

**REED COLLEGE
RETIREMENT PLAN
2016 RESTATEMENT
January 1, 2016**

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The Reed Institute
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The Reed Institute (the “College”) adopted and maintains the Reed College Retirement Plan, formerly known as the Reed College Defined Contribution Plan (the “Plan”), to provide eligible employees an opportunity to save for retirement through elective salary deferrals qualifying under Internal Revenue Code (“Code”) section 403(b) and to fund retirement benefits through contributions by the College. The College most recently restated the Plan effective January 1, 2015.

The College adopts the following 2016 Restatement of the Plan to modify automatic enrollment provisions, to expand eligibility for Fixed Contributions, and to make clarifying changes.

ARTICLE 1

Relevant Dates; Compliance

1.01 Effective Date; Plan Year; Limitation Year; Valuation Dates

1.01-1 This Restatement is generally effective January 1, 2016. The deletion of 3.01-2(h) of the 2015 Restatement of the Plan is effective January 1, 2015, thereby making certain employees, formerly excluded from Fixed Contributions, eligible for Fixed Contributions beginning January 1, 2015. The former 3.01-2(h) reads as follows:

(h) Employees identified as “Graduate Research Assistants” or “Graduate Associates” and distinguished from research assistants, subject to the following:

(1) The employee is eligible if the employee is supported by a grant that provides for the employee to be eligible.

(2) Eligibility will cease when the grant funding ends and 4.02-3 will apply if the grant does not support the employee for the entire plan year.

1.01-2 The plan year and limitation year are the calendar year.

1.01-3 Valuation dates shall be as determined under the 403(b) annuity contracts and agreements governing custodial accounts funding the Plan.

1.02 Compliance

1.02-1 The Plan is maintained for the exclusive benefit of eligible employees and, together with 403(b) annuity contracts, is intended to be a “section 403(b) annuity plan,” in compliance with section 403(b) of the Code and related applicable regulations and with applicable requirements under the Employee Retirement Income Security Act of 1974 (“ERISA”). The provisions of the Plan are intended to be construed in accordance with applicable law and regulations, including Code section 403(b) and ERISA. The Plan is a defined contribution plan.

1.02-2 If the Internal Revenue Service (“IRS”) rules that the Restatement is not in compliance with section 403(b) of the Code, the College may amend it retroactively to comply.

1.02-3 Terms and conditions of the 403(b) annuity contracts are incorporated into the Plan, excluding those terms that are inconsistent with the express terms of the Plan or Code section 403(b).

ARTICLE 2

Application to the College and Affiliates

2.01 Employers

2.01-1 The College has adopted this Plan and any affiliate approved by the College may adopt this Plan for its employees and make contributions under the Plan on their behalf.

2.01-2 “Affiliate” means an entity that meets the following requirements:

(a) The entity and the College would be treated as a single employer under applicable IRS guidance.

(b) The entity is exempt under Code section 501(c)(3) from federal income taxation.

2.01-3 “Employer” means the College and any adopting affiliate.

2.02 Adoption Procedure

An affiliate may adopt this Plan by a written statement signed by the affiliate and approved by the College. The statement shall include the effective date of adoption and any special provisions that are to be applicable only to employees of the adopting affiliate.

2.03 Termination of Employer Participation

An Employer that ceases to be an affiliate under 2.01-2 will immediately cease to participate in this Plan and may no longer contribute for any subsequent period.

ARTICLE 3

Eligibility and Participation

3.01 Eligibility and Service

3.01-1 All Employees of Employers are permitted or required to have elective deferrals contributed to the Plan on their behalf except students who are performing services described in Code section 3121(b)(10).

3.01-2 All Employees of Employers are eligible for Fixed Contributions under 4.02 except the following:

- (a) Persons described in 3.01-1.
- (b) Emeritus employees.
- (c) Employees who are rehired after a termination of employment that qualifies as retirement under generally applicable conditions established by the College.
- (d) Employees who are classified as Lecturers or Guest Speakers and are not included in any other eligible Employee classification.
- (e) On-call Employees.
- (f) Employees who are identified as “International Scholars,” or “Visiting Scholars.”
- (g) Employees designated as “contract employees” in Employer’s payroll system, including instructors in the following categories:
 - (1) Health.
 - (2) Music.
 - (3) Physical education.
- (h) Employees designated as “Temporary” in Employer’s payroll system unless the Employee has completed a Year of Service as defined in 3.01-4.

3.01-3 An “Employee” in any year is the following:

- (a) A person who receives an IRS Form W-2 from an Employer, other than the following:

(1) A person who receives a Form W-2 solely because of payments from a non-qualified deferred compensation plan or because Code section 409A requires an amount to be included in income for the year.

(2) A person who receives a Form W-2 solely because of payments for the year attributable entirely to services performed in the prior year.

(3) A person who receives a Form W-2 for employment in a capacity that is not eligible employment under Code section 403(b), but only to the extent of the employment that is not eligible.

(b) Subject to (c), a person who does not receive a Form W-2 for a period shall not be treated as an eligible Employee for that period even if it is later determined that the person was entitled to receive a Form W-2 for the period.

(c) "Employee" does not include a former employee or an independent contractor.

(d) The College may correct a qualification failure involving inappropriate exclusion of an eligible Employee under applicable IRS procedures.

3.01-4 "Year of Service" means an Employee's initial Employment Year, and each plan year in which the initial Employment Year ends, in which the Employee has 1,000 or more Hours of Service. An Employee who has a Year of Service will keep credit for the Year of Service on rehire by Employer without regard for the length of absence from employment or participation in Fixed Contributions.

3.01-5 "Employment Year" means the 12-consecutive month period starting on the date the Employee first performs an Hour of Service.

3.01-6 "Hours of Service" are the following:

(a) Hours, whether or not worked, for which the Employee is directly or indirectly paid or entitled to payment, subject to 3.01-8.

(b) Hours covered by a back pay award or agreement, regardless of mitigation of damages, unless already counted.

(c) Hours paid for at or after termination of employment for layoff, disability or jury duty or unused vacation, holiday or sick leave.

3.01-7 Hours under 3.01-6 shall be credited as follows:

(a) For an Employee paid by the hour, actual hours shall be credited under 3.01-6.

