UNIVERSITY OF ST. THOMAS

VOLUNTARY RETIREMENT ARRANGEMENT

Restatement
Effective July 1, 2011
# TABLE OF CONTENTS

**ARTICLE I** Background and Definitions ................................................................. 1  
Section 1.1 History and Purpose ................................................................................. 1  
Section 1.2 Effective Date ......................................................................................... 1  
Section 1.3 Definitions .............................................................................................. 1  
  403(b) Arrangement ............................................................................................... 1  
  403(b) Arrangement Year ...................................................................................... 1  
Alternate Payee ......................................................................................................... 2  
Beneficiary ............................................................................................................... 2  
Carrier ..................................................................................................................... 2  
Code ......................................................................................................................... 2  
Compensation .......................................................................................................... 2  
Deferral ................................................................................................................... 2  
Domestic Relations Order ...................................................................................... 2  
Eligible Employee .................................................................................................... 2  
Employer .................................................................................................................. 3  
Employee ................................................................................................................. 3  
Nonspouse Beneficiary ......................................................................................... 3  
Participant .............................................................................................................. 3  
Plan-to-Plan Transfer ............................................................................................ 3  
Qualified Domestic Relations Order .................................................................... 3  
Rollover Contributions .......................................................................................... 3  
Savings Vehicle .................................................................................................... 3  
Spouse (Surviving Spouse) .................................................................................. 4  
Termination of Service .......................................................................................... 4  
University .............................................................................................................. 4

**ARTICLE II** Eligibility and Participation ................................................................. 4
Section 2.1 Participation of Eligible Employees ......................................................... 4  
Section 2.2 Reemployment ....................................................................................... 4  
Section 2.3 Reclassification ..................................................................................... 4  
Section 2.4 Termination of Participation ................................................................ 4

**ARTICLE III** Contributions ...................................................................................... 4
Section 3.1 Deferrals ................................................................................................ 4  
Section 3.2 Limitations ............................................................................................ 5  
Section 3.3 Section 415 Limitations ....................................................................... 7  
Section 3.4 Rollover Contributions ......................................................................... 9  
Section 3.5 Vesting ................................................................................................ 9  
Section 3.6 Leave of Absence ............................................................................... 9

**ARTICLE IV** Savings Vehicles .................................................................................. 9
Section 4.1 Saving Vehicles .................................................................................... 9  
Section 4.2 Purchase ............................................................................................... 10
<table>
<thead>
<tr>
<th>Section</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>Section 4.3 Investment</td>
<td>10</td>
</tr>
<tr>
<td>Section 4.4 Transfers Among Savings Vehicles</td>
<td>10</td>
</tr>
<tr>
<td>Section 4.5 Plan-to-Plan Transfers</td>
<td>11</td>
</tr>
<tr>
<td>ARTICLE V Benefits</td>
<td>11</td>
</tr>
<tr>
<td>Section 5.1 Distributions</td>
<td>11</td>
</tr>
<tr>
<td>Section 5.2 Minimum Distribution Requirements</td>
<td>12</td>
</tr>
<tr>
<td>Section 5.3 Hardship Distributions</td>
<td>16</td>
</tr>
<tr>
<td>Section 5.4 Death Benefit</td>
<td>16</td>
</tr>
<tr>
<td>Section 5.5 Direct Rollovers</td>
<td>16</td>
</tr>
<tr>
<td>Section 5.6 Participant Loans</td>
<td>17</td>
</tr>
<tr>
<td>Section 5.7 Qualified Domestic Relations Orders</td>
<td>17</td>
</tr>
<tr>
<td>Section 5.8 USERRA and the HEART Act</td>
<td>18</td>
</tr>
<tr>
<td>ARTICLE VI Administration</td>
<td>18</td>
</tr>
<tr>
<td>Section 6.1 Carrier</td>
<td>18</td>
</tr>
<tr>
<td>Section 6.2 Restrictions on Employer Involvement</td>
<td>18</td>
</tr>
<tr>
<td>Section 6.3 403(b) Arrangement Administrator</td>
<td>19</td>
</tr>
<tr>
<td>Section 6.4 Authority of the University</td>
<td>19</td>
</tr>
<tr>
<td>Section 6.5 Action of the University</td>
<td>19</td>
</tr>
<tr>
<td>Section 6.6 Indemnification</td>
<td>20</td>
</tr>
<tr>
<td>ARTICLE VII Claims Procedure</td>
<td>20</td>
</tr>
<tr>
<td>Section 7.1 Benefit Claims</td>
<td>20</td>
</tr>
<tr>
<td>Section 7.2 Eligibility and Contribution Claims</td>
<td>20</td>
</tr>
<tr>
<td>ARTICLE VIII Amendment and Termination</td>
<td>20</td>
</tr>
<tr>
<td>Section 8.1 Right to Amend</td>
<td>20</td>
</tr>
<tr>
<td>Section 8.2 Termination of Participation</td>
<td>21</td>
</tr>
<tr>
<td>Section 8.3 Effect of Amendment or Termination</td>
<td>21</td>
</tr>
<tr>
<td>ARTICLE IX Miscellaneous</td>
<td>21</td>
</tr>
<tr>
<td>Section 9.1 Delegation of Authority</td>
<td>21</td>
</tr>
<tr>
<td>Section 9.2 Non-Alienation</td>
<td>21</td>
</tr>
<tr>
<td>Section 9.3 Negation of Employment Rights</td>
<td>21</td>
</tr>
<tr>
<td>Section 9.4 Governing Laws</td>
<td>22</td>
</tr>
<tr>
<td>Section 9.5 Incorporation of Savings Vehicles</td>
<td>22</td>
</tr>
<tr>
<td>APPENDIX A</td>
<td>23</td>
</tr>
</tbody>
</table>
UNIVERSITY OF ST. THOMAS
VOLUNTARY RETIREMENT ARRANGEMENT

ARTICLE I
Background and Definitions

Section 1.1 History and Purpose.

