

WESLEYAN UNIVERSITY

STAFF RETIREMENT PLAN

(Amended and Restated Effective July 1, 2014)

WESLEYAN UNIVERSITY

Staff Retirement Plan

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Article 1
Establishment of Plan and Introduction

1.1 This document is an amendment and restatement, effective July 1, 2014, of the Wesleyan University (the "University") Retirement Plan for Staff Employees (the "Plan") maintained pursuant to the Agreements between Wesleyan University and the Office and Professional Employees International Union, Local 153. This document reflects one portion of a broader plan that also includes the Wesleyan University (the "University") Retirement Plan for Faculty, Professional Librarians, Public Safety Hourly Employees and Administrative Staff. The Plan provides for retirement contributions by the University for Eligible Employees and is designed to satisfy the provisions of Section 403(b) of the Internal Revenue Code. The Plan is a defined contribution plan and Plan Contributions are invested as directed by the Participant in one or more Funding Vehicles available under the Plan.

Article 2
Definitions

As used in the Plan, the following terms have the following meanings unless a different meaning is clearly required by the context.

Account. The separate account or accounts established for each Participant to which Plan Contributions, and investment earnings on those contributions, are credited.

Base Earnings. Base Earnings are:

- (a) Salary or wages paid to a Participant by the University for services rendered that are reported as gross income for federal income tax purposes, including any bonus paid in lieu of a salary increase; but excluding overtime pay, any bonus other than a bonus paid in lieu of a salary increase, benefits, non-cash compensation and any other form of extraordinary earnings or the value thereof;
- (b) Workers compensation payments up to a maximum of twelve months of payments for any one injury or illness; and
- (c) Salary reduction amounts authorized by the Participant pursuant to a plan under Section 403(b), Section 125, Section 132(f)(4) or Section 457 of the Code.

No payments made by the University after severance from employment shall be included in Base Earnings.

In no event will Base Earnings taken into account for purposes of the Plan exceed the limits of Section 401(a)(17) or other applicable sections of the Code.

Beneficiary. The individual, institution, trustee, or estate designated by the Participant to receive the Participant's benefits under the Plan in the event of the Participant's death. A Participant may designate more than one Beneficiary.

Board. The Wesleyan University Board of Trustees.

Break in Service. A Plan Year in which a Participant has fewer than 500 Hours of Service.

Code. The Internal Revenue Code of 1986, as amended. Reference to any article or section of the Code includes reference to any law, which amends, supplements or replaces that article or section.

Date of Employment. The first day on which an employee completes an Hour of Service during the employee's most recent period of service with the University.

Early Retirement Date. A retirement date that is prior to the Normal Retirement Date.

Eligible Employee. An employee of the University as defined in Article 3.

ERISA. The Employee Retirement Income Security Act of 1974, as amended.

Fund Sponsor. An insurance, variable annuity, mutual fund, or retirement company that provides one or more of the Funding Vehicles, as approved by the University for the investment of Plan Contributions.

Funding Vehicles. The annuity contracts or custodial accounts that have been approved by the University for the investment of Plan Contributions.

Hours of Service. Hours of Service will be credited in accordance with the following rules:

- (a) Employees will be credited for an Hour of Service for each hour they are paid, or entitled to payment, for the performance of duties for the University.
- (b) Except to the extent limited by paragraph (d) below, employees will be credited for an Hour of Service for each hour for which they are paid by the University, or entitled to payment from the University, on account of a period of time during which no duties are performed for the University (irrespective of whether their employment relationship has terminated) due to vacation, holiday, illness, incapacity (including disability), layoff, jury duty, military duty, or leave of absence.
- (c) Except to the extent limited by paragraph (d) below, employees will be credited for an Hour of Service for each hour for which back pay, irrespective of mitigation of damages, is either awarded by or agreed to by the University, but the same Hours of Service will not be credited both under paragraph (a) or paragraph (b), as the case may be, and under this paragraph (c). Hours credited under this

paragraph (c) shall be credited to the Plan Year in which the award or agreement pertains, rather than to the Plan Year in which the award, agreement or payment is made.

