

**SUMMARY PLAN DESCRIPTION  
FOR THE  
WHITMAN COLLEGE  
RETIREMENT PLAN**

**January 1, 2015**

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## **I. INTRODUCTION**

Whitman College (the “Employer”) adopted the Whitman College Retirement Plan (the “Plan”) effective July 1, 2008. The Plan is comprised of the two 403(b) retirement plans previously sponsored by the Employer. The Plan is a 403(b) plan, and is designed to allow you to save for your retirement.

This Plan summary describes the Plan as of January 1, 2015. Please read this summary carefully. Its purpose is to explain how the Plan works, how you qualify for and ultimately receive Plan benefits, what benefits are available to you, and what your rights are as a Plan participant.

Because this is only a Plan summary, you may have questions or wish additional information. To obtain further information about the Plan, please contact the Plan Administrator. While every attempt has been made to accurately describe the Plan provisions in this summary, if the language of this summary conflicts with the language of the Plan, the language of the Plan will control.

## II. HIGHLIGHTS

The following chart is a quick reference to the provisions of the Whitman College Retirement Plan that address frequently asked questions by Plan participants. Further details on these provisions and other provisions of the Plan can be found in the body of the Summary Plan Description (SPD).

<b>Eligibility</b>	<p><b>Elective Deferrals:</b> All Employees employed by the Employer, except those in an Excluded Employee class, as described below.</p> <p><b>Exclusions:</b> Students of Whitman College who are employed by the College and whose wages are exempt from FICA taxes, pursuant to Code 3121(b)(10), and individuals classified as Independent Contractors are not eligible to participate in the Plan.</p> <p><b>Employer Matching Contributions:</b> All Employees after completion of one (1) Year of Service, except those in an Excluded Employee class, as described below.</p> <p><b>Excluded Employees:</b> Certain instructional staff and certain music assistants are not eligible to receive Employer Matching Contributions.</p>
<b>Enrollment Dates</b>	First day of each calendar month.
<b>Employee Elective Deferrals</b>	<p>You may elect to contribute any amount of your eligible compensation as Elective Deferrals, either as Tax-Deferred 403(b) Contributions or Roth 403(b) Contributions, or a combination of the two, up to a maximum of \$17,500 in 2014. The minimum deferral amount is \$200 per year. The \$17,500 cap on Elective Deferrals is a cap on Tax-Deferred 403(b) Contributions and Roth 403(b) Contributions, combined.</p> <p>If you are age 50 or older by the end of the Plan Year, you are eligible to make additional catch-up contributions up to a limit set by the Internal Revenue Code. The limit is \$5,500 in 2014.</p>
<b>Employer Contributions</b>	<p>The Plan provides for Employer Matching Contributions as follows:</p> <ul style="list-style-type: none"> <li>• Ten percent (10%) of your Compensation if you contribute at least 2% of Compensation to the Plan in Elective Deferrals.</li> <li>• <b>For faculty members participating in the Salary Continuation Plan:</b> Twenty percent (20%) of your Compensation, if you contribute at least 2% of Compensation to the Plan in Elective Deferrals.</li> <li>• <b>For faculty members on sabbatical:</b> Ten percent (10%) of your Compensation, if you contribute at least 2% of Compensation to the Plan in Elective Deferrals. Compensation for this purpose is the level of pay the faculty member was receiving immediately prior to the sabbatical, before the sabbatical wage reduction.</li> </ul>
<b>Vesting</b>	All accounts are 100% vested and nonforfeitable at all times.

<b>Rollovers</b>	Rollovers to this Plan from other eligible retirement plans are permitted.
<b>Investments</b>	Your Elective Deferrals and Employer Matching Contributions will be invested by you from a menu of mutual funds and annuity contracts selected by the Employer.
<b>In-Service Withdrawals</b>	<p>You may withdraw your Elective Deferrals at age 59 1/2 or on account of a hardship, subject to the terms of the Individual Agreements with the Vendors. Participants may make only one hardship withdrawal each Plan Year.</p> <p>You may withdraw from your Rollover Account at any time, subject to the terms of the Individual Agreements with the Vendors.</p>
<b>Loans</b>	You may borrow from your Tax-Deferred 403(b) and/or Roth 403(b) Contributions, subject to the terms of the loan policy.
<b>Form and Time of Payment Following Termination of Employment</b>	You may elect to receive a distribution of your Plan account following your termination of employment, or you may elect to defer receipt of your Plan account until a later date (up to age 70½). You may elect to receive your Plan account in the form permitted under the Individual Agreements with the Vendors.
<b>Death</b>	If you die before you begin to receive your benefits from the Plan, your beneficiary may elect to receive your Plan account balance in the form permitted under the Individual Agreements.
<b>Vendors</b>	TIAA-CREF

### **III. ADMINISTRATION**

#### **1. How Is the Plan Administered?**

The Plan Administrator, Plan Sponsor and Named Fiduciary are Whitman College.

The Plan Administrator is responsible for arranging all services necessary to operate the Plan, including accounting, legal and investment advisory services. The Plan Administrator has the power in its sole discretion to manage and operate the administration of the Plan, including interpreting the provisions of the Plan, and making required administrative decisions regarding eligibility, right to benefits, and similar decisions.