(a) Since prior to September 1, 1976, the University of St. Thomas (f/k/a The College of St. Thomas) has permitted certain of its employees to reduce their wages or salary by a specified amount and the University has contributed a like amount to Carriers pursuant to the terms of annuity contracts entered into by those employees pursuant to Section 403(b) of the Code (the “403(b) Arrangement”). The terms of such annuity contracts and other Savings Vehicles underlying this 403(b) Arrangement have been and may be changed from time to time to comply with applicable changes in the law governing 403(b) arrangements. This document sets forth the provisions of the 403(b) Arrangement as restated and amended as of July 1, 2011, unless otherwise expressly stated.

(b) It is the intention of the University of St. Thomas that the 403(b) Arrangement comply with the provisions of Section 403(b) of the Internal Revenue Code of 1986 and other provisions of law relating hereto.

(c) The University of St. Thomas does not intend that the 403(b) Arrangement qualify as a pension benefit plan under the Employee Retirement Income Security Act of 1974 (“ERISA”). The University of St. Thomas’s involvement with the 403(b) Arrangement is limited to facilitating employee contributions to the 403(b) accounts maintained by one or more available investment vehicles. The University of St. Thomas is sponsoring the drafting and execution of this document for its own recordkeeping purposes and the existence of this document shall not be construed as evidence that the 403(b) Arrangement is governed by ERISA.

Section 1.2 Effective Date. The provisions of this amendment and restatement of the 403(b) Arrangement shall be effective as of July 1, 2011, unless otherwise provided herein.

Section 1.3 Definitions. The terms defined in this section, when used in the 403(b) Arrangement with initial capital letters, have the following meanings unless the context clearly indicates that other meanings are intended:

403(b) Arrangement. “403(b) Arrangement” means the University of St. Thomas Voluntary Retirement Arrangement (it was referred to as the University of St. Thomas Voluntary Tax-Deferred Retirement Plan prior to this restatement).

403(b) Arrangement Year. “403(b) Arrangement Year” means the 12-month calendar year.
Alternate Payee. “Alternate Payee” means any Spouse, former Spouse, child, or other dependent of a Participant who is recognized by a Domestic Relations Order as having a right to receive all, or a portion of, the benefits payable under the 403(b) Arrangement with respect to such Participant.

Beneficiary. “Beneficiary” means the person, persons, trustee, or estate determined pursuant to the terms of a Participant’s Savings Vehicle to receive the Participant’s benefits under that Savings Vehicles at his or her death. No Beneficiary shall have any rights under the Savings Vehicle until benefits actually become payable under the Savings Vehicle to such Beneficiary.

Carrier. “Carrier” means any company qualified to issue annuity contracts within the meaning of Section 403(b) of the Code and also means a regulated investment company within the meaning of that section.

Code. “Code” means the Internal Revenue Code of 1986, as amended, and successor laws, thereto, any regulations promulgated thereunder and any other binding pronouncement of an agency of the federal government that has jurisdiction with respect thereto.

Compensation. “Compensation” means compensation as defined under Section 1.415(c)-2(d)(3) of the Treasury Regulations (wages subject to income tax withholding). For calendar years beginning on or after January 1, 2001, Compensation shall also include elective amounts that are not includible in the gross income of an Employee by reason of Section 132(f)(4) of the code. The annual Compensation of each Participant taken into account in determining contributions for any 403(b) Arrangement Year shall not exceed the limit imposed under Code Section 401(a)(17)(A), adjusted for cost-of-living increases for subsequent years in accordance with Code Section 401(a)(17)(B)).

Deferral. “Deferral” means that portion of a Participant’s Compensation the Participant has elected to have the Employer contribute to the 403(b) Arrangement on his or her behalf.

Domestic Relations Order. “Domestic Relations Order” means any judgment, decree, or order (including approval of a property settlement agreement) which:

(1) relates to the provision of child support, alimony payments, or marital property rights to a Spouse, former Spouse, child, or other dependent of a Participant, and

(2) is made pursuant to a state domestic relations law (including a community property law).

Eligible Employee.
(1) Subject to the exclusions in Paragraph (2), an “Eligible Employee” is an individual who is an Employee of the University.

(2) An individual is not an Eligible Employee during any period that the individual is:

(A) a non-resident alien;

(B) a student performing services described in Code section 3121(b)(10);

**Employer.** “Employer” means the University of St. Thomas.

**Employee.** “Employee” is a natural person employed in the service of the Employer as a common law employee.

**Nonspouse Beneficiary.** A “Nonspouse Beneficiary” is any Beneficiary other than the Surviving Spouse.

**Participant.** “Participant” means an Employee who has elected to participate in accordance with Article II and made contributions pursuant to Article III.

**Plan-to-Plan Transfer.** A “Plan-to-Plan Transfer” is a transfer of funds between like Plans, in this case, from one 403(b) Plan to another 403(b) Plan. Such transfers are not permitted to or from this 403(b) Arrangement.