(b) For all other Employees, 190 hours shall be credited for each month in which the Employee has one or more Hours of Service.

3.01-8 The following shall apply to Hours of Service for periods not worked:

(a) Hours shall be computed and attributed to Service Years in accordance with Department of Labor Regulations sections 2530.200b-2(b) and (c).

(b) Hours directly or indirectly paid for under 3.01-6(a) include regularly scheduled hours during periods of disability when the individual is receiving payments from Employer or from an insurance company under a policy maintained by Employer.

(c) Hours directly or indirectly paid for under 3.01-6(a) do not include hours during periods in which the individual receives payments under workers' compensation or unemployment compensation laws, regardless of the source of payment.

(d) Hours counted under 3.01-6(c) do not include any hours on account of severance pay.

(e) No more than 501 hours will be credited for any single continuous period during which an Employee performs no duties.

3.02 Participation

3.02-1 Subject to election procedures, including automatic deferral under 4.03-1(e), participation in elective deferrals will begin on the first day of employment by Employer as an Employee eligible under 3.01-1 and will continue as long as the Employee is an Employee Eligible under 3.01-1.

3.02-2 An Employee eligible under 3.01-2 will participate in Fixed Contributions beginning the first month that starts after the Employee has completed a Year of Service.

3.02-3 An Employee eligible under 3.01-2 will participate in Fixed Contributions for a plan year beginning with the date the Employee first performs an Hour of Service based on credit for service with a prior Employer if all of the following apply:

(a) The prior Employer is an institution of higher education.

(b) The Employee was employed by the institution within 4 months before the start of employment with Employer.

(c) The Employee accrued a benefit under a retirement plan of the institution, other than an elective deferral or earnings credit, within the 24 months before the Employee's first Hour of Service to Employer.

3.02-4 Each participant is bound by the terms of the Plan.

3.02-5 An individual is a participant under the Plan if any of the following apply:

(a) The individual has an interest in a 403(b) annuity contract accrued or permitted under the Plan through employment with Employer. Such an interest is also sometimes referred to as an “account” and a 403(b) annuity contract may be comprised of multiple accounts.

(b) The individual is eligible for elective deferrals and has submitted a valid election or is treated as having elected Elective Deferral Contributions under 4.03-1(e).

(c) The individual is participating in Fixed Contributions, whether or not a Fixed Contribution has been credited.

ARTICLE 4

Contributions; Funding; Rollovers; Participant Direction

4.01 Compensation

4.01-1 “Compensation” means the following subject to 4.01-3 and to the limits in 4.01-2:

(a) Generally, taxable pay reportable on IRS Form W-2 under Code section 3401(a), disregarding limitations based on the nature or location of the employment, adjusted by including the following:

(1) Elective Deferral Contributions.

(2) Any amounts set aside by the participant from otherwise taxable income under a plan qualified under section 125 of the Code, and elective amounts that are not includible in the gross income of the employee because of section 132(f)(4) of the Code.

(b) For annual addition limit under 5.02, regular compensation after severance from employment for services, including shift differential and overtime, commissions and bonuses, shall be included if the following apply:

(1) The amount is paid by the later of 2½ months after severance from employment with Employer or at the end of the plan year that includes the date of severance from employment.

(2) The amount would have been paid to the participant if the participant had continued employment.

(c) For Fixed Contributions under 4.02, compensation means the amount under (a) above adjusted by excluding the following:

(1) The taxable portion of any expense reimbursements, automobile, housing, telephone or other expense allowances, fringe benefits, moving and other relocation, disability pay and other deferred compensation and welfare benefits.

(2) Stipends for incidental work performed outside of regular duties.

(3) Excellence Awards.

(d) Differential wage payments shall be treated as compensation, and the recipient shall be treated as an employee with respect to differential wage payments based on the employee's status at the time USERRA Leave, or other qualifying uniformed services, begins. "Differential wage payment" means a payment that is described by both of the following:

(1) The payment is made by Employer to an individual with respect to any period during which the individual is performing services in the uniformed services (as defined in chapter 43 of title 38 of the United States Code) while on active duty for a period of more than 30 days.

(2) The payment relates to compensation the individual would have received from Employer if the individual were performing services for Employer.

4.01-2 Compensation for any participant for a year shall be limited to the amount specified in Code section 401(a)(17), as adjusted for the year by applicable law.

4.01-3 During any period of absence because of military service if an Employee returns with employment rights protected by law ("USERRA Leave"), compensation, Hours of Service and other factors affecting eligibility, participation, deferrals and contributions, will be imputed at the rate that would have accrued with respect to the Employee if the Employee had not been absent. There shall be no duplication of benefits to the extent that differential wage payments have already been taken into account under 4.01-1(d). If the amount of compensation, hours or other factors are not reasonably certain, the imputed amounts shall be based on the Employee's average compensation, average hours (or scheduled hours) and other applicable factors during the 12 months immediately before the leave began, or all such months if fewer than 12.

4.02 Fixed Contributions

4.02-1 Subject to 4.02-2, for each plan year Employer shall deposit with the Vendor for the benefit of a participant under 3.02-2 and 3.02-3 an amount (a "Fixed Contribution") for the benefit of a participant. The Fixed Contribution shall be an amount determined by the College, in its discretion. The contribution shall be uniform for all

Employees in proportion to compensation of the participants. If the College does not determine an amount for a plan year, the contribution for the year is 10 percent of compensation.

4.02-2 Employer shall deposit Fixed Contributions for a disabled participant as follows:

- (a) Contributions shall begin the month following the month that the participant stops performing services for Employer because of disability.
- (b) Contributions shall cease at the earliest of the following:
 - (1) The participant receives a distribution from the Plan.
 - (2) The participant attains normal retirement age as determined by general policies of the College or a disability insurance policy described in (c).
 - (3) Payments under a disability insurance policy described in (c) with respect to the participant cease or are materially reduced.
- (c) Disability for this purpose means totally disabled as defined under a long term disability insurance policy maintained by the College, as determined by the Administrator.
- (d) The Fixed Contributions shall be at the rate applicable from time to time under 4.02-1 and shall be based on the participant's rate of compensation in effect the month the participant stops performing services for Employer because of disability.