Inquiries to the Plan Administrator should be addressed to:

Plan Administrator  
Attn: Dennis Hopwood  
Whitman College  
345 Boyer Avenue  
Walla Walla, WA 99362

Telephone inquiries may be made by calling (509) 527-5172 and asking for the Human Resources Director.

#### **2. Who Is the Plan Sponsor?**

The sponsor of the Plan is Whitman College. The employer identification number (EIN) assigned to Whitman College by the Internal Revenue Service is 91-0567740. The Plan Number is 001.

#### **3. What Is the Plan Year?**

The Plan Year is the 12-month period ending June 30. All records of the Plan are maintained on this Plan Year.

### **IV. ELIGIBILITY**

#### **1. How Do I Become Eligible to Participate?**

You are eligible to participate in the Plan after you meet the eligibility requirements described below.

##### **a. Eligibility Requirements for Elective Deferrals**

All Employees of the Employer, except for certain student employees, are eligible to make Elective Deferrals to the Plan from their compensation, referred to as "Elective Deferrals."

Employees who wish to make Elective Deferrals are enrolled in the Plan on the first day of any calendar month following their date of hire and completion of a Salary Reduction Agreement.

Students of Whitman College who are employed by the College and whose wages are exempt from FICA taxes, pursuant to Code 3121(b)(10), are excluded from making Elective Deferrals.

**Example.** Fred is employed by the Employer on March 4, 2014. Effective April 1, 2014 (the first Enrollment Date that occurs after his date of hire), he is enrolled in the Plan for purposes of making Elective Deferrals.

Persons who are classified as independent contractors are not Employees of the Employer and are not eligible to participate in the Plan.

#### **b. Eligibility Requirements for Employer Matching Contributions**

Employees who are in an eligible classification are eligible for Employer Matching Contributions once they complete one (1) Year of Service with the Employer. If a newly hired Employee performed at least one (1) Year of Service at another accredited institution of higher education in the period immediately preceding the Employee's hire by Whitman College, that newly hired Employee will be credited with that service under this Plan. Whitman College reserves the right to require verification of any such prior service.

If you have not previously qualified for Employer Matching Contributions and you are in the following Employment classifications, you are not eligible to participate in Employer Matching Contributions made to this Plan: (i) faculty who are categorized as instructional staff who teach less than 48% of the standard teaching load, or equivalent, during an academic year, as defined in the Faculty Handbook, or (ii) a Music Assistant who teaches fewer than 30 lessons in a semester.

##### **(1) Year of Service – Hourly Paid Non-Exempt Employees**

If you are paid on an hourly basis, you complete a Year of Service for eligibility purposes when you complete 1,000 Hours of Service during the 12-month period measured from your date of hire. You are credited with all Years of Service performed for the Employer.

You become enrolled in the Plan for purposes of receiving the Employer Matching Contributions as of the first day of the calendar month coinciding with or immediately following your completion of these requirements, as long as you are still employed by the Employer on that date.

If you do not complete 1,000 Hours of Service with the Employer during your first twelve (12) months of employment, your eligibility for purposes of receiving any Employer matching contributions to the Plan will be based on your Hours of Service during the next eligibility computation period, which is the next twelve (12) months of employment, and

anniversaries thereof. If you complete 1,000 Hours of Service during an eligibility computation period, you will be eligible to participate in the Plan for purposes of receiving Employer Matching Contributions to the Plan on the first day of the calendar month coinciding with or next following your completion of the eligibility requirements.

You receive credit for one Hour of Service for each hour you are paid by the Employer for work you perform. You also receive credit for one Hour of Service for time you are paid by the Employer for reasons other than work (such as vacation, illness or disability) up to a maximum of 501 hours for any continuous period. If you are on a qualifying military leave, you will receive credit for your Hours of Service at your customary rate for the period of military leave, subject to applicable laws governing military leave.

## **(2) Year of Service – Exempt Employees**

If you are an exempt employee or faculty member, your service will be credited based on the elapsed time method. You receive eligibility service based on the number of years that you have worked for the Employer. You will be credited with eligibility service for the total of the periods that you have worked for the Employer beginning with your date of hire (or rehire) and ending on the date that you terminate employment with the Employer. However, if you terminate employment and are rehired within the 12 consecutive month period following the earlier of the first day of your absence or your termination of employment date, you will receive eligibility service for the time between your termination of employment date and your rehire date.

**Example.** Susan is employed by the Employer in an eligible employment category on March 1, 2015. She completes one Year of Service with the Employer on February 28, 2016. Effective March 1, 2016 (the first Enrollment Date that occurs on or after her completion of one Year of Service), she is enrolled in the Plan for purposes of receiving the Employer Matching Contributions to the Plan. If Susan elects to make Elective Deferrals to the Plan that are at least 2% of her Compensation, she will receive an Employer Matching Contribution.

### **2. If I Terminate Employment and Am Later Rehired, Do I Have to Satisfy the Eligibility Requirements Again?**

If you terminate employment with the Employer after having been a Plan Participant, you will become a Participant again on the Enrollment Date coinciding with or immediately following the date you are rehired, providing you complete and submit a Salary Reduction Agreement.