**Qualified Domestic Relations Order.** The phrase “Qualified Domestic Relations Order” means a Domestic Relations Order:

(1) which creates or recognizes the existence of an Alternate Payee’s right to, or assigns to an Alternate Payee the right to, receive all or a portion of the benefits payable with respect to a Participant under the 403(b) Arrangement, and

(2) with respect to which the requirements described in Code Section 414(p) are met.

A Domestic Relations Order shall be a Qualified Domestic Relations Order only if such order meets the express qualification requirements specified by the Carrier.

**Rollover Contributions.** “Rollover Contributions” means contributions made by an Employee as described in Section 3.4.

**Savings Vehicle.** “Savings Vehicle” means an annuity contract or custodial account available under the 403(b) Arrangement.
Spouse (Surviving Spouse). “Spouse (Surviving Spouse)” means the spouse or surviving spouse of a Participant provided that the term “Spouse” (“Surviving Spouse”) shall include a former spouse of a Participant to the extent provided under a Qualified Domestic Relations Order as described in Section 414(p) of the Code.

Termination of Service. “Termination of Service” means that an individual has ceased to be an Employee.

University. “University” means the University of St. Thomas.

ARTICLE II
Eligibility and Participation

Section 2.1 Participation of Eligible Employees. An Eligible Employee shall become a Participant in the 403(b) Arrangement after the proper completion, signing, and filing of a salary reduction agreement providing for deferrals and after entering into an agreement with a Carrier that establishes a Savings Vehicle. The salary reduction agreement must be filed with the Employer prior to the date required by the Employer to make that agreement effective for the pay period provided for in the agreement. An Eligible Employee may cease making Deferrals by revoking his or her authorization to the Employer to make such deferrals. In order for the revocation to be effective as of a date, notice of the revocation must be provided to the Employer at least 15 days prior to that date, or such lesser period of days before that date as is permitted by the Employer. The Eligible Employee must complete, sign and file with the Employer a notice of the revocation on a form provided by the Employer.

Section 2.2 Reemployment. An Eligible Employee who incurs a Termination of Service may participate as of the first day of the first calendar month after such Termination and after the day on which such Employee again becomes an Eligible Employee.

Section 2.3 Reclassification. No judicial or administrative reclassification, or reclassification by the Employer, of an individual as a common law employee or otherwise Eligible Employee, will be applied to grant retroactive eligibility to any individual under this 403(b) Arrangement.

Section 2.4 Termination of Participation. After there shall have been distributed to or for the benefit of a Participant or such Participant’s Beneficiary all amounts accumulated on the Participant’s behalf under any Savings Vehicles pursuant to this 403(b) Arrangement, such person shall cease to be a Participant.

ARTICLE III
Contributions

Section 3.1 Deferrals. A Participant may elect to have the Employer make Deferrals on behalf of the Participant. The election shall be consistent with rules
established by the Employer and the Carrier for the Savings Vehicle that is selected by the Participant to receive such Deferrals, subject to the limitations set forth in Section 3.2 and Section 3.3 below. Only Savings Vehicles permitted by Article IV may be selected. Such Deferrals shall be expressed in percentage increments of a Participant’s Compensation or a specified amount of compensation. The annual aggregate of Deferrals shall not be less than $200, and will be limited as specified by the University in order to permit efficient collection and disbursement to Carriers of the Deferrals. Amounts contributed pursuant to this provision shall be forwarded to the Carrier or Carriers by the Employer in the proportions selected by the Participant and shall be accounted for separately by the recipient Carrier. An election to commence Deferrals shall be effective for the remainder of the 403(b) Arrangement Year in which it is made and subsequent 403(b) Arrangement Years, subject to the Participant’s right to change his or her election at such times and with such frequency as the Employer and applicable Carrier allows (this is expected to be quarterly, unless modified by the Carrier and the Employer). A Participant may discontinue Deferrals at any time.

Section 3.2 Limitations. Pursuant to the Code, deferrals to 403(b) arrangements are subject to the following limitations. Such limitations will be administered by the Carriers and communicated to each Participant by the Carriers. The Carriers and the University will share information to the extent necessary to determine whether the limitations have been exceeded and to correct any excess contributions.

(a) No Participant shall be permitted to have “elective deferrals” made under this 403(b) Arrangement, or any other plan maintained by the Employer, during any taxable year, in excess of the dollar limitation contained in Section 402(g)(1) of the Code in effect for such taxable year, except to the extent permitted under Sections 3.2(b) and (c). In no event can the amount of Deferrals for a calendar year be more than the Participant’s Compensation for such year.

(b) All Eligible Employees who have attained age fifty (50) before the close of the 403(b) Arrangement Year shall be eligible to make catch-up contributions in accordance with, and subject to the limitations of, Section 414(v) of the Code. Such catch-up contributions shall not be taken into account for purposes of the provisions of the 403(b) Arrangement implementing the required limitations of Section 402(g) and 415 of the Code. Also, the 403(b) Arrangement shall not be treated as failing to satisfy its provisions implementing the requirements of Section 403(b) or 410(b) of the Code, as applicable, by reason of the making of such catch-up contributions.

