plan.

If you decide that the excess should be distributed from this Plan, you must communicate this in writing to the University no later than March 1st following the close of the calendar year in which the excess contribution was made. However, if the entire dollar limit is exceeded in this Plan or any other plan maintained by the University, you will be deemed to have notified the University of the excess. The University will reto re ay be p0 1 195crea adju

What happens if I go on a qualified military service leave?

Generally, when you go on a qualified military service leave, you are no longer able to make

Managing Your Plan Accounts

Who decides how the money in my account is invested?

You do. When you enroll in the Plan, you may direct how the money in your account is invested by choosing from among a variety of investment funds. The investments made available to you will be determined by the University, and may change from time to time. Currently, you have a variety of mutual funds, a Guaranteed Interest Contract ("GIC"), and a number of age-specific target date (also called "lifecycle") retirement funds in which you may choose to invest your money. You also have an open brokerage window option that permits you to select virtually any publicly traded mutual fund. These investment options have been organized into three investment tiers, which are described below.

Tier 1 – Target Date Funds

Tier One is composed of target date funds, including the Vanguard Target Retirement Funds, the

The Funds seek to provide high total returns until the Fund reaches its target date. After reaching the target retirement date, the Funds seek high current

May I transfer money among the different investment funds?

You may transfer your existing account balances among the available investment funds at any time (subject to a 90-day restriction on transferring money from the GIC to a competing fund) by signing into your Diversified account at smu.divinvest.com or by calling Diversified at 800-755-5801.

You may also transfer money from your TIAA-CREF annuity to one of the above-described funds (under its 10-year payout option) by contacting TIAA-CREF or SMU‟s on-site Diversified retirement planning consultant for assistance with the transfer. You may not transfer money from other investment funds into your TIAA-CREF annuity.

Vesting

What does "vesting" mean?

Vesting refers to your right to receive your Plan account under the conditions described below.

When will I be vested in my Plan account?

<u>If You Were Hired Before June 1, 2010</u>

If you were hired by the University before June 1, 2010, you are always fully vested in the entire value of your Plan account, including your voluntary and mandatory contributions and SMU matching contributions.

<u>If You Were Hired On or After June 1, 2010</u>

If you were first hired by the University on or after June 1, 2010, you are always fully vested in your voluntary and mandatory contributions and your catch-up contributions. However, the portion of your Plan account attributable to SMU matching contributions only becomes vested after you have completed three full years of employment with the University. Prior to completing three full years of employment, you will not be vested in the portion of your Plan account attributable to matching contributions and will forfeit any amount attributable to matching contributions if you leave the University.

Vesting Exceptions: You will become fully vested in your Plan account if any of the following events occur (regardless of your years of employment with the University):

account that were forfeited when you left the University will be restored to your Plan account upon your re-employment.

If, on the other hand, you are not vested in your matching contributions when you leave, and you do not return to employment with the University before incurring five consecutive one

Withdrawals

May I make a withdrawal from my Plan account while I am still employed by the University?

Yes, you may make withdrawals as follows:

Age 59½ or Older

If you are age 59½ or older, you may withdraw all or any portion of your vested account balance for any reason, typically without penalty. The one exception is assets attributable to Roth contributions, which must have been established for at least 5 years. If a distribution of the Roth after-tax portion of your account is made before completion of the 5 year period, the amount of the distribution attributable to Roth contributions will be included in your gross income.

> ***IMPORTANT:*** The Roth 5-year "clock" begins with your first Roth deposit. After your initial Roth contribution reaches five years, all Roth contributions can be withdrawn without tax.

Military

If you are a military reservist called to active duty for more than 179 days, you may withdraw, during your period of duty, any portion of your account balance attributable to your voluntary contributions penalty free. If you take advantage of this withdrawal option, you may also re-contribute any amounts that you withdraw to your Individual Retirement Account (or "IRA"), on an after-tax basis, within two years after the end of your period of active duty.

In addition, if you are in the uniformed services on active duty for more than 30 days, you may request a distribution of your entire vested Plan account (this includes your voluntary and mandatory contributions as well as vested University matching contributions). It is important to note that if you take advantage of this early distribution option, you will be subject to a 10% early withdrawal tax penalty if you are under age 59½ and will not be allowed to make any voluntary contributions to the Plan for 6 months following the date of the distribution. Any matching contributions tied to such voluntary contributions will also end during this period.

Hardship Withdrawals

The Plan permits you to request a hardship withdrawal of your ***voluntary*** contributions (pre-tax or Roth), regardless of where such funds are invested. However, you may not withdraw any income attributable to your voluntary contributions in a hardship withdrawal.