- (d) Notwithstanding the provisions of paragraphs (b) and (c) above,
 - (1) No more than 501 Hours of Service will be credited to an employee under paragraph (b) or (c) on account of any single continuous period during which the employee performs no duties.
 - (2) No Hours of Service will be credited to an employee for a period during which no duties are performed, if payment to the employee was made or due under a plan maintained solely for the purpose of complying with workers' compensation, unemployment compensation or disability laws.
 - (3) No Hours of Service will be credited for a payment which solely reimburses an employee for medical or medically related expenses incurred by the employee or his dependents.
- (e) Hours of Service shall be credited for employment with other members of an affiliated service group (under Code Section 414(m)), or a controlled group of trades or businesses under common control (under Code Section 414(c)), of which the University is a member, and any other entity required to be aggregated with the University pursuant to Code Section 414(o) and the regulations thereunder. Hours of Service shall also be credited for any individual considered an employee for purposes of this Plan under Code Section 414(n) and the regulations thereunder.

Any determination of Hours of Service will be in accordance with Department of Labor Regulations Section 2530.200b-2(b) and (c) which are incorporated herein by this reference.

Normal Retirement Date. A participant's Normal Retirement Date is the first day of the month coinciding with or next following his or her 65th birthday. The Normal Retirement Date is used by the University for retirement planning purposes. A Participant may, however, retire before or after the Normal Retirement Date.

Participant. An Eligible Employee who is participating in the Plan as provided in Article 3; or, depending upon the context in which used, a former Eligible Employee who continues to have rights under the Plan.

Plan. The Wesleyan University Staff Retirement Plan

Plan Contributions. Contributions made by the University pursuant to Article 4. Plan Contributions include Base Plan Contributions and Matching Contributions.

Plan Year. July 1 through June 30.

Qualified Domestic Relations Order. A domestic relations order that meets the requirement of Section 414(p) of the Code and Section 206(d)(3) of ERISA.

Spouse. The individual to whom a Participant is validly married as of the determination date, as recognized for federal tax purposes, including as set forth in IRS Revenue Ruling 2013-17. Notwithstanding the foregoing, the Plan does not recognize common law marriages.

University. Wesleyan University.

Year of Service. A 12-month period starting with the Eligible Employee's Date of Employment or anniversary of his or her Date of Employment, during which the Eligible Employee completes 910 or more Hours of Service.

Article 3 Eligibility and Participation

3.1 Eligible Employees. An employee in the Physical Plant or Secretarial/Clerical collective bargaining unit who is regularly scheduled to work 910 or more hours a year (or who has been credited with 910 or more Hours of Service for any 12 month period) is eligible to participate in the Plan immediately following the date on which he or she completes five Years of Service with the University, subject to the following exclusions:

- (a) Employees who are participants in the Wesleyan Retirement Plan for Faculty, Professional Librarians and Administrative Staff Members;
- (b) Employees whose primary relationship to the University is that of student, including but not limited to, graduate assistants and teaching assistants;
- (c) Employees who are not represented by a union; and
- (d) Leased employees, within the meaning of Section 414(n) of the Code, except to the extent their eligibility to participate is required by law.

Notwithstanding the foregoing to the contrary, employees in the Physical Plant bargaining unit hired on or after July 1, 2010 are eligible to participate in the Plan as soon as administratively feasible following date of hire (provided they complete the enrollment process pursuant to Section 3.2, below).

3.2 Enrollment in the Plan. To participate in the Plan an Eligible Employee must complete the necessary enrollment form(s) and return them to the University. An employee who has been notified that she or he is eligible to participate in the Plan but who fails to return the enrollment form(s) will be deemed to have waived all of her or his rights under the Plan except the right to enroll at a future date.

3.3 Reemployment. An Eligible Employee who has satisfied the eligibility and participation requirements stated in this Article and whose University employment ends, will be immediately eligible to participate in the Plan upon reemployment.

3.4 Termination of Participation. An Eligible Employee will continue to participate in the Plan until he or she ceases to be an Eligible Employee, or until the Plan is terminated, whichever occurs first.

Article 4 Plan Contributions

4.1 Base Plan Contributions. The University will contribute to the Plan each month on behalf of each Participant a percent of the Participant's Base Earnings in accordance with the following schedule:

Age as of July 1* of each year

up to age 40	5.0%
40-49	7.5%
50-59	10.0%
60+	12.5%

* For Participants in the Secretarial/Clerical bargaining unit, changes in age-based contributions will be effective as of the first of the month following the Participant's birthday.