(c) Because the University is a qualified organization (within the meaning of Section 1.403(b)-4(c)(3)(ii) of the Treasury Regulations), the applicable dollar amount under Section 402(g) of the Code for any “qualified employee” is increased (to the extent provided in the applicable Savings Vehicle) by the least of:

1. $3,000;

(2) The excess of:
a) $15,000 over

b) The total special 403(b) catch-up elective deferrals made under this paragraph (c) of Section 3.2 for the qualified employee by the qualified organization for prior years; or

(3) The excess of:

a) $5,000 multiplied by the number of years of service of the employee with the qualified organization, over

b) The total elective deferrals made for the employee by the qualified organization for prior years.

For purposes of this subparagraph (c), a “qualified employee” means an employee who has completed at least 15 years of service taking into account only employment with the University.

Deferrals in excess of the limitation set forth in subparagraph (a) of this Section 3.2 shall be allocated first to the special 403(b) catch-up elective deferrals under this subparagraph (c) and next as an age 50 catch-up contribution under subparagraph (b).

(d) If the Deferrals on behalf of a Participant for any calendar year exceed the limitations of this Section 3.2, or the Deferrals on behalf of a Participant for any calendar year exceed the limitations of this Section when combined with other elective deferrals, then the elective deferrals, to the extent in excess of the applicable limitation (adjusted for any income or loss in value, if any, allocable thereto through the end of the taxable year), shall be distributed to the Participant no later than the first April 15 following the close of the Participant’s taxable year.

(e) The term “elective deferrals” shall mean Deferrals and other deferrals made on behalf of a Participant pursuant to an election to defer under any qualified cash or deferred arrangement as described in Section 401(k) of the Code, any simplified Employee pension cash or deferred arrangement as described in Section 402(h)(1)(B) of the Code, and any Employer contributions, except Deferrals, made on behalf of a Participant for the purchase of an annuity contract (or custodial account) under Section 403(b) pursuant to a salary reduction agreement. Elective deferrals do not include any deferrals properly distributed as excess annual additions.

(f) Contributions will be forwarded to the Savings Vehicles in accordance with the procedures established by the Administrator and as required by Department of Treasury Regulations Section 1.403(b)-8(b) as of the earliest date on which such contributions can reasonably be segregated from the employer’s general assets, and not later than the 15th business day of the month following the month in which such amounts attributable to salary reduction contributions would otherwise be payable to the Participant in cash.
Section 3.3  Section 415 Limitations.

(a) Anything in this 403(b) Arrangement to the contrary notwithstanding, the total “annual additions” made on behalf of any Participant for any “limitation year” under this 403(b) Arrangement and any other 403(b) arrangements or qualified defined contribution plans required to be combined or aggregated with this 403(b) Arrangement in accordance with Sections 1.415(f)-1(a) and 1.415(f)-1(f) of the Treasury Regulations and Section 415(k)(4) of the Code, will not exceed the limits of Section 415 of the Code, except to the extent permitted under Code Section 414(v). Effective for limitation years beginning after December 31, 1997, compensation will include any elective deferrals (as defined in Section 402(g)(3) of the Code) and any amount which is contributed or deferred by an Employer at the election of the Participant and which is not includible in the gross income of the Participant by reason of Section 125 or Section 457 of the Code. For limitation years beginning on and after January 1, 2001, for purposes of the limitations described in this section, compensation paid or made available during such limitation years shall include elective amounts that are not includible in the gross income of the employee by reason of Section 132(f)(4) of the Code. In addition, for purposes of the limitations described in this section, compensation shall include payments made by the later of 2 1/2 months after severance from employment or the end of the limitation year that includes the date of severance from employment if, absent a severance from employment, such payments would have been paid to the Employee while the Employee continued in employment with the Employer and are regular compensation for services during the Employee’s regular working hours, compensation for services outside the Employee’s regular working hours (such as overtime or shift differential), commissions, bonuses, or other similar compensation. The limits of Section 415 of the Code are incorporated herein by this reference.

(b) Effective for limitation years beginning after December 31, 2001, the annual addition referred to above for any limitation year shall not exceed the lesser of $40,000, as adjusted for increases in the cost-of-living under Section 415(d) of the Code, or 100% of the Participant’s compensation, as described in the prior subsection, for the limitation year. That compensation limit shall not apply to any contribution for medical benefits after separation from service (within the meaning of Section 401(h) or Section 419A(f)(2) of the Code) which is otherwise treated as an annual addition.

(c) All Section 403(b) Savings Vehicles purchased by the University (including plans purchased through salary reduction elections) for the Participant are treated as one section 403(b) Savings Vehicle and contributions received under all section 403(b) Savings Vehicles of the University will be aggregated for purposes of this Section 3.3. Contributions made for a Participant are aggregated to the extent applicable under Code Section 414(b) and (c) (each as modified by Code Section 415(h)).

(d) If a Participant is in control of any employer for a Limitation Year (based on the rules of Code Section 414(b) and (c), as modified by Code Section 415(h)), the Savings Vehicles under this 403(b) Arrangement will be aggregated with all defined
contribution plans maintained by the controlled employer and the limitations of Code Section 415(c) will be applied in the aggregate to all annual additions allocated to the Participant in the Savings Vehicles and all other defined contribution plans of the controlled employer. In combining and aggregating plans, the rules under Section 1.415(f)-1(f) of the Treasury Regulations and Section 415(k)(4) of the Code shall apply.