> You may also take a hardship withdrawal from ***your 5% mandatory contributions and vested University matching contributions***, but only if those contributions were ***originally*** invested in a non-mutual fund (e.g., the Guaranteed Interest Contract (GIC)). This provision is complicated so be sure to discuss with your financial advisor or SMU‟s on-site Diversified Retirement Consultant.

How do I apply for a withdrawal?

You can apply for a withdrawal by calling Diversified at 800-755-5801 and requesting a withdrawal form. Diversified will process your withdrawal request as soon as administratively feasible following receipt of your properly completed request form and required documentation.

If I make a withdrawal, may I repay it?

No, amounts withdrawn from the Plan may not be repaid.

Loans

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What is the maximum amount that I may borrow from my Plan accounts?

Your maximum loan amount is limited to $50,000 (including outstanding loans with TIAA-CREF), reduced by the highest outstanding balance on any loan made to you during the 12-month period ending on the date the new loan is made, or, if less, 50% of your total vested account balance that is held in Diversified investment options. For example, if you are applying for a loan of $50,000 this year and you had an outstanding loan whose highest outstanding loan balance in the last 12 months was $12,000, you would, assuming your vested account balance was sufficient, only be allowed to borrow up to $38,000.

If you continue to have an account with TIAA-CREF and apply for a loan against your account balance with Diversified, Diversified will request information regarding your TIAA-CREF loan activity before approving your loan request.

How is the interest rate determined for my loan?

Unless otherwise specified by the University, your interest rate will be the prime rate, as stated in the Wall Street Journal, plus 1%.

How do I make loan repayments?

You will make loan repayments directly to Diversified. If you terminate employment with the University, it will be your responsibility to continue to make scheduled payments on your loan.

Each loan repayment will be equal to the interest payable on the portion of the loan that is still outstanding (known as the loan principal) and an installment of the loan principal. Your loan repayments will be deposited to your account according to your current investment elections in the Plan.

Your loan will be treated solely as your investment, and all interest paid on your loan will be credited to your Plan account.

What happens to my loan repayments if I am on a leave of absence?

You may not delay your loan repayments if you are on a paid leave of absence.

If you are on an unpaid leave of absence (other than a military leave), you generally may delay loan payments until you return to work or, if earlier, until one year after your leave begins. When your loan repayments resume, to oue 1 0 0 1 7ooanr t-2(fp)-191h24 21P2(t)]TJ

Under what circumstances would a loan be defaulted?

Your loan balance will be declared in default if:

> You do not make a scheduled loan repayment by the end of the calendar quarter following the quarter in which such payment was due. If there are one or more pay periods during which you missed a scheduled loan payment, you must make arrangements to repay the missing deductions to avoid having the loan defaulted;

Under some circumstances, you may have an opportunity to roll over the amount of your balance used to pay off the loan if you act within the legal time limits. However, those rules are quite complex and it is recommended that you seek qualified tax counsel with respect to your options and how this may impact your own taxes.

Plan participants are not eligible for new loans if they default on a prior loan and do not cure the default by paying off the prior loan.

Distributions

When will I begin to receive distributions from the Plan?

The Plan will distribute your vested account assets to you, at your or your beneficiary‟s request, when you retire, become disabled, or die. In addition, you may generally receive a distribution when you terminate your employment with the University or for any of the events described under "May I make a withdrawal from my Plan account while I am still employed by the University?" above.

Are there any circumstances under which I <u>must</u> take distributions from the Plan?

You generally will not be required to take distributions involuntarily, with the following exceptions. You must take:

> At least a calculated minimum distribution beginning no later than April 1^{st} of the calendar year following the year in which you reach age 70½ (or the year in which you actually retire, if later); and
>
> Your entire plan account balance in a single lump-sum payment, if you terminate employment with vested Roth and/or non-Roth account balances of less than $1,000 each. You may not elect any other optional form of distribution in this case, but you may elect to roll over this distribution to an IRA or another eligible retirement plan.

What is the default distribution option?

The automatic form of payment for all participants is a single life annuity if you are unmarried at the time your benefits commence or a 50% qualified joint and survivor annuity if you are married at the time your benefits commence. Such an annuity will be purchased with your vested account balance.

A "single life annuity" is a series of payments that continues during your lifetime and stops when you die.

A "qualified joint and survivor annuity" (or "QJSA") is a series of reduced payments that continues during your lifetime. After your death, your surviving spouse continues to receive payments of 50%, 66 2/3%, 75% or 100% (as elected by you prior to benefit commencement) of the monthly benefit amount that was paid to you during your lifetime. For example, if you elected a 50% QJSA and received $1,000 per month during your lifetime, your spouse, if he or to elect in writing not to receive the annuity. The consent of your spouse to the election not to receive a QJSA must be witnessed by a Plan official or notary.