## **V. EMPLOYEE CONTRIBUTIONS**

### **1. What Are Elective Deferrals?**

Elective Deferrals are contributions you make to the Plan by electing to have a portion of your eligible compensation withheld from your pay and paid directly to the Plan.

If you choose to make Elective Deferrals, you must enter into a written agreement with the Employer. Under the agreement, referred to as a Salary Reduction Agreement, your compensation, as defined under the Plan, is reduced and the amount of the reduction is credited to your Elective Deferral subaccount under the Plan and allocated among the investment funds you select under the Plan. At the time you elect to make Elective Deferrals to the Plan, you must designate whether your Elective Deferrals will be pre-tax contributions or Roth 403(b) contribution. Your contributions will be made on a payroll period basis, except for any payroll period during which you receive no pay.

Elective Deferrals that are tax-deferred contributions are withheld before federal income taxes are taken from your compensation. No federal income taxes on these contributions are due until they are distributed to you from the Plan. Your tax-deferred contributions are subject to Social Security tax in the year you make the contributions.

Roth 403(b) Contributions are contributions that are made to the Plan after taxes have been withheld.

Your Elective Deferrals are deposited to the Plan within 15 business days following the end of the month in which the amount would otherwise have been paid to you (unless an earlier date is required by applicable law or the terms of your employment).

**a. Amount of Elective Deferrals**

You may contribute up to \$17,500 in 2014 (and whatever adjusted amount is permitted by law in each future calendar year) as Elective Deferrals. The \$17,500 cap applies to all Elective Deferrals, whether in the form of Tax-Deferred 403(b) Contributions, Roth 403(b) Contributions, or a combination of the two.

**b. Compensation for Elective Deferral Purposes**

Compensation for purposes of calculating your Elective Deferrals to the Plan generally includes all W-2 wages you receive from the Employer, including amounts received while on paid leave, before any contributions you make to this Plan and before any salary reductions to the Employer's flexible benefits plan and Code Section 132(f)(4) transportation fringe benefit plan (if any). Effective January 1, 2009, if the Employer makes differential wage payments to a participant in qualified military leave, the differential wage payment is considered eligible compensation for Plan purposes.

Compensation excludes the Employer's contributions to this Plan or to any other retirement plan maintained by the Employer, Awards or Bonuses as determined under Whitman College's current payroll policies, compensation paid pursuant to a grant (unless the grant includes an amount for retirement contributions), payments by the Employer on account of medical, dental, disability and life insurance, and supplemental earnings such as overtime paid for hours worked over 40 hours per week. Compensation in excess of \$260,000 in 2014 (or whatever adjusted

amount is permitted by law in each future calendar year) is not considered for purposes of your salary reduction contributions.

Certain eligible compensation that you receive after termination of employment may be treated as eligible compensation for Plan contribution purposes, if that compensation is received by the later of (1) 2½ months after your termination of employment with the Employer, or (2) the end of the Plan Year in which your termination of employment occurs.

Compensation while you are on a qualified military leave is considered to be the compensation you would have received from the Employer if you were not in qualified military service.

**c. Changing the Amount of Your Elective Deferrals**

You may increase or decrease your Elective Deferrals by signing a new Salary Reduction Agreement. The new election will be effective the first day of the payroll period following the Plan Administrator's receipt of the completed election form.

You may stop making Elective Deferrals as of the first day of any subsequent pay period as long as the Plan Administrator receives your election to stop making contributions before the effective date of the change and in accordance with the timeframe required by the Plan Administrator. You may resume Elective Deferrals by submitting a new Salary Reduction Agreement which will become effective on the first day of any calendar month.

**d. Catch-up Contributions for Participants Age 50 and Older**

If you are age 50 or older by the end of the Plan Year, you are eligible to make additional Elective Deferrals referred to as Catch-up Contributions. To make Catch-up Contributions, you must have elected to make the maximum Elective Deferrals that you are permitted to make under the Plan rules or applicable law.

Like Elective Deferrals, Catch-up Contributions are deducted from your compensation. You may designate all or a portion of a Catch-up Contribution as an after-tax Roth 403(b) contribution.

In 2014, the maximum Catch-up Contribution is \$5,500 (and in future years, as adjusted by the IRS for increases in the cost of living).

You may obtain information on the procedures and timing for making these Catch-up Contributions from the Plan Administrator.

Your Catch-up Contributions are always 100% vested (nonforfeitable).

## **2. May I Make Rollover Contributions to the Plan?**

If you are a Plan participant, you may roll over a distribution from another Eligible Retirement Plan to this Plan if certain conditions are met. An Eligible Retirement Plan means an individual retirement account described in Section 408(a) of the Code, an individual retirement account described in Code Section 408A(b), an individual retirement annuity described in Section 408(b) of the Code, a qualified trust described in Section 401(a) of the Code, which includes 401(k) plans, an annuity plan described in Section 403(a) or 403(b) of the Code, or an eligible governmental plan described in Section 457(b) of the Code. For distributions of after-tax employee contributions made after December 31, 2006, an Eligible Retirement Plan shall include an annuity contract described in Code Section 403(b), provided the contract separately accounts for the after-tax amounts.