(e) The annual additions which may be credited to a Participant’s account under this 403(b) Arrangement for any limitation year will not exceed the maximum annual addition under subparagraph (b) of this Section 3.3, reduced by the annual additions credited to the Participant’s account under any other Section 403(b) plans maintained by the University in addition to this 403(b) Arrangement and under any defined contribution plans maintained by an employer that is controlled by the Participant, provided in the later case that the Administrator receives sufficient information from the Participant concerning his or her participation in such defined contribution plan. The contributions allocated to the Participant’s account will be reduced to the extent necessary to prevent this limitation from being exceeded.

(f) If a Participant’s annual additions under this 403(b) Arrangement, or under this 403(b) Arrangement and any other section 403(b) plans maintained by the University and any defined contribution plans maintained by an employer controlled by the Participant, result in an excess annual addition for a limitation year, the excess annual addition will be deemed to consist of the annual additions last allocated, except that annual additions to a defined contribution plan maintained by an employer controlled by the Participant will be deemed to have been allocated first. If the annual additions exceed the limitations under Section 415 of the Code, but the Savings Vehicle otherwise satisfies Code Section 403(b), then the portion of the Savings Vehicle that includes the excess will fail to be a Section 403(b) Savings Vehicle and will instead be a contract to which Section 403(c) applies. The portion of the Savings Vehicle that includes the contribution that is not in excess of the Section 415 limitations will remain a 403(b) Savings Vehicle. For the year of the excess and each year thereafter, the issuer of the Savings Vehicle must maintain separate accounts for the portion that includes the excess and the Section 403(b) portion.

(g) The Administrator shall monitor compliance for purposes of the Section 415 limits on contributions.

(h) For purposes of this Section 3.3:

(1) the term “limitation year” shall mean the calendar year.

(2) the term “annual additions” shall mean, for each limitation year, the sum of the contributions, including Deferrals, contributed by the Employer to this 403(b) Arrangement or any other 403(b) plan and forfeitures allocated to a Participant under such plan, as described under Section 415(c)(2) of the Code and applicable Treasury Regulations.
Section 3.4  **Rollover Contributions.** If a Participant was previously employed by another Employer having a plan described in Section 403(b) of the Code, the applicable Carrier may accept amounts accumulated under the plan of the Participant’s previous Employer, provided that such amounts are transferred directly to the Carrier of the Participant’s Savings Vehicle from the plan of the Participant’s previous employer, or such amounts are treated as “rollover contributions” under Section 408(d)(3) of the Code or “eligible rollover distributions” under Section 403(b)(8) of the Code and Section 1.403(b)-2 of the Treasury Regulations. Eligible rollover distributions may also be accepted from a qualified plan described in Section 401(a) or Section 403(a) of the Code or an eligible plan under Section 457(b) of the Code which is maintained by a state, political subdivision of a state, or any agency or instrumentality of a state or political subdivision of a state. In addition, the applicable Carrier may also accept a Participant rollover contribution of the portion of a distribution from an individual retirement account or annuity described in Section 408(a) or 408(b) of the Code that is eligible to be rolled over and would otherwise be includible in gross income.

Section 3.5  **Vesting.** A Participant shall be 100% vested in the amounts contributed under the 403(b) Arrangement at the time such amounts are contributed.

Section 3.6  **Leave of Absence.** During a Participant’s paid leave of absence, the Employer shall continue to make Deferrals on behalf of the Participant pursuant to the Participant election then in effect. Deferrals shall not be made after the Participant has incurred a Termination of Service.

**ARTICLE IV**

**Savings Vehicles**

Section 4.1  **Savings Vehicles.**

(a) A Participant may elect to use the Savings Vehicles of Carriers selected under paragraph (b) of this Section 4.1 to receive Deferrals under this 403(b) Arrangement on behalf of the Participant. A Participant may elect to utilize one or more Savings Vehicles offered by any such Carriers. Each Participant shall complete an application form or use another method made available by the Carrier in order for one or more Savings Vehicles to be issued or utilized on behalf of the Participant under the 403(b) Arrangement. Each Participant shall indicate on such application form or by such other method which Savings Vehicle that the Participant would like to hold amounts contributed on the Participant’s behalf pursuant to this 403(b) Arrangement.

(b) The University shall select the Carriers and Savings Vehicles available to Participants, and shall maintain a list of all Carriers under the 403(b) Arrangement. Such list is provided in Appendix “A” to this 403(b) Arrangement. Those Carriers and Savings Vehicles shall be selected by the University in a manner that provides Eligible Employees with a reasonable choice of Carriers and Savings Vehicles in light of all relevant circumstances. Relevant circumstances may include, but would not necessarily be limited to, the following factors:
1. the number of employees affected;
2. the number of potential Carriers who have indicated interest in approaching employees;
3. the variety of available products;
4. the terms of the available arrangements;
5. the administrative burdens and costs to the University, and
6. the possible interference with employee performance resulting from direct solicitation by Carriers.

(c) The University’s current selection of Savings Vehicles is not intended to limit future additions or deletions of Savings Vehicles. The University may, at its discretion, and for the benefit of Participants and Beneficiaries, change the Carriers and Savings Vehicles available for future contributions pursuant to the 403(b) Arrangement. Participants must be notified of any alternations in the Carriers and Savings Vehicles available under the 403(b) Arrangement.

Section 4.2 Purchase. Deferrals made on behalf of a Participant shall be forwarded in accordance with applicable regulations by the Employer to the Carriers whose Savings Vehicles have been issued for or utilized on behalf of the Participant.