4.1A Matching Contributions.

- (a) Effective October 22, 2010, on behalf of each Participant in the Physical Plant bargaining unit who makes salary reduction contributions to the Tax-Deferred Annuity Plan for Employees of Wesleyan University (the "SRA"), the University will contribute each month a Matching Contribution equal to 50% of the Participant's salary reduction contribution under the SRA up to 4% of the Participant's monthly Base Earnings that are not in excess of the Integration Level, for a maximum Matching Contribution equal to 2% of monthly Base Earnings not in excess of the Integration Level. Catch-up contributions under the SRA, if any, will not be matched.
- (b) Effective July 1, 2011, through June 30, 2014, on behalf of each Participant in the Secretarial/Clerical Plant bargaining unit who makes salary reduction contributions to the Tax-Deferred Annuity Plan for Employees of Wesleyan University (the "SRA"), the University will contribute each month a Matching Contribution equal to 50% of the Participant's salary reduction contribution under the SRA up to 4% of the Participant's monthly Base Earnings that are not in excess of the Integration Level, for a maximum Matching Contribution equal to 2% of

monthly Base Earnings not in excess of the Integration Level. Catch-up contributions under the SRA, if any, will not be matched.

- (c) Effective July 1, 2014, on behalf of each Participant in the Secretarial/Clerical Plant bargaining unit who makes salary reduction contributions to the Tax-Deferred Annuity Plan for Employees of Wesleyan University (the "SRA"), the University will contribute each month a Matching Contribution equal to 50% of the Participant's salary reduction contribution under the SRA up to 5% of the Participant's monthly Base Earnings that are not in excess of the Integration Level, for a maximum Matching Contribution equal to 2.5% of monthly Base Earnings not in excess of the Integration Level. Catch-up contributions under the SRA, if any, will not be matched.
- (d) For purposes of this Section 4.1A, the Integration Level is the dollar amount determined by the University at the beginning of each Plan Year based on the starting salaries of associate professors for the year. The Integration Level shall not exceed the Social Security taxable wage base in effect for the calendar year in which the Plan Year commences.

4.2 Limitations on Plan Contributions. Notwithstanding any other provision in the Plan:

- (a) Contributions to the Plan will not exceed the limits imposed by the Code, including Code sections 415(c) and 403(b), as they may be adjusted from time to time. These limits are incorporated into the Plan by reference. The University may reduce or eliminate any contribution for any Participant to the extent necessary to comply with limits imposed by the Code. The University will endeavor to advise affected Participants of any such required reduction in contributions that would otherwise have been made for them.
- (b) Contributions will not be made during a leave of absence without pay, except as required by law.
- (c) For purposes of applying these limits, Limitation Compensation shall be used. Limitation Compensation shall include Base Earnings plus payment for unused accrued bona fide sick, vacation, or other leave, whether paid before or after severance from employment. If such amounts are paid after severance, they will only be included in Limitation Compensation if the employee would have been able to use the leave if employment had continued, and if they are paid by the later of 2-1/2 months after severance from employment with the University or the end of the Plan Year that includes the date of severance from employment with the University. No other payments made by the University after severance from employment shall be included in Limitation Compensation.

If the limitations are exceeded because the Participant is also participating in another plan required to be aggregated with this Plan for the purposes of section 415, then the extent to which annual contributions under this Plan will be reduced, as compared with the extent to which

annual benefits or contributions under any other plans will be reduced, shall be determined by the University so as to maximize the aggregate benefits payable to the Participant from all plans. If the reduction is under this Plan, the University will advise affected Participants of any additional limitation on their annual additions required by this paragraph.

4.3 When Contributions Are Made. Base Plan Contributions and Matching Contributions will be made no less frequently than monthly, but in no event later than required by law, to the Funding Vehicles in accordance with procedures established by the University and the Fund Sponsor.

4.4 Allocation of Base Plan Contributions and Matching Contributions. A Participant may allocate contributions made on her or his behalf to Funding Vehicles in any whole number percentages that total 100%.

4.5 No Reversions. Under no circumstances will any Plan Contribution revert to, be paid to, or inure, directly or indirectly, to the benefit of the University; except as permitted by law. However, Plan Contributions made by mistake of fact may be returned to the University within one year of the date they were made.