4.02-3 Fixed Contributions for participation for a part of a plan year are based on compensation for the part year of participation.

4.02-4 Employer shall make Fixed Contributions with respect to USERRA Leave as provided in 4.04.

4.03 Elective Deferral Contributions

4.03-1 For each plan year Employer shall deposit with the Vendor for the benefit of a participant under 3.02-1 amounts ("Elective Deferral Contributions") as follows:

- (a) Subject to (e), 5.02, and the limits stated below, the contributions for a participant shall be equal to the amount of elective deferrals of the participant pursuant to a compensation reduction agreement, and the participant's compensation shall be reduced by that amount.
- (b) The Administrator shall fix the maximum percentage of compensation that may be elected under (a). If the Administrator does not adopt a percentage limit, a participant may elect to defer 100 percent of compensation, subject to priority of reduction of compensation or deduction from compensation

for taxes or other amounts required by law, or authorized by a participant to cover cost of benefits provided under any benefit plan or arrangement of Employer.

(c) Subject to (d) and 4.03-2, the maximum Elective Deferral Contribution for any year for any participant, plus all other elective deferrals for the individual under all other plans, contracts or arrangements subject to Code sections 401(k) or 403(b) of any employer, may not exceed the lesser of the following:

(1) The “applicable dollar amount” under Code section 402(g)(1)(A), as adjusted for the year by applicable law.

(2) The participant’s compensation.

(d) A participant who has attained or will attain age 50 by the end of the plan year may elect to defer an additional amount for the year, not to exceed the “applicable dollar amount” under Code section 414(v)(2)(B)(i) as adjusted for the year. Such additional Elective Deferral Contributions are also known as “catch-up” contributions.

(e) An Employee who is not excluded from eligibility for Fixed Contributions under 3.01-2 and is hired or rehired after December 31, 2015 and does not deliver in accordance with applicable procedures an election for Elective Deferral Contributions pursuant to (a) with 60 days after hire or rehire shall be treated as having elected Elective Deferral Contributions effective as soon as practicable after the expiration of the 60 days, subject to the following:

(1) An election of zero Elective Deferral Contributions under (a) is an election under (a) and the default election under (2) will not apply.

(2) The amount of Elective Deferral Contributions will be 3 percent of compensation with the same effect as if the employee had actually elected under (a), subject to the limit under (c) without regard for the additional amount permitted under (d), including reductions of the employee’s compensation by 3 percent of compensation and continuation of the elective deferrals until changed by the participant. An employee must elect under applicable procedures to have Elective Deferral Contributions subject to the higher limit under (d).

(3) Elective Deferral Contributions will be invested in accordance with the terms of the applicable 403(b) annuity contracts provided by or through the Vendor.

(4) A participant may change or discontinue Elective Deferral Contributions and may direct the investment of Elective Deferral Contributions and account or annuity balances in accordance with the regular rules and procedures of the Plan and applicable 403(b) annuity contracts.

(5) Administrator will provide initial and annual notices to employees concerning the automatic contribution election as required by law.

(f) An election in effect before separation from service will not apply after rehire.

4.03-2 Pursuant to Code section 402(g)(7), 4.03-2 and 4.03-3 of the Plan (the “special 403(b) catch-up”), subject to 4.03-4, in the case of a qualified Employee for whom elective deferrals in any year are not less than the amount under 4.03-1(c)(1), the limit under 4.03-1(c)(1) is increased by the least of the following:

(a) \$3,000.

(b) The excess of—

(1) \$15,000 over

(2) the total elective deferrals under the special 403(b) catch-up in prior taxable years.

(c) The excess of—

(1) the product of \$5,000 multiplied by the number of years of service of the Employee with Employer, over

(2) the total Elective Deferral Contributions made for the Employee in prior taxable years under the plan.

4.03-3 For 4.03-2, the following definitions apply:

(a) A “qualified Employee” is a participant who has completed at least 15 years of service, taking into account only employment with Employer.

(b) A qualified Employee’s number of “years of service” is equal to the aggregate of the annual work periods during which the individual is employed by an eligible Employer, determined as follows:

(1) A year of service shall be based on the College’s annual work period, not on the Employee’s taxable year, but in no case may an Employee accumulate more than one year of service in a twelve-month period.

(2) The Employee shall be credited with a full year of service for each year during which the Employee was a full time employee of Employer for the entire work period and a fraction of a year for each part of a work period during which the Employee was a full time or part time Employee of Employer.

(3) Any period during which an individual was not an Employee of Employer is disregarded.

(4) Each annual work period during which an individual was employed full time (comparing the amount of work which the Employee actually performs with the amount of work that is normally required of individuals performing similar services from which substantially all of their annual compensation is derived) by Employer is one year of service.

(5) Each of the following is a fraction of a year of service:

(i) An annual work period during which an Employee is a full time Employee for part of the period.

(ii) An annual work period during which the Employee is a part time Employee for the entire period.

(iii) An annual work period during which the Employee is a part time Employee for a part of the period.

(6) Fractions under (5) shall be determined as follows:

(i) For an Employee under (5)(i), the numerator is the period of time (such as weeks or months) during which the individual is a full time Employee during the period and the denominator is the period of time that is the annual work period.

(ii) For an Employee under (5)(ii), the numerator is the amount of work performed by the individual and the denominator is the amount of work normally required of individuals who perform similar services and who are employed full time for the entire period.

(iii) For an Employee under (5)(iii), the fraction is the fraction that would apply if the Employee's amount of work were performed over the entire annual work period (as under (6)(ii)) multiplied by the fraction that would apply if the Employee performed full time work over the part of the period actually worked (as under (6)(i)).

(7) The amount of an Employee's work is based on the number of hours of service or other measure of work appropriate under the facts and circumstances.

(8) If, at the close of a taxable year, after applying the foregoing rules, an Employee has a period of service less than one year, the Employee is deemed to have one year of service

(9) Except under (8), fractional years are not rounded up.