Section 4.3 Investment. A Participant may elect to invest the amounts accumulated under a Savings Vehicle in any of the investment funds available under such Savings Vehicle. The Participant may subsequently elect to transfer all or portions of the amounts accumulated between the available investment funds, effective as of such date as is permitted pursuant to a procedure and rules established by the Carrier for that Savings Vehicle.

Section 4.4 Transfers Among Savings Vehicles.

(a) Contributions.

(1) A Participant may not change Carriers more than once per 403(b) Arrangement Year.

(2) With respect to future contributions, a Participant may change his or her Savings Vehicle selection and allocation of contributions at any time permitted by the Carrier.

(b) Account Balances.

(1) For purposes of this section, a “contract exchange” takes place when a Participant exchanges one Savings Vehicle under the 403(b) Arrangement for another Savings Vehicle under the 403(b) Arrangement. For a Participant who has terminated employment with the University, this 403(b) Arrangement’s
transferability rules will continue to govern funds accumulated under this 403(b) Arrangement.

(2) At any time before benefits begin, and subject to a Carrier’s rules for transfers and in accordance with the provisions of the Code for maintaining the tax deferral of the accumulation account(s), a Participant may transfer funds accumulated in such Participant’s accumulation account(s) between and among the Savings Vehicles included in the 403(b) Arrangement, provided that the conditions in paragraphs (3) and (4) of this section 4.4(b) are satisfied. A Participant may transfer funds between two Savings Vehicles by making a properly completed request identifying the Savings Vehicles from and to which the funds are to be transferred.

(3) The Participant must have an accumulation account balance immediately after the exchange that is at least equal to the accumulation account balance of that Participant immediately before the exchange (taking into account the accumulation account balance of that Participant under both Savings Vehicles immediately before the exchange).

(4) The Savings Vehicle with the receiving Carrier must have distribution restrictions with respect to the Participant that are not less stringent than those imposed on the Savings Vehicle being exchanged.

(5) A Participant who has a Savings Vehicle under the 403(b) Arrangement with a vendor which is not a Carrier may transfer his accumulation account balance from that vendor to the Carrier provided that the conditions in paragraphs (3) and (4) of this section 4.4(b) are satisfied. The Carrier is responsible for verifying that the conditions have been satisfied. A Participant may not transfer his accumulation account balance to a Savings Vehicle with a vendor other than a Carrier.

Section 4.5 Plan-to-Plan Transfers. Plan-to-plan transfers to and from this 403(b) Arrangement are not permitted.

ARTICLE V
Benefits

Section 5.1 Distributions. Subject to the remaining provisions of this Article V, a distribution of amounts attributable to Deferrals and the investment gains and losses of such amounts may be paid to or on behalf of a Participant subject to the distribution requirements imposed by 403(b), including but not limited to subsections (7), (10), and (11) of 403(b), 401(a)(9), and 401(a)(31), as applicable. In no event shall benefits be paid to a Participant earlier than when a Participant has a severance from employment, dies, becomes disabled or attains age 59½. A Participant initiates an application for benefits by contacting the Carrier. Benefits will be payable upon the Carrier’s receipt of a satisfactorily completed application for benefits and supporting
documentation (if any is required), including a waiver of spousal rights to benefits, if required. A Participant may elect as part of his or her application to receive benefits under any of the optional forms of benefit available under the application Savings Vehicles in which the Participant’s contributions are invested. If any application for distribution is denied, the Participant or the Participant’s Spouse or Beneficiary, may take advantage of the claims procedure offered by the Carrier. The Carrier shall monitor regular distributions for compliance with requirements of Code Section 403(b) and all other tax requirements.

Section 5.2 Minimum Distribution Requirements.

5.2.1 Required Beginning Date. The Participant’s entire interest shall be distributed, or begin to be distributed, to the Participant no later than the Participant’s Required Beginning Date. The Carrier shall determine the Participant’s Required Beginning Date.

5.2.2 Required Minimum Distributions During Participant’s Lifetime.

(1) Amount of Required Minimum Distribution for Each Distribution Calendar Year. During the Participant’s lifetime, the minimum amount that will be distributed for each distribution calendar year is the lesser of:

   a) the quotient obtained by dividing the Participant’s account balance by the distribution period in the Uniform Lifetime Table set forth in Treasury Regulation Section 1.401(a)(9)-9, using the Participant’s age as of the Participant’s birthday in the distribution calendar year; or

   b) if the Participant’s sole designated Beneficiary for the distribution calendar year is the Participant’s Spouse, the quotient obtained by dividing the Participant’s account balance by the number in the Joint and Last Survivor Table set forth in Treasury Regulation Section 1.401(a)(9)-9, using the Participant’s and Spouse’s attained ages as of the Participant’s and Spouse’s birthdays in the distribution calendar year.

(2) Lifetime Required Minimum Distribution Through Year of Participant’s Death. Required minimum distributions will be determined under this subsection 5.2.2 beginning with the first distribution calendar year and up to and including the distribution calendar year that includes the Participant’s date of death.