4.6 Compliance with Non-Discrimination Requirements of the Code. The Plan will satisfy the nondiscrimination requirements of Code section 403(b)(12), including those applicable to Matching Contributions, by complying with the requirements of Section 401(m)(2) of the Code and Treasury Regulation Section 1.401(m)-2, which applicable requirements are hereby incorporated by reference into the Plan in accordance with Treasury Regulation Section 1.401(m)-1(c)(2). The Plan will satisfy the Average Contribution Percentage Test of Section 401(m)(2) of the Code, and in so doing, unless elected otherwise in the future, and evidenced by a written Plan amendment, the prior year testing method shall be used.

Article 5 Funding Vehicles

5.1 Funding Vehicles. Plan Contributions are invested in one or more Funding Vehicles that are made available by the University. The selection of Funding Vehicles from among those made available is the sole responsibility of the Participant. The fact that a Funding Vehicle is available under the Plan will not be construed as a recommendation of that Funding Vehicle by, and will not impose any liability on, the Plan Administrator, the Board, or the University. The Plan is designed to comply with Section 404(c) of ERISA in form and operation. A list of current Funding Vehicles is available from the Plan Administrator.

5.2 Fund Sponsors. As of January 1, 2009, the Fund Sponsors approved by the University for the investment of Plan Contributions are TIAA-CREF and Fidelity Investments. Each Fund Sponsor and the University shall exchange such information as may be necessary to satisfy Section 403(b) of the Code or other requirements of applicable law. A current list of Fund Sponsors is available from the Plan Administrator.

5.3 **Fund Transfers.** Transfers among Funding Vehicles are permitted provided they are permitted by Fund Sponsors and are subject to the requirements of Fund Sponsors. Such transfers shall only be permitted among Funding Vehicles approved by the Plan Administrator.

Article 6 Vesting

6.1 **Vesting.** A Participant shall become vested in the Base Plan Contributions and Matching Contributions credited to his or her Account in accordance with the rules below:

- (a) Completion of the service requirement under the following schedule:

<u>Years of Service</u>	<u>Vested Percentage</u>
Fewer than 2	0%
2	100%

- (b) Base Plan Contributions made prior to October 22, 2010 are 100% vested regardless of the Participant's length of service.
- (c) A Participant shall become 100% vested upon attainment of age 65.

6.2 **Occurrence of Forfeitures.** Except as more specifically provided herein, a forfeiture of a Participant's non-vested interest shall occur at the end of the Plan Year during which a Participant shall have incurred five consecutive Breaks in Service. In the event that a Participant ceases to be employed by the University at a time when the Participant has no vested interest in the Plan, such Participant shall be deemed to have received a distribution of vested benefits, and the Participant's Account shall incur a forfeiture of non-vested benefits in the year that the Participant terminates employment. If such former Participant later becomes an employee and has not, as of the last day of the Plan Year in which he or she again becomes an employee, incurred five consecutive Breaks in Service, such Participant's Account will be restored to its full value as of the date of the deemed distribution, but with no earnings.

6.3 **Use of Forfeitures.** Forfeitures shall be used by the University to pay Plan administrative expenses and to fund Plan Contributions for the next Plan Year and, if any forfeitures still remain, for subsequent Plan Years.

Article 7 Distributions and Spousal Rights

7.1 **Distributions Generally.** Subject to the vesting requirements of Article 6, other provisions of Article 7 and any other restrictions imposed by the Fund Sponsor or the University, a Participant may receive distributions from her or his Accounts under any option and in any form permitted by the Fund Sponsor and approved by the University; provided, however, that except as provided in section 11.2, no distributions are permitted prior to the earliest of the date on which the Participant has a severance from employment or dies.

7.2 Lump Sum Distributions. Any lump sum distribution options permitted by a Fund Sponsor shall be available only if a Participant has severed from employment or died. No distribution of vested benefits shall be made from the Plan to a Participant without the Participant's consent (or if the Participant is deceased, his or her Beneficiary's consent).

