

UTAH VALLEY UNIVERSITY DEFINED CONTRIBUTION RETIREMENT PLAN

Summary Plan Description

Employer/Sponsor (“Employer”): Utah Valley University, 800 West University Parkway, Orem, UT 84058-5999; (801) 863-8389

Employer Identification Number (“EIN”): 87-0280648

Funding Vehicles: annuity contracts, custodial accounts, and /or trust accounts offered through: TIAA-CREF and Fidelity.

Plan Administrator: A committee appointed by the Plan Sponsor composed of the following positions: Vice President of Administration and Executive Director of Human Resources.

Agent for Service of Legal Process: Manager, Employee Benefits on behalf of the Plan Administrator.

Trustee(s): The person(s) or entity selected by the Employer who agrees to act as Trustee with respect to the Plan.

End of the Plan Year: December 31st

I. Introduction

The Utah Valley University Defined Contribution Retirement Plan (the “Plan”) is a Code §401(a) retirement plan which is established by a governmental entity as defined in Code § 414(d) to provide retirement benefits and savings opportunities to employees and to provide benefits to their beneficiaries in the event of their death. This Plan is not subject to ERISA.

This Summary Plan Description (“SPD”) is intended to provide you with a general description of the material terms of the Plan written in non-technical terms. It does not describe in detail every aspect of the Plan and is not the official plan document. The plan document is the only official statement of the benefits, rights, and features provided by this Plan. You may obtain a copy of the plan document if you request it. If there is any conflict between the terms of this SPD and those of the plan document, the plan document will control.

II. Am I Eligible to Participate in the Plan?

EMPLOYER CONTRIBUTIONS:

- A. Except for the categories of employees listed below, any exempt employee who at the time he or she enters the Plan, works on a .75 full-time equivalency basis or more in a position expected to last at least three months shall become eligible to have employer contributions made on his/her behalf.

- B. The following classes of employees are not eligible to receive employer contributions:
1. An employee who is actively participating in the Utah State Retirement System through his or her employment with the Employer;
 2. Adjunct faculty;
 3. Members of a collective bargaining unit unless the agreement with that unit allows participation in this Plan;
 4. A person whose employment is incidental to his or her educational program; and
 5. Any individual not described in the foregoing, such as a leased employee, independent contractor, or person paid by a temporary staffing or similar agency is not eligible to participate in the Plan, notwithstanding any employment reclassification of such individual by a government agency or court as a common law employee.

III. When Will I Begin Participating in the Plan?

- A. The date that you will actually begin participation is the entry date. The entry date will be the date next following or coinciding with the date on which the Employee becomes an eligible Employee.
- B. If you are a participant and have incurred a break in service during which you terminate employment, you will be eligible to participate in the Plan on the first entry date following your reemployment. If you had not yet become eligible to receive employer contributions when you terminated employment, you will become eligible after satisfying the eligibility requirements following your return to employment.
- C. If you are a participant and have incurred a paid leave of absence, you may still be eligible to have employer contributions made on your behalf and contributed to the Plan during your paid leave of absence.

IV. What Rules Govern the Contributions Under the Plan?

- A. **Rollover Contributions:** As of January 1, 2009, this Plan will no longer accept eligible rollover distributions from other eligible retirement plans. Amounts rolled into this Plan prior to that date shall be held in a Rollover Contributions Account and such amounts are nonforfeitable.
- B. **Transfer Contributions:** This Plan may accept a direct transfer of amounts from the trustee of another plan qualified under Code section 401(a) on behalf of a Participant or Employee.