4.03-4 The age 50 catch-up under 4.03-1(d) may apply in any year in which the participant also qualifies for the special 403(b) catch-up under 4.03-2 and the two will be coordinated as follows:

(a) Any catch-up amount is treated first as a special 403(b) catch-up to the extent permitted by the limit in 4.03-2.

(b) Any additional catch-up amount is treated as an age 50 catch-up to the extent permitted by the limits in 4.02, 4.03-1(c) and 4.03-2 as modified by this paragraph.

4.03-5 The Administrator shall establish rules covering the priority of charging sources of compensation for elective deferrals, the method and frequency of elections that provide the effective opportunity for eligible Employees to elect deferrals, and procedures for starting, stopping and changing the rate of elective contributions. Eligible Employees must be permitted to elect, at least once with respect to each plan year, elective deferrals up to the limits provided in 4.03-1. A participant's election to start or change the rate of elective deferrals must be made not later than the earliest of the following:

(a) The end of the first pay period for which the election is effective.

(b) The date before the payday for the pay period described in (a).

(c) The date determined by the Administrator.

4.03-6 If a participant's Elective Deferral Contributions for a plan year would be more than permitted under 4.03-1(c) and (d) (an excess deferral), the following shall apply:

(a) Any direction for such an excess deferral shall be invalid and the directed deferral shall not be made. If an amount is erroneously paid to the Plan on account of an improper excess, the excess and related earnings shall be distributed to the participant not later than April 15 of the following plan year.

(b) Unless proscribed by the 403(b) annuity contract, and subject to (c) below, if an excess deferral occurs because of elective deferrals under plans of the College or an affiliate combined with deferrals under one or more plans not maintained by the College or an affiliate, the excess shall be distributed if the following conditions are satisfied:

(1) The participant notifies the Vendor of the excess deferral by March 1 following the close of the plan year, unless the Vendor waives the deadline.

(2) The notice specifies how much of the excess deferral is to be distributed from the plan.

(3) Other applicable rules of the Vendor are followed.

(c) Any distribution under (a) or (b) shall be completed by April 15 following the close of the plan year for which the excess deferral is made.

(d) A participant's distribution under (a) or (b) shall include related investment earnings, as determined under applicable regulations.

4.03-7 A participant who returns from USERRA Leave may elect elective deferrals on account of the period of leave under 4.04.

4.03-8 After-tax employee contributions are not allowed.

4.04 Contributions for USERRA Leave

4.04-1 Employer shall make contributions for a participant who returns from USERRA Leave as provided below.

4.04-2 Employer shall deliver Fixed Contributions to the Vendor for a participant as follows:

(a) The additional contributions shall be determined separately with respect to each plan year during which the participant was absent on USERRA Leave.

(b) The additional contributions with respect to a year during any period of absence for USERRA Leave shall equal the amount of additional contributions that would have been made for the benefit of the participant for the plan year if the compensation imputed under 4.01-3, and service and other factors had accrued during the period of absence.

(c) The additional contributions shall be subject to the limits in 4.03-1(c) and (d), 4.03-2 and 5.02 that applied to the plan year for which the additional contribution is made.

4.04-3 A participant may elect make-up elective deferrals as follows:

(a) Subject to (c), make-up elective deferrals may be elected during the contribution make-up period under (b) out of compensation otherwise payable during such make-up period.

(b) The contribution make up period begins on the date the participant is reemployed by Employer and ends on the earlier of the following:

(1) The fifth anniversary of reemployment.

(2) The last day of a period that is three times the period of USERRA Leave.

(c) To the extent permitted by applicable regulations, make-up Elective Deferral Contributions may be funded from participant sources other than compensation. Each such contribution shall be considered made when the participant delivers funds to the plan equal to the contribution amount.

(d) The participant shall file an election with the Administrator designating the plan year during USERRA Leave to which make-up elective deferrals under (a) and (c) relate.

(e) Make-up Elective Deferral Contributions with respect to the make-up elective deferrals under (a) and (c) for a plan year during USERRA Leave shall not exceed the applicable limits in 4.03-1(c) and (d) and 4.03-2 for that year and 4.03-6 shall apply. Such contributions shall be disregarded for purposes of the limit under 5.02 for limitation years in which the contribution is actually made unless the contribution is actually made in the same plan year as the year of USERRA Leave for which the contribution is made. The limit under 5.02 for the year of USERRA Leave applies to the make-up Elective Deferral Contribution for that year.

4.05 Funding

4.05-1 The Plan is operated with services of TIAA-CREF as a single provider of investment, record-keeping, and other services and products (a “Vendor”). The College may approve additional Vendors to serve the Plan and may cease or restrict delivery of contributions to an approved Vendor. Employer shall deliver contributions to a Vendor for custody and investment under 403(b) annuity contracts. The Vendor must be one or both of the following:

(a) An insurer qualified to issue annuities in the state of Oregon, that issues 403(b) annuity contracts as defined in 4.05-2.

(b) A custodian of qualifying custodial accounts as defined in 4.05-3. “Custodian” means a bank, trust company or other qualified business or individual meeting the requirements of Code sections 401(f)(2) and 403(b)(7)(A) and applicable regulations.

4.05-2 Subject to 4.05-4, a “403(b) annuity contract” is an annuity in the meaning of Treasury Regulation section 1.401(f)-1(d)(2) and (e) and meeting all of the following requirements:

(a) The contract must include payment or an option for payment in the form of an annuity and may not be a life insurance, endowment, health or accident insurance or property, casualty or liability insurance policy or contract.

(b) The contract may provide a death benefit, provided the death benefit is not more than incidental and does not otherwise fail to satisfy any requirement under Code section 403(b).

(c) The contract must contain all the limitations in Articles 4 and 5 and provisions to satisfy the requirements of Articles 6, 7 and 8.

(d) The rights of an Employee under the contract must be nonforfeitable.

(e) The contract must be nontransferable except as provided in 10.04.

4.05-3 A “qualifying custodial account” is a separate account under the Plan, designated by the Administrator, and meeting all of the following requirements:

(a) All of the amounts held in the account must be invested in stock of a regulated investment company in the meaning of Code section 851(a).

(b) The limitations of Article 5 and the requirements of Articles 6, 7 and 8 must be satisfied with respect to amounts held in the account.