7.3 Survivor Benefits. Subject to the other provisions of Article 7 (including the Spousal Rights described in Section 7.4) and distribution requirements set forth in the Code, the current value of the Participant's Account(s), if any, will be paid to her or his Beneficiary or Beneficiaries in the event of the death of a Participant, in accordance with payment options offered by the Fund Sponsor.

7.4 Spousal Rights. Unless spousal rights are waived as provided in paragraph (c) below and notwithstanding any other provision in the Plan, distributions must be consistent with the following:

- (a) **Death with Account Balance.** If the Participant dies with a balance remaining in his or her Account, the surviving Spouse, if any, will receive a survivor's benefit equal to at least 50% of the current value of the Account, payable in accordance with payment options offered by the Fund Sponsor.
- (b) **Annuitization.** A Participant who is married must elect a qualified joint and survivor annuity that pays the surviving Spouse, if any, annuity income equal to at least 50% of the annuity income payable during the joint lives of the Participant and the Spouse.
- (c) **Waiver of Spousal Rights.** A Participant and her or his Spouse may waive spousal rights by a written waiver that is signed by the Participant and the Spouse (unless the Spouse cannot be located); witnessed by a notary public or Plan representative; and filed with the Fund Sponsor on a form acceptable to the Fund Sponsor. A Participant and Spouse may waive the Spouse's right to a survivor's benefit on or after the first day of the Plan Year in which the Participant attains age 35, or upon termination of employment, whichever comes first. The Participant and Spouse may waive the Spouse's right to a joint and survivor annuity during the 90-day period prior to commencement of annuity payments. The Participant may revoke the waiver during the same period.
- (d) **Notification of Spousal Rights.** The University or Fund Sponsor will notify each Participant between the ages of 32 and 34 (or within a reasonable period if participation begins after age 34), and each Participant whose employment terminates prior to age 32, of the Spouse's right to a survivor's benefit and of the Participant's and Spouse's rights to waive it. The University or Fund Sponsor will notify each Participant no less than 30 days and no more than 90 days prior to the date an annuity begins of the Spouse's post-annuitization right to a joint and survivor annuity and the Participant's and Spouse's right to waive it.

- (e) **Former Spouse.** A former spouse will be treated as a Spouse to the extent required by a Qualified Domestic Relations Order.

7.5 Application for Distributions. Application for distributions are initiated by writing directly to the Fund Sponsor, and will be payable by the Fund Sponsor upon receipt of a satisfactorily completed application and supporting documents, including a waiver of spousal rights, if necessary. The necessary forms will be provided to the Participant, the surviving Spouse, or the Beneficiary by the Fund Sponsor.

7.6 Minimum Distribution Requirements.

(a) The requirements of this Section shall apply to any distribution of a Participant's vested Accounts and will take precedence over any inconsistent provisions of this Plan, except as otherwise provided in the Spousal Rights Section above. Distributions in all cases will be made in accordance with Code Section 401(a)(9) and the regulations promulgated thereunder, including the minimum distribution incidental benefit requirement. With respect to distributions under the Plan, the Plan will apply the minimum distribution requirements of Section 401(a)(9) of the Code and related regulations (which are incorporated herein by reference), including, but not limited to the following:

(i) **Limits on Settlement Options.** Distributions may only be made over one of the following periods (or a combination thereof): (i) the life of the Participant; (ii) the life of the Participant and a designated Beneficiary(ies); (iii) a period certain not extending beyond the life expectancy of the Participant; or (iv) a period certain not extending beyond the joint and last survivor life expectancy of the Participant and designated Beneficiary(ies).

(ii) **Required Beginning Date.** The entire interest of a Participant must be distributed or begin to be distributed, no later than the Participant's Required Beginning Date. The Required Beginning Date of a Participant is April 1 following the calendar year in which the Participant attains age 70½ or, if later, April 1 of the calendar year following the calendar year in which the Participant retires.