5.2.3 Required Minimum Distributions After Participant’s Death
(1) **Death of Participant Before Distributions Begin.** If the Participant dies before distributions begin, the Participant’s entire interest shall be distributed, or begin to be distributed, no later than as follows:

a) If the Participant’s Surviving Spouse is the Participant’s sole designated Beneficiary, then distributions to the Surviving Spouse shall begin by December 31 of the calendar year immediately following the calendar year in which the Participant died, or by December 31 of the calendar year in which the Participant would have attained age seventy and one-half (70 1/2), if later.

b) If the Participant’s Surviving Spouse is not the Participant’s sole designated beneficiary, then distributions to the designated beneficiary shall begin by December 31 of the calendar year immediately following the calendar year in which the Participant died. If a Nonspouse Beneficiary elects a Direct Rollover Distribution, the rules relating to required minimum distributions from inherited IRA’s under Section 401(a)(9)(B) (without regard to Section 401(a)(9)(B)(iv)) shall apply.

c) If there is no designated Beneficiary as of September 30 of the year following the year of the Participant’s death, the Participant’s entire interest shall be distributed by December 31 of the calendar year containing the fifth anniversary of the Participant’s death.

d) If the Participant’s Surviving Spouse is the Participant’s sole designated Beneficiary and the Surviving Spouse dies after the Participant but before distributions to the Surviving Spouse begin, this subsection 5.2.3(1), other than subsection 5.2.3(1)(a), will apply as if the Surviving Spouse were the Participant.

For purposes of this subsection 5.2.3, unless subsection 5.2.3(1)(d) applies, distributions are considered to begin on the Participant’s Required Beginning Date. If subsection 5.2.3(1)(d) applies, distributions are considered to begin on the date distributions are required to begin to the Surviving Spouse under subsection 5.2.3(1)(a). If distributions under an annuity purchased from an insurance company irrevocably commence to the Participant before the Participant’s Required Beginning Date (or to the Participant’s Surviving Spouse before the date distributions are required to begin to the Surviving Spouse under subsection 5.2.3(1)(a)), the date distributions are considered to begin is the date distributions actually commence.
(2) **Death On or After Date Distributions Begin.**

a) **Participant Survived by Designated Beneficiary.** If the Participant dies on or after the date distributions begin and there is a designated beneficiary, the minimum amount that will be distributed for each distribution calendar year after year of the Participant’s death is the quotient obtained by dividing the Participant’s account balance by the longer of the remaining life expectancy of the Participant or the remaining life expectancy of the Participant’s designated beneficiary, determined as follows:

(i) The Participant’s remaining life expectancy is calculated using the age of the Participant in the year of death, reduced by one for each subsequent year.

(ii) If the Participant’s Surviving Spouse is the Participant’s sole designated beneficiary, the remaining life expectancy of the Surviving Spouse is calculated for each distribution calendar year after the year of the Participant’s death using the Surviving Spouse’s age as of the Spouse’s birthday in that year. For distribution calendar years after the year of the Surviving Spouse’s death, the remaining life expectancy of the Surviving Spouse is calculated using the age of the Surviving Spouse as of the Spouse’s birthday in the calendar year of the Spouse’s death, reduced by one for each subsequent calendar year.

(iii) If the Participant’s Surviving Spouse is not the Participant’s sole designated beneficiary, the designated beneficiary’s remaining life expectancy is calculated using the age of the beneficiary in the year following the year of the Participant’s death, reduced by one for each subsequent year.

b) **No Designated Beneficiary.** If the Participant dies on or after the date distributions begin and there is no designated beneficiary as of September 30 of the year after the year of the Participant’s death, the minimum amount that shall be distributed for each distribution calendar year after the year of the Participant’s death is the quotient obtained by dividing the Participant’s account balance by the Participant’s remaining life expectancy calculated using the age of the Participant in the year of death, reduced by one for each subsequent year.
(3) **Forms of Distribution.** Unless the Participant’s interest is distributed in the form of an annuity purchased from an insurance company or in a single sum on or before the Required Beginning Date, as of the first distribution calendar year distributions shall be made in accordance with subsections 5.2.2 and 5.2.3 of this Section. If the Participant’s interest is distributed in the form of an annuity purchased from an insurance company, distributions thereunder will be made in accordance with the requirements of Code Section 401(a)(9) and the Treasury Regulations.

5.2.4 **Definitions**

(1) **Designated Beneficiary.** The individual who is designated as the Beneficiary under the 403(b) Arrangement and is the designated Beneficiary under Code Section 401(a)(9) and Treasury Regulation Section 1.401(a)(9)-1, Q&A-4.

(2) **Distribution calendar year.** A calendar year for which a minimum distribution is required. For distributions beginning before the Participant’s death, the first distribution calendar year is the calendar year immediately preceding the calendar year which contains the Participant’s Required Beginning Date. For distributions beginning after the Participant’s death, the first distribution calendar year is the calendar year in which distributions are required to begin under subsection 5.2.3(1). The required minimum distribution for the Participant’s first distribution calendar year shall be made on or before the Participant’s Required Beginning Date. The required minimum distribution for other distribution calendar years, including the required minimum distribution for the distribution calendar year in which the Participant’s Required Beginning Date occurs, will be made on or before December 31 of that distribution calendar year.

(3) **Life Expectancy.** Life expectancy as computed by use of the Single Life Table in Treasury Regulation Section 1.401(a)(9)-9.

(4) **Participant’s Account Balance.** The Participant’s account balance as of the last valuation date in the calendar year immediately preceding the distribution calendar year (valuation calendar year) increased by the amount of any contributions made and allocated or forfeitures allocated to the Participant’s account balance as of dates in the valuation calendar year after the valuation date and decreased by distributions made in the valuation calendar year after the valuation date. The Participant’s account balance for the valuation calendar year includes any amounts rolled over or transferred to the 403(b) Arrangement either in the valuation calendar year or in the distribution calendar year if distributed or transferred in the valuation calendar year.
(5) **Required Beginning Date.** The Required Beginning Date of a Participant is April 1 following the calendar year in which the Participant attains age seventy and one-half (70 1/2) or if later, April 1 following the calendar year in which the Participant retires.