(c) The assets in the account may not be used for, or diverted to, purposes other than for the exclusive benefit of Employees who participate in the Plan or their beneficiaries.

(d) The rights of the Employee in the account must be nonforfeitable.

(e) The account may not be part of a retirement income account.

4.05-4 A qualifying custodial account is treated and referred to as a 403(b) annuity contract for all purposes under this Plan unless expressly distinguished from a 403(b) annuity contract. Reference under the Plan to an “account” generally includes a qualifying 403(b) annuity.

4.05-5 To the extent permitted by applicable IRS guidance, assets held under a custodial account may be invested in a group trust with assets held under a qualified plan or individual retirement plan, including a custodial account that is treated as a trust under Code section 401(f).

4.05-6 Employer shall transfer contributions to the Vendor as follows:

(a) An Elective Deferral Contribution shall be paid as soon as the amount can reasonably be identified and separated from Employer’s other assets. Payment shall in any event be made within 15 business days after the end of the month in which the participant would otherwise have received the amount deducted from pay on account of the elective contribution.

(b) Fixed Contributions for a plan year shall be paid by March 15 of the following year.

(c) Employer may pay Fixed Contributions from time to time during the plan year or after the plan year, subject to (b).

4.05-7 No amount shall be delivered to the Vendor unless the Vendor enters into an agreement under 10.03-5.

4.06 Rollovers

4.06-1 Subject to the terms of a participant's applicable 403(b) annuity contract, a participant's eligible rollover distribution may be accepted under the Plan subject to the following terms ("rollover contributions"):

(a) The Vendor shall be responsible for determining that the amount is an eligible rollover distribution and may establish procedures and requirements for acceptance, and may refuse to accept amounts in the Vendor's discretion.

(b) "Eligible rollover distribution" has the meaning provided in Code section 402(c)(4).

(c) "Eligible retirement plan" means the following:

(1) An individual retirement account described in Code section 408(a).

(2) An individual retirement annuity described in Code section 408(b).

(3) A qualified trust described in Code section 401(a).

(4) An annuity plan described in Code section 403(a) or 403(b).

(5) A governmental plan described in Code section 457(b).

(d) Rollovers and related earnings shall be maintained in separate accounts or contracts or otherwise separately maintained and identified. Subject to 5.02-2(b) and 6.08, rollovers to the Plan shall be treated in the same manner as any amount held under an annuity contract.

4.06-2 The Plan will not accept a distribution from a Roth elective deferral account under an applicable retirement plan described in Code section 402A of the Code, a Roth IRA described in Code section 408A, or amounts attributable to after-tax employee contributions.

4.06-3 An Employee that is eligible under 3.01-1 is considered a participant for purposes of rollovers to the Plan.

4.07 Investments

4.07-1 Amounts contributed or rolled over to the Plan shall be invested in accordance with the terms of the applicable 403(b) annuity contracts or custodial accounts provided by or through the Vendor. The Administrator shall provide for Employees to designate how contributions are to be invested in accordance with procedures of the Vendor.

4.07-2 Participants may direct investment of their contracts and accounts as provided by the Vendor. To the extent a participant exercises control over investment of the participant's or beneficiary's interests, neither the Administrator nor any other fiduciary related to the College is liable for any loss that results from such exercise of control.

4.07-3 No fiduciary that is employed by the College is authorized or obliged to provide investment advice to a participant or beneficiary.

ARTICLE 5

Limitations on Annual Additions

5.01 Applicability of Limitations

5.01-1 The limitations in this Article apply to contributions deposited to 403(b) annuity contracts (including qualifying custodial accounts) under the Plan and all 403(b) annuity contracts must contain conforming provisions.

5.01-2 The Administrator shall take into account any other plan for which the Administrator receives sufficient information from an Employee concerning the Employee's participation.

5.02 Maximum Annual Addition

5.02-1 Contributions for any participant under a 403(b) annuity contract shall not exceed the limitations imposed by Code section 415(c).

5.02-2 The following apply for purposes of 5.02-1:

(a) Contributions for a participant under the Plan and any other arrangement are aggregated to the extent applicable and required under Code sections 414(b), (c), (m), (n) and (o) and 415(k)(4).

(b) Any rollovers under 4.06 and age 50 catch-up contributions under 4.03-1(d) are disregarded.

5.02-3 If a contribution is paid to a 403(b) annuity contract in excess of the limit in 5.02-1, the excess must be held in a separate account under the contract that would constitute a separate account for purposes of Code section 72.

ARTICLE 6

Distributions

6.01 Distributions in General

6.01-1 Distributions shall be in accordance with the terms of the participant's applicable 403(b) annuity contracts. Except as otherwise provided in the plan, a 403(b) annuity contract may distribute benefits only after occurrence of any of the following with respect to a participant:

- (a) Severance from employment.
- (b) Death.
- (c) Disability under 6.07.

6.01-2 A 403(b) annuity contract must comply with the requirements of ERISA section 205 and applicable guidance relating to circumstances in which benefits must be distributed in the form of a qualified joint and survivor annuity or pre-retirement survivor annuity unless the participant elects, with spousal consent where applicable, not to have a distribution in that form. A 403(b) annuity contract may incorporate rules permitting distribution of lump sum benefits not in excess of \$5,000. Participants may designate beneficiaries and elect forms of benefit payment in accordance with procedures adopted by the Vendor.

6.01-3 Amounts necessary to secure any loan under 6.03 may not be distributed except on default of such loan.

6.02 Nonalienability

A participant's or beneficiary's interest under the Plan may not be assigned, alienated, encumbered or transferred in any way except:

- (a) To secure a loan under 6.03.
- (b) In accordance with the requirements of a qualified domestic relations order under 6.09.
- (c) In accordance with the requirements of a levy issued by the Internal Revenue Service, or pursuant to collection action undertaken by the United States Government with respect to a judgment resulting from an unpaid tax assessment, against the participant or beneficiary.

6.03 Loans

6.03-1 A 403(b) annuity contract may provide for loans in accordance with Code section 72 and applicable regulations and in accordance with the provisions below.