(iii) **Death Distribution Provisions.** Upon the death of the Participant, the following distribution provisions will take effect:

(b) If the Participant dies after distribution of his or her vested Accounts has begun, the remaining portion of the vested Accounts will continue to be distributed at least as rapidly as under the method of distribution being used before the Participant's death;

(c) If the Participant dies before distribution of his or her vested Accounts begins, distribution of the Participant's entire vested Accounts shall be completed by December 31 of the calendar year containing the fifth anniversary of the Participant's death except where an election is made to receive distributions in accordance with (1) or (2) below:

(1) If any portion of the Participant's vested Accounts is payable to a designated Beneficiary(ies), distributions may be made over a period certain not

greater than the life expectancy of the designated Beneficiary(ies) commencing by December 31 of the calendar year immediately following the calendar year in which the Participant died;

(2) If the designated Beneficiary(ies) is the Participant's surviving Spouse, the date distributions are required to begin in accordance with (1) above must not be earlier than the later of (a) December 31 of the calendar year immediately following the calendar year in which the Participant died and (b) December 31 of the calendar year in which the Participant would have attained age 70½.

If the Participant has not made a distribution election by the time of his or her death, the Participant's designated Beneficiary(ies) must elect the method of distribution no later than the earlier of (1) December 31 of the calendar year in which distributions would be required to begin under this Section, or (2) December 31 of the calendar year that contains the fifth anniversary of the date of death of the Participant. If the Participant has no designated Beneficiary(ies), or if the designated Beneficiary(ies) does not elect a method of distribution, distribution of the Participant's entire vested Accounts must be completed by December 31 of the calendar year containing the fifth anniversary of the Participant's death.

7.7 Location of Participant or Beneficiary Unknown. The Plan Administrator or its delegate must use all reasonable measures to locate Participants or Beneficiaries who are entitled to distributions from the Plan. In the event that the Plan Administrator or its delegate cannot locate a Participant or Beneficiary who is entitled to a distribution from the Plan after using all reasonable measures to locate him or her, the Plan Administrator shall, after the expiration of five years after the benefit becomes payable, treat the amount distributable as a forfeiture to be used by the University to pay Plan administrative expenses and to fund Plan Contributions for the next Plan Year and, if any forfeitures remain, for subsequent Plan Years. If the Participant or Beneficiary is later located, the Plan Administrator shall restore the amount forfeited, without interest.

Article 8

Non-Alienation of Retirement Rights or Benefits

8.1 To the fullest extent permitted by law, no benefit under the Plan may at any time be subject in any manner to alienation, encumbrance, the claims of creditors, or legal process. No person will have the power in any manner to transfer, assign, alienate, or in any way encumber her or his benefits under the Plan, or any part thereof, and any attempt to do so will be void and of no effect. However, the Plan will comply with any judgment, decree, or order which establishes the rights of another person to all or a portion of a Participant's benefit under the Plan to the extent that it is a Qualified Domestic Relations Order.

Article 9 Administration

9.1 Plan Administrator. The University, through its Office of Human Resources, is the Plan Administrator. The Plan Administrator has authority to control and manage the operation and administration of the Plan and is responsible for complying with the reporting and disclosure requirements of ERISA.

9.2 Authority of Plan Administrator. The Plan Administrator has all the powers and authority expressly conferred upon it herein and further has the sole discretion to interpret and construe the Plan; to determine any disputes arising under it; to make and enforce such rules and regulations as it deems necessary or proper for the efficient administration of the Plan and to comply with applicable law. If there shall arise any misunderstanding or ambiguity concerning the meaning of any of the provisions of the Plan arising out of the administration thereof, the Plan Administrator shall have the sole right to construe such provisions in its discretion. The Plan Administrator may delegate any of her or his powers and duties, as she or he deems appropriate. In exercising these powers and authority, the Plan Administrator will at all times exercise good faith, apply standards of uniform application, and refrain from arbitrary action. The Plan Administrator may employ attorneys, agents, and accountants as she or he finds necessary or advisable to assist her or him in carrying out the Plan Administrator's duties. The University, by action of its Board, may designate a person or persons other than the University to carry out any of its powers, authority, or responsibilities. Any delegation shall be set forth in writing.

9.3 Finality of Determinations. Subject to Section 10.2, all determinations with respect to the crediting of Years of Service under the Plan are made on the basis of University records, and all determinations made are final and conclusive upon employees, former employees, and all other persons claiming a benefit or interest under the Plan. There will be no duplication of Years of Service credited to an employee for any one period of her or his employment.