C. Employer Contributions:

1. **Employer Contributions:** The Employer shall contribute to the Plan for each Plan Year 14.2% of each Participant's Compensation provided, however, that the Employer shall not make a contribution to the Plan for any Plan Year to the extent such contribution would exceed the limitations set forth in the Internal Revenue Code.
2. For purposes of employer contributions, Compensation is defined as: a Participant's wages, salaries and fees for professional services and other amounts received (without regard to whether or not an amount is paid in cash) for personal services actually rendered in the course of employment with the Employer to the extent that the amounts are includible in gross income (including, but not limited to, commissions paid salesmen, compensation for services on the basis of a percentage of profits, commissions on insurance premiums, tips, bonuses, and reimbursements or other expense allowances under a nonaccountable plan (as described in Treasury Regulation § 1.62-2(c)), and, except as set forth below, excluding the following:
 - (a) fringe benefits;
 - (b) employer contributions to a plan of deferred compensation which are not includible in the employee's gross income for the taxable year in which contributed, or employer contributions under a simplified employee pension plan, or any distributions from a plan of deferred compensation;
 - (c) amounts realized from the exercise of a non-qualified stock option, or when restricted stock (or property) held by the employee either becomes freely transferable or is no longer subject to a substantial risk of forfeiture;
 - (d) amounts realized from the sale, exchange or other disposition of stock acquired under a qualified stock option; and
 - (e) other amounts which receive special tax benefits, or contributions made by the employer towards the purchase of an annuity contract described in Code section 403(b) (whether or not the contributions are actually excludible from the gross income of the employee).

For limitation years beginning on or after July 1, 2007, the amount of Compensation taken into account for any year will not exceed \$200,000 as adjusted for cost-of-living increases in accordance with Code section 401(a)(17)(B).

For limitation years beginning on or after July 1, 2007, Compensation shall also include compensation paid by the later of 2 ½ months after an Employee's Severance from Employment with the Employer or the end of the limitation year that includes the Employee's Severance from Employment if the payment is regular compensation for services during or outside the Employee's working hours,

commissions, bonuses or other similar payments, and, absence a severance of employment, the payment would have been made to the Employee while the Employee continued in the employ of the Employer.

For limitation years beginning on or after July 1, 2007, Compensation shall include compensation paid after an Employee's Severance from Employment with the Employer if the Employee does not provide services for the Employer by reason of Qualified Military Service to the extent these payments do not exceed the amounts the individual would have received had the individual continued to perform services for the Employer rather than entering Qualified Military Service; or the Employee's Disability.

3. All contributions are limited by the amount permitted under the Code.
4. You may be required to complete an application form before you can receive employer contributions.
5. For specific information about the Code limits, contact the plan administrator.
6. Contributions made in error or made in excess of the limits in the Code shall be removed from the Plan as permitted under the applicable rules.

V. Will I Be Automatically Enrolled into this Plan?

No, this Plan does not use automatic enrollment.

VI. When Do the Contributions Vest?

Employer Contributions vest immediately.

VII. What Are the Investment Choices Under the Plan?

- A. You may direct the investment of contributions made on your behalf to any of the funding vehicles that are listed in Schedule A. Your accumulations in any of the funding vehicles you choose are subject to the terms of the funding vehicle.
- B. You will direct the investment of the contributions made on your behalf and accumulations already allocated to accounts by providing instructions in accordance with the administrative procedures followed by the Plan.
- C. The Employer may change the investment choices at any time. If the Employer chooses to eliminate a funding vehicle, your accumulation in that fund may be transferred to another funding vehicle if permitted under the terms of that funding vehicle.

- D. This Plan allows you to direct the investment of your account. That means that the fiduciaries are, generally, not liable for losses that are the result of your exercise of control over your accounts. It is your responsibility to be aware of your investment decisions.

VIII. When May I Begin to Receive Distributions Under the Plan?

- A. **Rollover Contributions:** If you have an account attributable to rollover contributions, you may receive a distribution of the accumulation of that account at any time if permitted under the funding vehicle.
- B. **Transfer and Employer Contributions:** You may receive a distribution of any amount attributable to transfer contributions or employer contributions upon Severance from Employment, Disability, or death.
- C. **Normal Retirement Age:** The age at which you may retire and receive full benefits under the Plan. Normal retirement age is: 65.

IX. When Must I Begin Taking Distributions Under the Plan?

You must begin to take distributions from your account beginning no later than the April 1 after the later of: the year you attain age 70 ½, or the year you separate from service. The account must be distributed over a period not exceeding your life or your life expectancy, or over the life or life expectancy of you and your designated beneficiary.