6.03-2 Any loans made under 6.03-1 to any parties in interest with respect to the Plan who are participants or their beneficiaries must:

- (a) Be available to all participants and beneficiaries on reasonably equivalent terms.
- (b) Not be made available to highly compensated employees in an amount greater than the amount made available to other employees.
- (c) Be made in accordance with the specific loan provisions under the contract.

6.03-3 Loans under 6.03-1 are subject to the following limitations in addition to limitations under terms of the annuity contracts:

- (a) A participant may not borrow if the loan would cause the participant to have more than 5 loans outstanding under the Plan.
- (b) No loan may exceed the lesser of the following, considering all loans under the Plan with respect to the participant:
 - (1) \$50,000, reduced by the highest aggregate loan balance within the preceding 12 months.
 - (2) 50 percent of the value of the Employee's vested interest in the Plan reduced by the aggregate balance of other loans outstanding at the time of the loan.

6.03-4 For purposes of applying 6.03-1 through 6.03-3, amounts attributable to Fixed Contributions and related earnings shall be excluded.

6.04 Minimum Required Distributions

6.04-1 All 403(b) annuity contracts must meet the minimum required distribution requirements of Code section 401(a)(9), both in form and operation, with respect to all benefits under the contract accruing after December 31, 1986, including earnings after December 31, 1986 on amounts contributed before January 1, 1987 and earnings thereon. All 403(b) annuity contracts must provide for distributions as necessary to meet the incidental benefit requirements in accordance with regulations applicable under Code section 401(a)(9), both in form and operation.

6.04-2 The distribution requirements under 6.04-1 do not apply to the undistributed portion of the account balance under a contract valued as of December 31, 1986.

6.04-3 Subject to the following, for purposes of applying 6.04-1, the minimum distribution rules applicable to individual retirement annuities under Code section 408(b) and individual retirement accounts under Code section 408(a) apply to 403(b) annuity contracts:

(a) The required beginning date for distributions is April 1 of the year following the later of the year in which the Employee attains age 70 ½ or the year in which the Employee retires from employment with Employer.

(b) The special rule permitting a surviving spouse to treat the spouse's entire interest as a death beneficiary as the spouse's own account does not apply.

6.05 Severance From Employment

6.05-1 Severance from employment occurs on any date on which an Employee ceases to be an Employee, even though the individual may continue to be employed either by another entity that is treated as the same employer, but is not an organization exempt under Code section 501(c)(3), or employment is in a capacity that is not otherwise eligible employment under Code section 403(b).

6.05-2 Severance from employment does not occur if an Employee transfers from one Employer to another.

6.06 Hardship

6.06-1 The following rules apply to hardship distributions.

6.06-2 Amounts may be distributed to a participant before a severance from employment and before age 59½ to the extent provided in the applicable 403(b) annuity contract (a hardship withdrawal) on account of the immediate and heavy financial need of the participant that cannot be met from other reasonable resources and is caused by one of the following:

(a) Medical expenses that would be deductible under Code section 213(a) without regard for minimum amounts to qualify for deduction, and such expenses for the participant's primary beneficiary whether or not the primary beneficiary is a spouse or dependent of the participant.

(b) The costs of buying the participant's principal residence (but not including mortgage payments).

(c) Payment of tuition, related educational fees and room and board expenses for up to the next twelve months of post-secondary education for the participant or the participant's primary beneficiary, spouse, children or dependents under Code section 152, without regard for sections 152(b)(1), (b)(2) and (d)(1)(B).

(d) The cost of preventing eviction from or foreclosure on the participant's principal residence.

(e) The cost of burial or funeral expenses for the participant's deceased primary beneficiary, parent, spouse or dependents under Code section 152, without regard for Code section 152(d)(1)(B).

(f) The cost of repair of damage to the participant's principal residence that would qualify for the casualty deduction under Code section 165 without regard for the minimum amount to qualify for deduction.

6.06-3 The amount of a hardship distribution may not exceed the lesser of the following:

(a) The participant's total Elective Deferral Contributions as of the date of distribution plus pre-1989 earnings thereon, reduced by the amount of previous distributions of Elective Deferral Contributions.

(b) The amount necessary to satisfy the participant's financial need, including any taxes or penalties reasonably anticipated to result from the distribution.

6.06-4 The amount necessary under 6.06-3(b) shall be determined taking into account the extent the need may be relieved from other resources that are reasonably available to the participant under all the facts and circumstances, including assets of the participant's spouse and minor children that are reasonably available to the participant, without requiring the participant to take counterproductive actions.

6.06-5 In making a determination of need for a hardship distribution, the Vendor or a Plan fiduciary without actual knowledge to the contrary may rely upon the participant's representation that the need cannot be reasonably relieved by any of the following:

(a) Reimbursement or compensation by insurance or otherwise.

(b) Liquidation of the participant's assets.

(c) Cessation of elective deferrals.

(d) Other currently available distributions or loans under the Plan and all other plans of Employer.

(e) Borrowing from commercial sources on reasonable commercial terms in an amount sufficient to satisfy the need.

6.07 Disability

6.07-1 An individual is disabled if the individual is unable to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment which can be expected to result in death or to be of long-continued and indefinite duration, determined in accordance with the following rules.

6.07-2 In determining whether an individual is unable to engage in any substantial gainful activity, the following considerations apply:

(a) Primary consideration shall be given to the nature and severity of the impairment.

(b) Consideration shall also be given to other factors, such as the individual's education, training and work experience.

(c) The substantial gainful activity referred to in 6.08-1 is the activity, or a comparable activity, in which the individual customarily engaged prior to the arising of the disability or prior to retirement if the individual was retired at the time the disability arose.

6.07-3 Whether an impairment is a disability is determined with reference to all of the facts in the case, evaluating the impairment in terms of whether it does in fact prevent the individual from engaging in the individual's customary or any comparable substantial gainful activity.

6.07-4 To be a disability, an impairment must be expected either to continue for a long and indefinite period or to result in death.

(a) Ordinarily, a terminal illness because of disease or injury would result in disability.

(b) The term "indefinite" is used in the sense that it cannot reasonably be anticipated that the impairment will, in the foreseeable future, be so diminished as no longer to prevent substantial gainful activity.