9.4 Indemnification. The University will indemnify the Plan Administrator, Board members, officers, or employees who are or may be determined to be fiduciaries, as that term is defined in ERISA, from and against any and all claims, costs, damages, expenses (including counsel fees approved by the University), and liabilities (including any amounts paid in settlement with the University's approval) arising from any action or failure to act, except where such claims, costs, damages, expenses, and liabilities are judicially determined to be due to the gross negligence or willful misconduct of such person. The University's obligation hereunder will be offset by any other source of indemnification, including any insurance policy or policies maintained by the University.

Article 10 Claims and Appeal Procedures

10.1 Claims. Any person who believes she or he has been denied any right or benefit under the Plan may file a written claim with the Plan Administrator. The Plan Administrator will notify the claimant in writing within a reasonable time if the claim is denied and will include in

this notice the specific reasons for the denial, the provisions of the Plan on which the denial is based, and instructions on how to apply for a review of the claim. If necessary, the notice will also include a description of material needed to complete the claim and why the material is needed. If the Plan Administrator requires additional time to process a claim because of special circumstances, an extension may be obtained by notifying the claimant within 90 days of the date the claim was submitted that a decision will be delayed and why, and when a decision can be expected.

10.2 Appeals. A claimant may submit a written request to the Plan Administrator for a review of a denied claim. Such request, together with a written statement of the reasons why the claimant believes the claim should be allowed, shall be submitted no later than 60 days after receipt of the written denial of the claim. Upon such notification, the Plan Administrator shall schedule a review proceeding at which the Participant shall restate his or her arguments for such claim to a named fiduciary of the Plan, which, unless the Plan Administrator designates another person, committee, or entity, shall be the Plan Administrator. The Plan Administrator will notify the claimant of her or his decision within sixty (60) days of receipt of the appeal. If the Plan Administrator requires additional time, an extension may be obtained by notifying the claimant that the decision will be delayed, why and when a decision can be expected.

Article 11

Amendment and Termination

11.1 While it is expected that the Plan will continue indefinitely, the University reserves the right at any time by action of the Board (or, to the extent permitted by resolution of such Board, by action of a duly authorized officer of the University) to modify, amend or terminate the Plan by an instrument in writing; provided, however, that, unless necessary or appropriate to enable to the Plan to satisfy the requirements of the Code; no such modification, amendment or termination will be made which would:

- (a) Decrease a Participant's Account balance, except to the extent permitted by law;
- (b) Cause or permit any portion of assets under the Plan to revert to or become the property of the University, except as permitted by law;
- (c) Cause any portion of the assets of the Plan to be used for purposes other than for the exclusive benefit of Participants and their Beneficiaries; or
- (d) Affect any obligation of the University to make Plan Contributions with respect to compensation earned by the Participant prior to the date of modification, amendment or termination.

11.2 The University may provide that, in connection with a termination of the Plan and subject to any restrictions imposed by the Fund Sponsors, all Accounts will be distributed, provided that the University and any related employer on the date of termination do not make contributions to an alternative section 403(b) contract that is not part of the Plan during the period beginning on

the date of Plan termination and ending 12 months after the distribution of all assets from the Plan, except as permitted by the Income Tax regulations.

Article 12

Direct Rollovers

12.1 Right to Elect Direct Rollover. Notwithstanding any provision of the Plan to the contrary that would otherwise limit a Distributee's election under this Article, a Distributee may elect, at the time and in the manner prescribed by the Plan Administrator, to have any portion of an Eligible Rollover Distribution paid directly to an Eligible Retirement Plan specified by the Distributee in a Direct Rollover.

12.2 Definitions.

(a) **Eligible Rollover Distribution:** An Eligible Rollover Distribution is any distribution of all or any portion of the balance to the credit of the Distributee, except that an Eligible Rollover Distribution does not include:

- (1) any distribution that is one of a series of substantially equal periodic payments (not less frequently than annually) made for the life (or life expectancy) of the Distributee or the joint lives (or joint life expectancies) of the Distributee and the Distributee's designated Beneficiary, or for a specified period of ten years or more;
- (2) any distribution to the extent such distribution is required under Section 401(a)(9) of the Code;
- (3) for distributions made prior to July 1, 2002, the portion of any distribution that is not includable in gross income (determined without regard to the exclusion for net unrealized appreciation with respect to employer securities); and
- (4) any amount that is distributed on account of hardship.