You should consult the Plan Administrator as to the conditions and procedures for making a rollover contribution. The amount of any rollover contribution will be invested along with the other assets of the Plan, but will be held for you in a separate rollover account and will be at all times 100% vested (nonforfeitable).

## **3. What Happens If I Return from a Qualifying Military Leave?**

If you return to employment on or after December 12, 1994 with the Employer after a period of qualifying military leave, you will be eligible to make-up Elective Deferrals and Catch-up Contributions (if applicable) for the period of qualifying military leave, subject to the applicable laws governing military leaves.

# **VI. EMPLOYER MATCHING CONTRIBUTIONS**

## **1. What Does the Employer Contribute?**

Each year that you make Elective Deferrals to the Plan equal to or at least 2% of your compensation, the Employer will make an Employer Matching Contribution to the Plan.

Except as provided in subparagraphs (a) and (b) below, the Employer Matching Contribution shall be equal to 10% of your compensation.

Employer Matching Contributions are 100% vested and nonforfeitable.

### **a. Faculty Member in Salary Continuation Plan**

If you are a faculty member who participates in the Salary Continuation Plan, you will receive an Employer Matching Contribution equal to 20% of compensation you receive pursuant to the Salary Continuation Plan if you contribute at least 2% of your compensation under the Salary Continuation Plan in Elective Deferrals.

## **b. Faculty Member on Sabbatical**

If you are a faculty member who is on sabbatical, you will receive an Employer Matching Contribution equal to 10% of your compensation if you contribute at least 2% of the compensation you receive while on sabbatical in Elective Deferrals. "Compensation" for purposes of this paragraph shall be defined as the level of pay you are receiving from Whitman College immediately prior to your sabbatical, before the sabbatical wage reduction.

### **2. What Compensation Is Considered for Employer Matching Contribution Purposes?**

In the year that you are initially enrolled in the Plan for purposes of participating in the Employer Matching Contribution, only the compensation you receive on or after the date you are enrolled as a Plan Participant will be counted for purposes of calculating the Employer Matching Contribution.

Compensation for purposes of calculating your Employer Matching Contribution to the Plan generally includes all W-2 wages you receive from the Employer, including amounts received while on paid leave, before any contributions you make to this Plan and before any salary reductions to the Employer's flexible benefits plan and Code Section 132(f)(4) transportation fringe benefit plan (if any). Effective January 1, 2009, if the Employer makes differential wage payments to a participant in qualified military leave, the differential wage payment is considered eligible compensation for Plan purposes.

However, compensation excludes the Employer's contributions to this Plan or to any other retirement plan maintained by the Employer, Awards or Bonuses as determined under Whitman College's current payroll policies, compensation paid pursuant to a grant (unless the grant includes an amount for retirement contributions), payments by the Employer on account of medical, dental, disability and life insurance, and supplemental earnings such as overtime paid for hours worked over 40 hours per week. Compensation in excess of \$260,000 in 2014 (or whatever adjusted amount is permitted by law in each future calendar year) is not considered for purposes of your salary reduction contributions.

Certain eligible compensation that you receive after termination of employment may be treated as eligible compensation for Plan contribution purposes, if that compensation is received by the later of (1) 2½ months after your termination of employment with the Employer, or (2) the end of the Plan Year in which your termination of employment occurs.

Compensation while you are on a qualified military leave is considered to be the compensation you would have received from the Employer if you were not in qualified military service.

### **3. What Additional Limits Apply?**

The total of your Elective Deferrals and Employer Matching Contributions allocated to your accounts for any Plan Year cannot exceed the lesser of 100% of your compensation (before any Elective Deferrals and before any Code Section 125 cafeteria plan contributions or Code Section 132(f)(4) qualified transportation fringe benefit plan contributions) or \$52,000 in 2014 (and as adjusted by the IRS in future years).

If the Employer contributions on your behalf would cause the total of your salary reduction contributions and your Employer contributions for a Plan Year to exceed limits set by the Internal Revenue Code (for 2014, the lesser of \$52,000 or 100% of your pay), then your Elective Deferrals for that Plan Year will be reduced to meet that limit. This limit may be adjusted in future calendar years.

In addition, if you are a highly compensated employee, the Plan Administrator may be required by law to reduce your Elective Deferrals and Employer Matching Contributions if the IRS limits on those contributions for highly compensated employees are exceeded. The Plan Administrator will notify you if this occurs.

### **4. What Happens If I Return from a Qualifying Military Leave?**

If you return to employment on or after December 12, 1994 with the Employer after a period of qualifying military leave, you will be eligible for any Employer Matching Contributions associated with Elective Deferrals that you make up for the period of qualifying military leave, subject to the applicable laws governing military leaves.

## **VII. INVESTMENTS**

### **1. How Are Contributions Invested?**

The Employer selects the mutual funds and annuity contracts that will be offered to Participants as investments under the Plan.