6.07-5 A remediable impairment is not a disability. An individual will not be deemed disabled if, with reasonable effort and safety to the individual, the impairment can be diminished to the extent that the individual will not be prevented by the impairment from engaging in the individual's customary or any comparable substantial gainful activity.

6.08 In-Service Distributions

6.08-1 If a separate account is maintained for an Employee's rollover under 4.06, a 403(b) annuity contract may provide that the Employee may at any time elect to receive a distribution of all or any portion of the account.

6.08-2 A participant who is performing service in the Uniformed Services (within the meaning of Code Section 3401(h)(2)(A)) may withdraw Elective Deferral Contributions and related earnings. If the participant elects to withdraw amounts under this provision, the participant may not elect elective deferrals during the period that starts on the date of the withdrawal and ends six months after the date of the withdrawal.

6.08-3 A participant may elect to be paid benefits with respect to Elective Deferral Contributions, including related earnings, in accordance with the terms of a 403(b) annuity contract at any time after either of the following:

- (a) The participant attains age 59½.
- (b) The participant is disabled under 6.07.

6.08-4 A 403(b) annuity contract under the plan may provide for distributions on account of hardship under 6.06.

6.09 Qualified Domestic Relations Order

The restrictions under this article do not apply to distributions required by a qualified domestic relations order. The Vendor shall determine the qualification of a domestic relations order and administer distributions in accordance with qualified domestic relations orders pursuant to reasonable written procedures established by the Vendor. A copy of the written procedures shall be given upon request without charge.

ARTICLE 7

Rollover Options

7.01 Eligible Rollover Distributions

An annuity contract must provide that if the distributee of an eligible rollover distribution elects to have the distribution paid directly to an eligible retirement plan or Roth IRA described in Code section 408A and specifies the eligible retirement plan or Roth IRA to which the distribution is to be paid, then the distribution will be made to that eligible retirement plan or Roth IRA in a direct rollover and the provisions of Code section 401(a)(31) apply, including automatic rollover for certain mandatory distributions, in the same manner as they apply to a qualified plan. If the distributee is not the spouse of the participant at the time of the participant's death, and is not the spouse or former spouse of the participant entitled to distribution as an alternate payee under a qualified domestic relations order, a direct rollover may be paid only to an individual retirement account, individual retirement annuity, or Roth IRA that has been established for the beneficiary as an inherited IRA within the meaning of Code section 408(d)(3)(E).

7.02 Notice

7.02-1 A 403(b) annuity contract must provide that within a reasonable time period before making an initial eligible rollover distribution, the payor must provide an explanation to the distributee of the right to elect a direct rollover, the income tax withholding consequences of not electing a direct rollover, and the consequences of not deferring a distribution.

7.02-2 The timing rule in Code section 402(f)(1) and applicable regulations apply to notice under 7.02-1.

7.03 Withholding

A 403(b) annuity contract must provide that if a direct rollover is not elected under 7.01, the distribution is subject to mandatory withholding in accordance with Code section 3405(c).

ARTICLE 8

Exchanges and Transfers

8.01 Contract Exchanges and Transfers in General

8.01-1 If the following conditions are met, a 403(b) annuity contract held under the Plan may be exchanged for another 403(b) annuity contract that will be held under the Plan (the “resulting contract”).

(a) The participant or beneficiary must have an accumulated benefit after the exchange that is at least equal to the accumulated benefit of that participant or beneficiary immediately before the exchange (taking into account the accumulated benefit of that participant or beneficiary under both 403(b) annuity contracts immediately before the exchange and applying the principles that would apply under Code section 414(l) in the case of a transfer of assets).

(b) The contract received in the exchange must be subject to distribution restrictions with respect to the participant that are at least as stringent as those imposed on the contract being exchanged.

(c) The Administrator must enter into an agreement with the issuer of the contract received in the exchange under which the Administrator and the issuer will from time to time provide each other with the following:

(1) Information necessary for the resulting contract, or any other contract to which contributions have been made by Employer, to satisfy Code section 403(b), including:

(i) Information concerning the participant’s employment.

(ii) Information that takes into account other section 403(b) contracts or qualified employer plans (such as whether a severance from employment has occurred under 6.05 and whether the hardship rules under 6.06 are satisfied).

(2) Information necessary for the resulting contract or any other contract to which contributions have been made by Employer to satisfy other tax requirements (such as whether a plan loan satisfies the conditions under Code section 72(p)(2) so that the loan is not a deemed distribution under Code section 72(p)(1)).

8.01-2 If the following conditions are met, the Vendor may authorize transfer of assets of this Plan (including any assets held in a custodial account) to another section 403(b) plan:

(a) In the case of a transfer for a participant, the participant must be an employee or former employee of the employer (or the business of the employer) for the receiving plan.

(b) In the case of a transfer for a beneficiary of a deceased participant, the participant must have been an employee or former employee of the employer (or business of the employer) for the receiving plan.

(c) The receiving plan must provide for the receipt of transfers.

(d) The participant or beneficiary whose assets are being transferred must have an accumulated benefit immediately after the transfer that is at least equal to the accumulated benefit of that participant or beneficiary immediately before the transfer.

(e) The receiving plan must provide that, to the extent any amount transferred is subject to distribution restrictions in regulations under Code section 403(b), restrictions are imposed on distributions to the participant or beneficiary whose assets are being transferred that are not less stringent than those imposed on the Plan.

(f) If a plan-to-plan transfer does not constitute a complete transfer of the participant's or beneficiary's interest in the Plan, the receiving plan must treat the amount transferred as a continuation of a pro rata portion of the participant's or beneficiary's interest in the Plan.

8.01-3 If the following conditions are met, the Vendor may authorize transfer of assets of the Plan to a qualified plan under Code section 401(a).

(a) The transferee plan must be a governmental defined benefit plan.

(b) Either of the following apply:

(1) The transfer is made for the purchase of permissive service credit under the receiving plan.

(2) The transfer is a repayment to the receiving plan to which Code section 415 does not apply by reason of section 415(k)(3).

8.01-4 If the transfer under 8.01-3 is less than the participant's entire interest in a 403(b) annuity contract, the amount transferred shall be treated as a pro rata portion of the participant's interest under the contract.