If you die before the anticipated starting date of a QJSA, your surviving spouse (if you"re married) will automatically receive a Qualified Preretirement Survivor Annuity (or a "QPRSA") in the form of a life annuity equal to 50% of your vested account balance. The other 50% will be paid to your designated beneficiary. You may also waive this annuity and elect for your spouse to receive a different payment option or designate a different beneficiary for your Plan account, with the consent of your spouse.

If you are younger than 35 years of age at the time you waive a QPRSA, then under federal law, your waiver will only be valid until you reach age 35. You will have to make a new designation after attaining age 35 — with spousal consent — for it to remain valid.

May I elect a different payment option?

Yes. There are a variety of distribution options available to you under the Plan, including:

1. <u>Lump Sum or Partial Cash Distributions</u>: You may elect to withdraw all or any portion of your account balance in a cash distribution. If you elect this option, you will be able to defer taxes on the amount paid to you to the extent you rollover such amounts to an IRA or eligible retirement plan and such rollover is an "eligible rollover distribution" (see below);

2. <u>Installment Distributions</u>: You may elect to receive approximately equal periodic installments over a time not exceeding your life expectancy; and

3. <u>Various Annuity Options</u>: The Plan offers several annuity options, as described below.

   Retirement Transition Benefit: This option provides you with a single lump sum payment at the beginning of your annuity benefits. You may elect to receive up to 10% of the amount of your lifetime retirement income at the start of your annuity payments. You may combine this benefit with most of the annuity options described below.

   Guaranteed Payment Period: This option provides guaranteed payments for a period of 10, 15, or 20 years, subject to applicable IRS limitations. These payments continue to be made to your beneficiary if you should die before the end of the relevant time period.

   Single Life Annuity: This option provides benefits payable no less frequently than annually for your lifetime.

   Joint & Survivor Annuity: This option provides a monthly benefit payable for as long as you live, with 50%, 66 2/3%, 75% or 100% of that amount payable to your beneficiary for the rest of his or her life following your death.

New York Life GIC Annuity: You may be able to take advantage of an additional life annuity option with respect to amounts invested in the New York Life Insurance Company Guaranteed Interest Account. This annuity option is subject to special annuity purchase rates, which vary based upon your age on the annuity purchase date.

Although additional information regarding your distribution options and the related tax implications will be provided to you at the time you become eligible to receive your benefits, it is important that you understand the options well in advance of retirement.

Please be sure to contact Diversified for detailed information regarding your distribution options. You can schedule an appointment with SMU‟s on-site Diversified Retirement Planning Consultant by visiting the SMU Retirement Plan website at smu.divinvest.com. You should also consult a tax advisor before making your decision.

IMPORTANT: If you have an SMU 403(b) account remaining with TIAA-CREF, please be sure to contact TIAA-CREF to discuss your available distribution options.

What is an "eligible rollover distribution"?

Most payments from the Plan, except for hardship withdrawals and annuity distributions, generally will be "eligible rollover distributions." This means that the entire amount received can be rolled over to an IRA, Roth IRA, or to another employer‟s tax-qualified retirement plan (such as a 401(k) plan or another 403(b) plan), or to a governmental "457" plan, that accepts rollovers.

Such payments from the Plan may generally be made in one of two ways:

1. **Direct Rollover:** The payment may be paid as a direct rollover to

applicable, will provide the beneficiary a notice of the special tax benefits, if any, available for the distribution.

Tax Treatment of Distributions

What are the tax effects of taking distributions attributable to pre-tax contributions and matching contributions?

You must include any distribution attributable to pre-tax Plan contributions (including voluntary contributions, mandatory contributions, qualified non-elective contributions (i.e., contributions made by the University to pass certain IRS requirements), and matching contributions) in your taxable income in the year in which you receive the distribution.

> Such amounts are generally subject to mandatory 20% federal income tax withholding. You may also be subject to an additional 10% IRS penalty tax if you are under age 59½ at the time of your withdrawal. There is an exception if you terminate employment at or after age 55 and take your distribution on account of such termination.

What are the tax effects of taking distributions attributable to after-tax (non-Roth) contributions?

The Plan stopped allowing non-Roth, after-tax contributions as of June 1, 2010. However, if you previously took advantage of this feature your Plan account may include balances attributable to such contributions.

> Distributions of after-tax (non-Roth) contributions are tax-free since you previously paid tax on these amounts when you contributed them to the Plan. However, you will have to include any earnings on your after-tax (non-Roth) contributions in your taxable income in the year in which you receive the distribution. As noted above, any distributions before you attain age 59 ½ may also be subject to a 10% penalty.