X. Are Hardship Distributions Available Under the Plan?

No. Hardship distributions are not available under the Plan.

XI. May I Take a Loan Under the Plan?

No. Loans are not available under the Plan.

XII. How May I Receive Benefits Under the Plan?

- A. All requests for benefits must be made in writing or electronic form to the plan administrator or to the entity or entities designated by the plan administrator and will not be processed until the request is received in good order by the funding vehicle.
- B. You may elect any form of benefit that is made available under the funding vehicle.

- C. If you take a distribution from the Plan that is eligible to be rolled over, you may elect to have any portion of that distribution paid directly to another plan that is able to accept a rollover distribution or to an individual retirement account.

XIII. How Are My Benefits Paid if I Die?

- A. If you die prior to beginning to receive your benefits, your accumulation will be paid to your beneficiary in accordance with the terms of the funding vehicle.
- B. You may designate a beneficiary to receive your death benefit by submitting the required form in accordance with the procedure established by the plan administrator.

XIV. What Are the Federal Tax Consequences of Contributions and Distributions Under the Plan?

- A. Any growth in your accumulation attributable to investment earnings or credited interest is not subject to current taxation.
- B. Generally all amounts distributed to you from the Plan will be taxed to you as ordinary income. In addition, if you take a distribution prior to age 59 ½, you may be subject to a 10% penalty tax on the distribution. There are some exceptions to this tax, including if you die or become disabled.
- C. You should consult your tax advisor for further information about the federal and state tax treatment of the contributions and distributions under the Plan.

XV. How Do I File a Claim?

- A. If a request for a benefit is denied, you or your beneficiary can file a claim in writing with the plan administrator or the funding vehicle, whichever is appropriate. The claim should explain the reasons that you are entitled to the benefit. The plan administrator/funding vehicle has the unfettered discretionary authority to conduct an investigation and to determine the merits of the claim.
- B. If the claim is fully or partially denied, the plan administrator/funding vehicle will provide you or your beneficiary with a written explanation within a reasonable amount of time including the following:
 - 1. the reason for the denial; and
 - 2. any additional information that would be needed to grant the claim.
- C. If the claim is denied, you or your beneficiary may appeal the denial and request a review by the plan administrator within 60 days.

- D. As soon as reasonably practicable following your appeal, the plan administrator will render its final decision in writing to you stating specific reasons for its decision.
- E. If the claim is denied on appeal, you have the right to commence action under applicable state laws.

XVI. How is the Plan Administered?

- A. The plan administrator has the authority to manage the operation of the Plan. Factual determinations and interpretations of the Plan provisions by the plan administrator shall be final and binding on all participants and their beneficiaries.
- B. The plan administrator may delegate responsibilities of managing the Plan to other people or entities. Any such delegation will be in writing.
- C. The plan administrator may adopt rules and procedures to administer the Plan.
- D. Plan expenses and fees may be paid from Plan assets subject to the terms of the funding vehicles. Fees that are related to the administration of your individual account may be assessed against your account. Those fees are listed in Schedule B.
- E. While this Plan was adopted with the expectation that it would continue indefinitely, the Employer has no obligation to maintain it for any length of time and may discontinue contributions, amend, or terminate it at any time.
- F. If the Plan is terminated or amended to eliminate any benefits under the Plan you will continue to have rights with respect to funds previously contributed.
- G. If the Plan is terminated, benefits will be immediately vested.
- H. Your accumulation under the Plan is not subject to the claims of your creditors or your beneficiary's creditors after your death. You and your beneficiary may not have the right to sell, assign, transfer, or otherwise convey the right to receive any payments or any interest under the Plan. However, requests for assignments or transfers will be recognized if they are pursuant to:
 - 1. A Domestic Relations Order ("DRO") pursuant to the domestic relations law of any state. Payments under a DRO will be made in accordance with its terms but only to the extent that it is consistent with the terms of the Plan and the terms of the funding vehicles holding the accumulation. The plan administrator will establish reasonable procedures for determining the status of any DRO. If you need further information regarding DRO procedures, you may obtain, without charge, a copy of the procedures from the plan administrator or the funding vehicle.
 - 2. A tax levy that is issued by the Internal Revenue Service with respect to you or your beneficiary or is otherwise sought to be collected by the United States under a judgment resulting from an unpaid tax assessment.