(b) **Eligible Retirement Plan:** An Eligible Retirement Plan means an individual retirement account described in Section 408(a) of the Code, an individual retirement annuity described in Section 408(b) of the Code, an annuity plan described in Section 403(a) of the Code, a tax-sheltered annuity contract described in Section 403(b) of the Code, a qualified plan described in Section 401(a) of the Code, and an eligible plan under Section 457(b) of the Code which is maintained by a state, political subdivision of a state, or any agency or instrumentality of a state or political subdivision of a state, that accepts the Distributee's Eligible Rollover Distribution. On and after January 1, 2007, an eligible retirement plan shall also include an annuity contract described in section 403(b) of the Code with respect to after-tax amounts from the Plan, to the extent the receiving plan agrees to separately account for such amounts. Effective on and after January 1, 2008, an Eligible Rollover Distribution can also be made to a Roth IRA, provided certain conversion rules are satisfied.

(c) **Distributee:** A Distributee includes an employee or former employee. In addition, the employee's or former employee's surviving Spouse and the employee's or former employee's Spouse or former spouse who is the alternate payee under a Qualified Domestic Relations Order are Distributees with regard to the interest of the Spouse or former spouse. Effective on and after January 1, 2008, a "distributee" also includes a Participant's non-Spouse Beneficiary.

(d) **Direct Rollover:** A Direct Rollover is a payment by the Plan to the Eligible Retirement Plan specified by the Distributee.

Article 13 Participant Loans Not Permitted

Notwithstanding the terms of any relevant Funding Vehicle(s), a Participant will not be permitted to take a loan from the portion of his or her Account balance allocated to such Funding Vehicle(s) under this Plan.

Article 14 Miscellaneous

14.1 Plan Non-Contractual. Nothing contained in the Plan will be construed as a commitment or agreement on the part of any person to continue her or his employment with the University, and nothing contained in the Plan will be construed as a commitment on the part of the University to continue the employment or the rate of compensation for any person for any period. The employment of all University employees will remain subject to termination to the same extent as if the Plan had never been put into effect.

14.2 Claims of Other Persons. The provisions of the Plan will in no event be construed as giving any Participant, or any other person, firm, or corporation, any legal or equitable right as against the Plan administrator; the University; or the University's officers, employees, or Board members; except the rights specifically provided for in the Plan or created in accordance with the terms and provisions of the Plan.

14.3 Governing Law. The Plan will be construed, administered, and enforced according to the laws of the State of Connecticut to the extent such laws are not inconsistent with and preempted by federal law.

14.4 Merger, Consolidation, or Transfers of Plan Assets.

(a) The Plan Administrator has the authority to enter into merger agreements or agreements to directly transfer the assets of this Plan to other plans described in Section 403(b) of the Code. The Plan Administrator also has the authority to accept amounts transferred to this Plan from other plans described in Section 403(b) of the Code. To the extent any amount transferred into this Plan is subject to any distribution restrictions under applicable regulations, this Plan shall impose distribution restrictions with respect to such transferred assets that are not

less stringent than those imposed on the transferor plan. If it is subsequently determined that any amounts transferred into this Plan were ineligible to be so transferred, the Plan Administrator shall direct that any ineligible amounts, plus earnings attributable thereto, be distributed from the Plan as soon as administratively feasible.

(b) No merger, consolidation or transfer of assets into this Plan shall occur unless, immediately after such merger, consolidation or transfer, each Participant would receive a benefit under the Plan which is at least equal to the benefit he or she would have received immediately prior to the merger, consolidation or transfer (assuming in each instance that the Plan had then terminated).

14.5 Incorporation of Contracts by Reference. The terms of the contracts, including custody agreements, between the Fund Sponsor(s) and the University and/or the Participants, and any certificates issued to a Participant by the Fund Sponsor shall be a part of the Plan as if fully set forth in the Plan document, and the provisions of each are incorporated by reference into the Plan. If there is any inconsistency or ambiguity between the terms of the Plan and the terms of the contracts, agreements and/or certificates, the terms of the Plan shall control, except to the extent that the University otherwise elects.

IN WITNESS WHEREOF, the University has caused this instrument to be executed by its duly authorized officer on this 9 day of December, 2014.

WESLEYAN UNIVERSITY

By: 

Title: Vice President of Finance & Administration