You are responsible for reviewing the periodic Plan account statements that you receive to make sure that your investment directions, including any changes that you have elected to make, have been correctly implemented. If you notice an error, please contact the Plan Administrator as soon as possible after receiving your account statement.

Investments are limited by law to 403(b) annuity contracts with insurance companies and 403(b)(7) custodial account shares of regulated investment companies (mutual funds).

### **2. Your Exercise of Control Over Your Account.**

You select the specific investment funds into which your account is invested. If you do not elect to direct the investment of your account, your funds will be invested in a qualified default investment that complies with ERISA Section 404(c). You may provide new directions

regarding the investment allocations of your account as allowed by the investment funds. New investment instructions must be submitted in accordance with guidelines provided. Note that some of the investments may impose limits on the timing and ability to transfer money out of that fund into another fund. You will need to check the specific terms of the investment funds provided by the insurance companies and mutual funds.

The Plan Administrator will work with the insurance companies and mutual funds to facilitate the distribution of the information and materials regarding the investment choices. Your investment decision should be made only after careful review of these materials.

Upon request, you may receive additional information including the following, which will be based on the latest information available:

- A description of the annual operating expenses of each of the investment alternatives offered under the Plan (i.e., investment management fees, trustees fees, administrative fees and transaction costs) that are charged to your account expressed as a percentage of average net assets.
- Copies of any prospectuses, financial statements and reports or other materials relating to the investment alternatives available under the Plan to the extent provided the Plan Administrator.
- A list of the assets comprised in the portfolio of each fund, the value of each asset and the percentage of the overall fund that it represents. With respect to an asset that is a fixed rate investment contract, the name of the bank or insurance company issuing the contract, the term of the contract and the rate of return under the contract.
- Current information about the value of the shares or units in mutual funds offered under the Plan together with current investment performance information determined net of expenses.
- Information concerning the value of shares or units in your account.

**Special Notice:** The Plan is intended to qualify as a plan described in Section 404(c) of the Employee Retirement Income Security Act of 1974, as amended, and corresponding regulations. Section 404(c) provides that if a plan passes on investment decisions to plan participants, and satisfies certain requirements, the participants have the responsibility for the investment results – both earnings and losses. This means the Plan fiduciaries (i.e., Whitman College and those it appoints to administer the Plan) will be relieved of liability for any loss occurring as the direct and necessary result of your investment instructions. You, the Plan Participant, are responsible for selecting a diversified mix of funds that is appropriate for your level of risk tolerance.

What you will ultimately receive under the Plan depends in great part upon the investment performance of the mutual funds and annuity contracts you select. While Whitman

College believes that a prudent mix of investments among the mutual funds and annuity contracts will provide a positive rate of return over time, there are no guarantees that you will experience positive investment results.

## **VIII. PLAN ACCOUNTS AND VESTING**

### **1. What Accounts Are Held in the Plan on My Behalf?**

The Plan holds different recordkeeping accounts to track different types of contributions to the Plan. Depending on the types of contributions that you make and that the Employer makes for you, the Plan may hold a Tax-Deferred 403(b) Contribution Account, a Roth 403(b) Contribution Account, a Catch-up Contribution Account, an Employer Matching Contribution Account, and a Rollover Account on your behalf.

### **2. What Are the Vesting Rules for My Plan Accounts?**

All amounts contributed to the Plan are immediately 100% vested and nonforfeitable.

## **IX. BENEFICIARY DESIGNATION**

### **1. How Do I Designate a Beneficiary to Receive My Benefits in the Event of My Death?**

You may designate a beneficiary or beneficiaries, who are persons who will receive any benefits payable at your death by completing a beneficiary designation form which is available from the Plan Administrator. If you are married and you do not designate a beneficiary, your Plan benefits will be payable to your spouse. If you are married, and you wish to designate someone as your beneficiary other than your spouse, your spouse must consent to the designation. Your spouse's proper written consent must be on a form provided by the Plan Administrator and must be witnessed by a notary public or by a Plan representative.

Your beneficiary may be changed at any time by written designation filed with the Plan Administrator. If you don't name a beneficiary or if the beneficiary you name is not alive when you die, the amount in your account(s) will be paid to your surviving spouse, or if none, as provided in the Plan document.

For benefits that are invested in an annuity contract, if you are under age 35 and you designate someone other than your spouse as your beneficiary, your beneficiary designation becomes invalid on January 1 of the calendar year in which you turn age 35. On that date your spouse will become your beneficiary, unless you complete a new beneficiary designation form and again receive spousal consent witnessed by a notary public or by a Plan representative. If you have designated someone other than your spouse as your beneficiary, you must alert the Plan Administrator by January 1 of the year you turn age 35, and you and your spouse must complete a new beneficiary designation form.

## **X. DISTRIBUTION OF BENEFITS**

### **1. When May I Receive a Distribution of My Plan Benefits?**

You may take a distribution of your Elective Deferrals upon the earliest of your attainment of age 59 1/2, Severance from Employment with the Employer, your becoming Disabled (as defined in the Plan and later in this Summary Plan Description) or upon your death (in which case the distribution is made to your beneficiary). Distributions are subject to the terms of the Individual Agreements with the Vendors.