What are the tax effects of taking my distributions attributable to Roth contributions?

The taxation of distributions from your Roth accounts, which hold any Roth contributions, Roth rollovers, or in-plan Roth conversions, plus any earnings on these amounts, will depend upon whether the distribution is "qualified." Distributions of your Roth contributions are always tax-

The first day of the taxable year that you completed an in-Plan Roth conversion.

Any earnings will be taxed if you receive a non-qualified distribution from your Roth account. The taxable amount of earnings will be determined on a pro rata basis. For example, if you have a $10,000 balance in your Roth account, $9,400 of which is Roth employee contributions and $600 of which is earnings, then a distribution of $5,000 would consist of $4,700 of Roth employee contributions (that are not includible in gross income) and $300 of earnings (that are includible in gross income).

As noted above, any distributions before you attain age 59½ may also be subject to a 10% penalty.

Can I reduce or defer tax on my distribution?

Yes. You may generally defer the tax due on your distribution through use of one of the following methods:

1. The rollover of all or a portion of the distribution to a traditional Individual Retirement Account ("IRA") or another qualified employer plan. This will result in no tax being due until you begin withdrawing funds from the traditional IRA or other qualified employer plan. The rollover of the distribution, however, MUST be made within strict time frames (normally, within 60 days after you receive your distribution). Under certain circumstances all or a portion of a distribution (such as a hardship distribution, life annuity, or required minimum payment) will not qualify for this rollover treatment. In addition, most distributions (even if later rolled over) will be subject to manda81(to)-81(mand)-7(a)4(81d)-7(a)ect 04[n2vts)-50((e)7(29(dist)-4(rib8-49(if)-/4

penalty may apply.) See “What are the tax effects of taking my benefits attributable to Roth contributions?” above for the qualified distribution rules.

Please note, 2010 Roth rollovers are eligible for special tax treatment. Unless you elect otherwise, the amount includible in your gross income as a result of the rollover will be included equally in income for 2011 and 2012. None of the amount includible in your gross income as a result of a rollover occurring in 2010 will be included in your 2010 income, and half of the income resulting from the rollover will be includible in gross income in 2011 and half in 2012. For example, if you roll oX 9n9

OF YOUR CLAIM FOR BENEFITS. IF THE WRITTEN REQUEST FOR REVIEW IS NOT MADE WITHIN THE SPECIFIED 60-DAY PERIOD, YOU WILL WAIVE THE RIGHT TO REVIEW.

2. Upon written request and free of charge, you will be provided access to and copies of all documents, records and other information relevant to your claim.

3. You may submit written comments, documents, records and other information related to your claim to the University in connection with your appeal.

4. Your claim for review must be given a full and fair review. The University will take into account any information you submit in connection with your appeal, and will not give any deference to the prior benefits decision. If your claim is denied, the University must provide you with written notice of the denial. The University or its designee will notify you of the final decision within 60 days after the University‟s receipt of your written claim for review. There may be times w-thCten claiB9ieipt tBouYrtake ction

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Your Legal Rights

What are my rights as a Plan participant?

As a participant in the Plan you are entitled to certain rights and protections under ERISA. ERISA provides that all Plan participants are entitled to:

1. Examine, without charge, all documents governing the Plan, including annual financial reports, Plan descriptions, and all other documents filed with the Department of Labor and available at the Public Disclosure Room of the Employee Benefits Security Administration.

2. Obtain copies of documents governing the operation of the Plan, including copies of the latest annual report (Form *5500* Series) and updated summary plan description. A reasonable charge may be assessed for these copies.

3. Receive a written summary of the Plan‟s summary annual report. The University is required by law to furnish each participant with a copy of this summary annual report.

4. Obtain once a year, a statement of the total benefits accrued and the nonforfeitable (vested) benefits, if any, or the earliest date on which such benefits will become vested.

If you have a claim for benefits which is denied or ignored, in whole or in part, you may file suit in a state or federal court. In addition, if you disagree with the Plan‟s decision or lack thereof concerning the qualified status of a domestic relations order, you may file suit in a federal court.

If it should happen that the Plan‟s 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 a federal court. The court will decide who should pay court costs and legal fees. If you are successful, the court may order the person you have sued to pay these costs and fees. If you lose, the court may order you to pay these costs and fees if, for example, it finds your claim is frivolous.

What can I do if I have questions or feel my rights have been violated?

If you have any questions about the Plan, you should contact the University. For further information about this statement or about ERISA rights, contact the Department of Human Resources, or the nearest area office of the Employee Benefits Security Administration, United States Department of Labor, listed in the 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.

You may also obtain certain publications about your rights and responsibilities under ERISA by calling the publications hotline of the Employee Benefits Security Administration.