- I. Nothing in this Plan should be considered as giving you any right to continued employment.
- J. This Plan was established as a money purchase pension plan which is a type of defined contribution plan that requires a defined employer or matching contribution to be made to the Plan and the benefit payable to the participant is dependent on the participant's account value on the retirement date and the benefit that those dollars will purchase.
- K. This Plan was drafted to comply with the provisions of Code § 401(a) and will be interpreted in a manner consistent with the requirements of this section and other applicable sections of the Internal Revenue Code.

Schedule A--Permitted Investments (Section 5.01)

I. For Elective Deferrals, Roth 403(b) Contributions and Rollovers:

The TIAA and CREF contracts available for these contributions are: Supplemental Retirement Annuity, Group Supplemental Retirement Annuity, Retirement Annuity, and Mutual Funds

Fidelity mutual funds are available for these contributions.

II. TIAA-CREF investment options under the Annuity Contracts:

TIAA investment options: TIAA Traditional and TIAA Real Estate

CREF investment options: CREF Stock, CREF Money Market, CREF Social Choice, CREF Bond Market, CREF Global Equities, CREF Growth, CREF Equity Index, CREF Inflation Linked Bond

Mutual Fund Investment options: TIAA-CREF Real Estate Securities, TIAA-CREF Growth & Income, TIAA-CREF S&P 500, TIAA-CREF Social Choice Equity, TIAA-CREF Large Cap Value, TIAA-CREF Equity Index, TIAA-CREF Mid Cap Value, TIAA-CREF Mid Cap Growth, TIAA-CREF Small Cap Equity, TIAA-CREF International Equity, TIAA-CREF Lifecycle Funds

Non-Proprietary Mutual Funds Available: Munder Mid-Cap Core Growth Y, T. Rowe Price Capital Appreciation Adv, Thornburg International Value R5

III. Fidelity investment options:

Fidelity Mutual Funds: All Fidelity Mutual Funds which are available for investment by Code Section 401(a) retirement plans, including Fidelity Select Funds, and including Fidelity Mutual Funds which subsequently become available for investment by Code Section 401(a) retirement Plans.

Non-Proprietary Mutual Funds Available: PIMCO Total Return Fund—Administrative Class, The Oakmark Equity and Income Fund—Class I, Vanguard Wellington Fund—Investor Shares, American Funds Growth Fund of America-Class R4, Vanguard Morgan Growth Fund-Investor Shares, American Beacon Large Cap Value Fund-PlanAhead Class, Vanguard Windsor II Fund-Investor Shares, Morgan Stanley Institutional Fund Trust Mid Cap Growth Portfolio-Advisor Class, Vanguard Small Cap Index Fund-Investor Shares, Royce Value Plus Fund-Service Class, Vanguard Global Equity Fund-Investor Shares.

Schedule B—Other Plan Design Information

I. Plan fees that are charged to Participant Accounts

A. TIAA-CREF: None

B. Fidelity:

Investment Advisor Fees: Charges as authorized by the Participant pursuant to the Investment Advisor Fee Authorization Form, if applicable. Refer to Option Choice 1 on Schedule F of the Fidelity Custodial Agreement for a complete description of these fees.

II. 12b-1 revenue sharing fees

A. TIAA-CREF:

Munder Mid-Cap Core Growth Y – The annual 12b-1 and revenue sharing TIAA-CREF shall receive for services rendered is 25 basis points.

T. Rowe Price Capital Appreciation Adv– The annual 12b-1 and revenue sharing TIAA-CREF shall receive for services rendered is 35 basis points.

Thornburg International Value R5– The annual 12b-1 and revenue sharing TIAA-CREF shall receive for services rendered is 25 basis points.

B. Fidelity: None listed