You may take a distribution of your Employer Matching Contributions upon your Severance from Employment, death, or disability.

### **2. In What Form Will My Benefits Be Paid?**

For Plan benefits held in a custodial account, the normal form of payment is a single lump sum payment.

For Plan benefits held in an annuity contract, the normal form of payment if you are unmarried is a single life annuity, and the normal form of payment if you are married is a Qualified Joint and Survivor Annuity. Unless you elect an optional form of payment, and your spouse provides proper written consent to the optional form of payment, your benefits will be paid in the normal form described above. A single life annuity provides you with monthly benefits during your lifetime, with no benefits payable to any beneficiary or spouse following your death. A qualified joint and survivor annuity with your spouse as joint annuitant provides monthly payments for your lifetime. If you die before your spouse, your spouse continues to receive monthly payments in a reduced amount of 50% for the remainder of his or her lifetime.

For your Plan benefits held in an annuity contract, if you wish to elect a form of payment other than a Qualified Joint and 50% Survivor Annuity and you are married, your spouse must consent in writing on a form to be provided by the Plan Administrator, subject to the requirements of the Funding Vehicle. Your spouse's signature must be witnessed by a notary public or a Plan representative and must acknowledge the effect of the consent is to give up the right to receive a qualified joint and 50% survivor annuity.

If you receive payment in the form of an annuity, the Plan will purchase a nontransferable annuity contract from an insurance company on your behalf and will distribute the contract to you.

### **3. What Other Rules Apply?**

You must commence the distribution of your Plan benefits no later than April 1 of the calendar year following the later of (a) the calendar year in which you reach age 70½, or (b) the calendar year in which you terminate employment. Failure to begin benefits by the required beginning date may subject you to a substantial federal tax penalty.

If you terminate employment prior to age 55, and you receive a distribution of your benefits prior to age 59½, the amount of the distribution which is includible in your gross income generally will be subject to a 10% tax penalty on early withdrawals. This penalty will not apply if you are permanently and totally disabled or if your distribution is rolled over or transferred to an IRA or another employer's eligible retirement plan. If you terminate employment with the Employer after age 55 and take a distribution of your vested Plan benefits after age 55, your distribution will not be subject to this 10% tax penalty. You will receive information on the taxation of distributions from the Plan prior to the time you receive a distribution of your vested Plan benefits.

#### **4. What Happens If I Become Disabled?**

If you become permanently and totally disabled while employed by the Employer, you may elect to receive your benefits under the Plan. Permanent and total disability for Plan purposes means that you are 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. Payment will begin as soon as possible after the Plan Administrator determines you are disabled and you elect to receive payment.

#### **5. What Happens If I Die?**

Your designated beneficiaries are entitled to receive your account after you die.

If you were married at the time of your death, your surviving spouse will automatically receive the total value of your account, unless you chose a different primary beneficiary and your spouse consented to that designation in writing.

Subject to your spouse's consent (if applicable), you may change your designated beneficiaries at any time by filing the appropriate form with the Plan Administrator.

If your benefits are invested in an annuity contract, and you are under age 35, if you designate someone other than your spouse as your primary beneficiary, your beneficiary designation becomes invalid on January 1 of the calendar year in which you turn age 35. On that date your spouse will become your beneficiary, unless you complete a new beneficiary designation form and again receive proper written spousal consent. If you have designated someone other than your spouse as your beneficiary, you must alert the Plan Administrator by January 1 of the year you turn age 35, and you and your spouse must complete a new beneficiary designation form.

#### **6. What Happens If I am Divorced?**

Benefits provided under this Plan are for you and your beneficiary. Your benefits cannot be assigned to someone else in order to settle a debt. However, the Plan will pay amounts to a former spouse or to a child as ordered by a court, pursuant to the terms of a Qualified Domestic Relations Order (QDRO). If the Plan Administrator receives an Order that relates to you, they

will notify you immediately. You have a right to obtain, without charge, a copy of the procedures governing Qualified Domestic Relations Orders from the Plan Administrator.

### **7. May I Take a Withdrawal While I Am Still Employed by the Employer?**

Because the Plan is intended primarily as a way to save for your retirement, there are only limited circumstances under which you are permitted to take “in-service” withdrawals. In-service withdrawals are withdrawals of your Plan benefits that you take while you are still employed by the Employer. You may take an in-service withdrawal of your Elective Deferrals upon the age of 59 1/2 or in the event of a hardship.

If you are married, your spouse must consent to any in-service withdrawal, and that consent must be witnessed by a notary public or by a Plan representative.

### **8. Are There Special Distribution Rules if I Am Called Into Military Service?**

Effective January 1, 2009, if you perform qualifying military service for more than 30 days, you will be treated as having a Severance from Employment for purposes of the Plan, and therefore eligible to receive a distribution of your Elective Deferral Account in the Plan. If you elect to receive a distribution of your Elective Deferral Account under this special provision, you may not make any Elective Deferrals to the Plan during the 6-month period beginning on the date of the distribution.