8.02 Prohibited Exchanges and Transfers

8.02-1 Neither a qualified plan nor an eligible governmental plan under Code section 457(b) may transfer assets to the Plan and the Plan will not accept such a transfer.

8.02-2 A 403(b) annuity contract may not be exchanged for an annuity contract that is not a 403(b) annuity contract.

ARTICLE 9

Plan Freeze, Termination and Amendment

9.01 Freeze

The College may amend the Plan to eliminate future contributions or to limit participation to those who are participants at the effective date of the amendment.

9.02 Termination

9.02-1 Subject to the following provisions, the College may terminate the Plan and provide for distribution of accumulated benefits.

9.02-2 Subject to 9.02-3, termination and distribution of benefits is permitted only if the College and all affiliates do not make contributions to any 403(b) annuity contract that is not part of the Plan during the period beginning on the termination date and ending 12 months after distribution of all assets from the Plan.

9.02-3 If at all times during the period beginning 12 months before termination and ending 12 months after distribution of all assets from this Plan, fewer than 2 percent of the employees who were eligible to participate in this Plan at termination are eligible under the other 403(b) annuity contract under 9.02-2, the other contract is disregarded.

9.02-4 In order for the Plan to be considered terminated, all accumulated benefits must be distributed to all participants and beneficiaries as soon as administratively practicable after termination of the Plan. Delivery of a fully paid individual insurance annuity contract is treated as a distribution.

9.03 Amendment.

9.03-1 The College may amend the Plan in the College's discretion by action of the College's Board of Directors. The Vice President/Treasurer of the College may amend the Plan to clarify Plan terms, to modify or supplement administrative provisions, or to conform the Plan to requirements of law.

ARTICLE 10

Miscellaneous Provisions

10.01 Named Fiduciaries; Indemnification and Bonding

10.01-1 The Plan is administered by the Vice President/Treasurer of the College ("Administrator"), who may delegate that function.

10.01-2 The Administrator is the plan administrator under federal laws and regulations applicable to Plan administration and shall comply with such laws and regulations. The Administrator is an agent for service of process on the Plan at the College's address.

10.01-3 The Administrator shall keep records of all relevant data about the rights of all persons under the Plan. The Administrator shall determine eligibility to participate and the time, manner, amount and recipient of payment of benefits and the Service of any employee and shall arrange for distributions. Any person having an interest under the Plan may consult the Administrator at any reasonable time.

10.01-4 The Administrator shall interpret the Plan, shall decide any questions about the rights of participants and their beneficiaries and in general shall administer the Plan. Any decision by the Administrator shall be final and bind all parties. The Administrator shall have absolute discretion to carry out its responsibilities. The Administrator's authority extends, without limitation, to interpretations requested by a vendor.

10.01-5 The Administrator may delegate all or part of its administrative duties to one or more agents and may retain advisors to assist it. The Administrator may consult with and rely upon the advice of counsel who may be counsel for an Employer. The Administrator shall appoint any independent public accountant required for the Plan.

10.01-6 Each Employer shall furnish the Administrator any information reasonably requested by it for Plan administration.

10.01-7 The College shall indemnify and defend the Administrator and all other Plan fiduciaries who are employees, officers or directors of the College or an affiliate, against any claim or liability which may be incurred by the fiduciary in the good-faith performance of duties in its capacity as such, except to the extent the claim or liability is covered by insurance protecting the fiduciary.

10.01-8 The Plan fiduciaries shall be bonded to the extent required by applicable law for the protection of Plan assets.

10.01-9 Neither the Board of Directors of the College, nor its officers (except as provided in this section), shall have any administrative or investment authority or functions, and no member of the Board or officer shall be a Plan fiduciary because of such membership or office.

10.02 Claims Procedure

Any person claiming a benefit or requesting an interpretation or a ruling under the Plan must present the request in writing to the Administrator. Claims are considered under the claims procedures adopted by the Administrator.

10.03 Allocation of Administrative Functions

10.03-1 Without derogating from the Administrator's authority and discretion as otherwise provided herein, the Administrator may allocate responsibility for performing

administrative functions, including functions to comply with the requirements of Code section 403(b) and other tax requirements.

10.03-2 Any allocation under 10.03-1 must identify responsibility for compliance with the requirements of the Code that apply on the basis of the aggregated 403(b) annuity contracts issued to or in respect of a participant under the Plan, including loans under 6.03 and the conditions for obtaining a hardship withdrawal under 6.06.

10.03-3 Responsibilities may be allocated to persons other than an Employer, but not to Plan participants (other than participants, a substantial portion of whose duties as Employees are administration of the Plan).

10.03-4 An allocation under 10.03-1 may incorporate by reference other documents, including insurance policies or custodial accounts and agreements under 10.03-6, which thereupon become part of the Plan.

10.03-5 The Administrator shall maintain an agreement with the Vendor to provide as follows:

(a) The Vendor is responsible for the following:

(1) All information reporting and tax withholding required by applicable federal and state law in connection with distributions and loans from its 403(b) annuity contracts and custodial accounts.

(2) Providing, within a reasonable time period before making an initial eligible rollover distribution, an explanation to the Employee of (i) the right to elect a direct rollover and the income tax withholding consequences of not electing a direct rollover, and (ii) the consequences of failing to defer distribution.

(3) Establishing a separate account under 4.03-3.

(4) Notifying Employer of a suspension of elective deferrals under 6.06-8 or 6.08-2.

(b) The Vendor may require such documentation from a distributing plan as it deems necessary to approve or effectuate a rollover.

(c) The Vendor will collect and maintain the following information:

(1) The outstanding balance of Employee loans and any loan defaults.

(2) The availability of Plan loans and rollover accounts available under the Plan to satisfy financial need in connection with a hardship withdrawal request.

10.04 Service of Process

Service of process for any claim under a 403(b) annuity contract or custodial account may be made on the agent for service of process specified by the Vendor. For any claim under the Plan for which an agent for service of process is not provided under the preceding sentence, the Administrator shall be the agent for service of process at the College's address.

THE REED INSTITUTE

By: 
Signature

Lorraine Arvin
Print or type name

Date signed: 11/24, 2015