### **9. Hardship Distributions**

A hardship distribution from amounts you contribute as Elective Deferrals will only be approved if you have an immediate and heavy financial need and the distribution is necessary to satisfy the need. The amount of the need may include any amount necessary to pay any federal, state, or local income taxes or penalties reasonably anticipated to result from the distribution. If approved, your hardship distribution will only be the amount necessary to prevent or alleviate the hardship. Amounts attributable to income on your Elective Deferrals are not eligible for distribution on account of hardship.

The following are considered heavy and immediate financial needs:

- (a) medical expenses described in Code Section 213(d) that have already been incurred by you, your spouse, your dependents, or your designated Beneficiary or Beneficiaries, or that are necessary for these persons to obtain such medical care;
- (b) purchase (excluding mortgage payments) of your principal residence;
- (c) payment of tuition, related educational fees, and room and board expenses for the next twelve months of post-secondary education for you, your spouse, your children, your dependents, or your designated Beneficiary or Beneficiaries;

- (d) the payment of amounts necessary to prevent your eviction from your principal residence or the foreclosure on the mortgage of your principal residence;
- (e) payment of burial or funeral expenses for your deceased parent, spouse, child, dependent or designated Beneficiary or Beneficiaries;
- (f) expenses for the repair of damage to your principal residence that would qualify as a casualty loss deduction under Code Section 165; or
- (g) other circumstances as may be specified in regulations under the Internal Revenue Code.

Further, a distribution will be treated as necessary to satisfy a financial need if you reasonably represent that the need cannot be relieved:

- (a) through reimbursement or compensation by insurance or otherwise;
- (b) by reasonable liquidation of your assets (or the assets of your spouse or child that are available to you) to the extent the liquidation would not cause hardship;
- (c) by stopping your Elective Deferrals;
- (d) by other distributions or nontaxable loans currently available from plans maintained by Whitman College or another employer; or
- (e) by borrowing from commercial sources on reasonable terms, in an amount sufficient to satisfy the need.

You are limited to one (1) hardship withdrawal in any Plan Year.

If you take a hardship distribution from the Plan, you cannot make Elective Deferrals to this Plan or any other deferred compensation plan maintained by Whitman College for six (6) months measured from the time you receive the hardship distribution.

Hardship withdrawals have special tax consequences. Hardship withdrawals will be taxed as ordinary income and, if you are under age 59 ½ at the time you take the hardship withdrawal, will be subject to an additional 10% penalty tax.

There may be additional limitations on the availability of hardship withdrawals imposed under the investment fund. Please check with the Plan Administrator for more information.

## **XI. LOANS TO PARTICIPANTS**

You may take a loan from your Tax-Deferred 403(b) Contributions or your Roth 403(b) Contributions, to the extent permitted by Code Section 72(p), and consistent with the loan policy. Loans may be subject to an administrative fee from TIAA-CREF.

A copy of the loan policy is available from the the Human Resource Department upon request.

## **XII. AMENDMENT AND TERMINATION OF THE PLAN**

The Employer expects to continue the Plan indefinitely but reserves the right to terminate or to amend the Plan at any time for any reason. All of the assets of the Plan will be used to pay benefits to participants or to pay permitted Plan expenses. No part of the assets will be returned to the Employer.

## **XIII. RIGHTS OF PARTICIPANTS**

### **1. To Whom Should Legal Notices Be Addressed?**

Legal notices should be directed to the Plan Administrator at the address indicated in Section III. However, service of legal process may also be made upon the Employer.

### **2. Disputes Involving an Individual Agreement with a Vendor.**

Any dispute or claim that involves the Individual Agreement shall be determined as provided under the Individual Agreement and the Employer has no responsibility or obligation to assist with respect to such dispute or claim.

### **3. What Are the Plan's Benefit Claim Procedures?**

#### **a. Initial Claim**

If you are entitled to benefits under the Plan, you need not make a claim to the Plan Administrator in order to receive your benefits. However, if you disagree with the information or computations in connection with any of your benefits, you may make a claim to the Plan Administrator. This claim should be in the form of a letter stating why you disagree and should include all facts and information you want the Plan Administrator to consider. You will be advised of the acceptance or rejection of your claim within 90 days (or 45 days if the claim relates to disability) after your claim is received, unless special circumstances require an extension of time for processing the claim. If the Plan Administrator requires an extension, written notice of the extension will be furnished to you prior to the end of the initial 90-day period (or 45-day period if the claim relates to disability). The extension will not exceed an additional period of 90 days (or 30 days if the claim relates to disability) from the end of the initial 90-day (or 45-day) review period. The extension notice from the Plan Administrator will state the special circumstances requiring the extension of time and the date by which the Plan Administrator expects to make a final decision.

If your claim is wholly or partially denied, it must be denied in writing and the denial must state in detail the specific reason or reasons for the denial, the specific pertinent Plan provisions upon which the denial is based, a description of any additional material or information which you may provide to perfect the claim, and an explanation of why such material or

information is necessary. The notice of denial must also explain the steps to be taken if you or your beneficiary wish to submit a claim for review.

If notice of the denial of a claim is not furnished within the 90/180-day period, the claim is considered denied and you are permitted to either proceed to the review stage or file suit in a state or federal court.

**b. Request for Review of Denied Claim**

If you or your duly authorized representative choose to submit a claim for review by the Plan Administrator, you must make a written request to the Plan Administrator for review 60 days after the date you receive the claim denial. Your appeal of your denied claim should include a statement of the reasons your claim should be allowed.

You or your representative may examine any and all documents and other papers the Plan Administrator has in its files and will use in reaching a decision, and you may also submit additional written comments to the Plan Administrator that support your claim.

The Plan Administrator will advise you of its decision in writing within 60 days (or 45 days if your claim relates to disability) following receipt of your request for review, unless special circumstances require an extension of time for processing. If an extension is necessary, a decision will be made as soon as possible, but not later than 120 days (or 90 days if your claim relates to disability) after the Plan Administrator receives your request for review.

If an extension of time for review is required because of special circumstances, written notice of the extension and the Plan Administrator's reasons for needing more time will be furnished to you prior to the commencement of the extension. The decision on review will be in writing and will include specific reasons for the decision, as well as specific references to the plan provisions upon which the decision is based. The decision of the Plan Administrator will be final and will be subject to no further appeal or review. If the appeal is denied by the Plan Administrator, in whole or in part, you have a right to file suit in a state or federal court.

**4. Is the Plan Insured by the Pension Benefit Guaranty Corporation?**

Because this is a defined contribution plan, your benefits are not insured by the Pension Benefit Guaranty Corporation (PBGC), an agency of the federal government. The PBGC does not require or provide insurance for the Plan.

**5. What Are My Rights Under ERISA?**

This statement of ERISA rights is required by federal law and regulation. As a participant in the Plan, you are entitled to certain rights and protections under the Employee Retirement Income Security Act of 1974 (ERISA). ERISA provides that all Plan Participants shall be entitled to:

**a. Receive Information about Your Plan and Benefits**

i. Examine, without charge, at the Employer's office and at other locations, such as worksites, all documents governing the Plan, including insurance contracts, and a copy of the latest annual report (Form 5500 series) filed by the Plan with the U.S. Department of Labor and available at the Public Disclosure Room of the Employee Benefits Security Administration.

ii. Obtain, upon written request to the Plan Administrator, copies of documents governing the operation of the Plan, including insurance contracts, and copies of the latest annual report (Form 5500 series) and updated Summary Plan Description. The Plan Administrator may make a reasonable charge for copies.

iii. Receive a summary of the Plan's annual financial report. The Plan Administrator is required by law to furnish each participant with a copy of this summary financial report.

iv. Obtain a statement of your total Plan benefits (your account balance) and your vested Plan benefits, if any, or if you have no vested benefits, a statement of how many more years you will have to work to have a vested right to plan benefits. This statement must be requested in writing and is not required to be given more than once every 12 months. The Plan must provide the statement free of charge.

**b. Prudent Actions by Plan Fiduciaries**

In addition to creating rights for Plan participants, ERISA imposes duties upon the people who are responsible for the operation of the Plan. The people who operate your Plan, called "fiduciaries" of the Plan, have a duty to do so prudently and in the interest of you and other Plan Participants and beneficiaries.

No one, including your employer or any other person, may fire you or otherwise discriminate against you in any way to prevent you from obtaining a Plan benefit or exercising your rights under ERISA.

**c. Enforce Your Rights**

If your claim for a Plan benefit is denied or ignored in whole or in part, you have a right to know why this was done, to obtain copies of documents relating to the decision without charge, and to appeal any denial, all within certain time schedules.

Under ERISA, there are steps you can take to enforce the above rights. For instance, if you request materials from the Plan and do not receive them within 30 days, you may file suit in a federal court. In such a case, the court may require the Plan Administrator to provide the materials and pay you up to \$110 a day until you receive the materials, unless the materials were not sent because of reasons beyond the control of the Plan Administrator.

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

If it should happen that Plan fiduciaries misuse the Plan's money, or if you are discriminated against for asserting your rights, you may seek assistance from the U.S. Department of Labor, or you may file suit in a federal court. The court will decide who should pay court costs and legal fees. If you are successful, the court may order the person you have sued to pay these costs and fees. If you lose, the court may order you to pay these costs and fees, for example, if it finds your claim is frivolous.

If you have any questions about your plan, you should contact the Plan Administrator. If you have any questions about this statement or about your rights under ERISA, or if you need assistance in obtaining documents from the Plan Administrator, you should contact the nearest office of the Employee Benefits Security Administration, U.S. Department of Labor, listed in your telephone directory, or the Division of Technical Assistance and Inquiries, Employee Benefits Security Administration, U.S. Department of Labor, 200 Constitution Avenue N.W., Washington, D.C. 20210. You may also obtain certain publications about your rights and responsibilities under ERISA by calling the Publications Hotline of the Employee Benefits Security Administration.

## **PLAN SPECIFICATIONS**

Plan Sponsor:	Whitman College
Plan Administrator and Agent for Legal Process:	Plan Administrator Whitman College 345 Boyer Avenue Walla Walla, WA 99362

Service of legal process may also be made upon the Employer.

Employer I.D. Number:	91-0567740
IRS Number Assigned by Plan Sponsor:	001