5.2.5 **2009 Required Minimum Distributions.** Notwithstanding Sections 5.2.1 through 5.2.4 of the 403(b) Arrangement, a Participant or beneficiary who would have been required to receive required minimum distributions for 2009 (“2009 RMDs”) but for the enactment of Code Section 401(a)(9)(H), and who would have satisfied that requirement by receiving distributions that are (1) equal to the 2009 RMDs or (2) one or more payments in a series of substantially equal distributions (that include the 2009 RMDs) made at least annually and expected to last for the life (or life expectancy) of the participant, the joint lives (or joint life expectancy) of the participant and the participant’s designated beneficiary, or for a period of at least 10 years, will receive those distributions for 2009 unless the Participant or beneficiary chooses not to receive such distributions. Participants and beneficiaries described in the preceding sentence will be given the opportunity to elect not to receive the distributions described in the preceding sentence.

Section 5.3 **Hardship Distributions.** Hardship distributions from this 403(b) Arrangement are not permitted.

Section 5.4 **Death Benefit.** If a Participant dies, the Participant’s Beneficiary as determined pursuant to the terms of the Participant’s Savings Vehicle shall be entitled to the amounts accumulated under that Savings Vehicle.

Section 5.5 **Direct Rollovers.**

(a) Effective January 1, 1993, and notwithstanding any provision of the 403(b) Arrangement to the contrary that would otherwise limit a distributee’s election under this section, pursuant to Section 1.403(b)-7(b) of the Treasury Regulations, a “distributee” may elect, at the time and in the manner prescribed by the Carrier for the Participant’s Savings Vehicles, to have any portion of an “eligible rollover distribution” paid directly to an “eligible retirement plan” specified by the distributee in a “direct rollover”. Those direct rollover rights apply to distributions described in Section 5.1 if they are so described in this section.

(b) For purposes of implementing the requirements of this section, the terms referenced above shall be defined as follows:

(1) Eligible rollover distribution: An eligible rollover distribution is any distribution of all or any portion of the balance to the credit of the distributee, except that an eligible rollover distribution does not include: any distribution that is one of a series of substantially equal periodic payments (not less frequently
than annually) made for the life (or life expectancy) of the distributee or the joint lives (or joint life expectancies) of the distributee and the distributee’s designated beneficiary, or for a specified period of ten years or more; any distribution to the extent such distribution is required under Section 401(a)(9) of the Code; the portion of any distribution that is not includible in gross income (determined without regard to the exclusion for net unrealized appreciation with respect to employer securities); and any other exception permitted by law or the Internal Revenue Service.

(2) Eligible retirement plan: An eligible retirement plan is another Section 403(b) annuity or an individual retirement account described in Section 408(a) of the Code, or an individual retirement annuity (other than an endowment contract) described in Section 408(b) of the Code that accepts the distributee’s eligible rollover distribution. An eligible retirement plan is also an annuity plan described in Section 403(a) of the Code, a qualified trust described in Section 401(a) of the Code, or an eligible plan under Section 457(b) of the Code which is maintained by a state, political subdivision of a state that accepts the distributee’s eligible rollover distribution. This definition of eligible retirement plan also applies in the case of a distribution to a Surviving Spouse, or to a Spouse or former Spouse who is the Alternate Payee under a Qualified Domestic Relations Order. For any Nonspouse Beneficiary, an “eligible retirement plan” shall only include (i) an individual retirement account described in 408(a) of the Code, and (ii) an individual retirement annuity described in Section 408(b) of the Code (other than an endowment contract). Effective January 1, 2010, for all distributes, an eligible retirement plan includes a “Roth IRA” as described in Section 408A of the Code.

(3) Distributee: A distributee includes an Employee or former Employee, an Employee’s or former Employee’s Surviving Spouse, the Employee’s or former Employee’s Spouse or former Spouse who is the alternate payee under a Qualified Domestic Relations Order, as defined in Section 414(p) of the Code, and a Nonspouse Beneficiary.

(4) Direct rollover. A direct rollover is a payment by the applicable Carrier to the eligible retirement plan specified by the distributee.

Section 5.6 Participant Loans. Loans from this 403(b) Arrangement are not permitted.

Section 5.7 Qualified Domestic Relations Orders. Notwithstanding any other provisions of this article, Carriers shall arrange for benefits and payments of benefits under each Participant’s Savings Vehicles to be altered to conform to a Qualified Domestic Relations Order. If the Qualified Domestic Relations Order so provides, distributions may be made in accordance with the terms of the Order at any time prior to the Participant’s retirement or separation from service.
Section 5.8 **USERRA and the HEART Act.** Notwithstanding any provision of this 403(b) Arrangement to the contrary, effective December 12, 1994, contributions, benefits and service credit with respect to qualified military service will be provided in accordance with Code section 414(u). Effective January 1, 2007, the beneficiary of a Participant on a leave of absence to perform military service with reemployment rights described in Code Section 414(u) where the Participant cannot return to employment on account of his or her death, shall be entitled to any additional benefits (other than benefit accruals related to the period of qualified military service) that would be provided under this 403(b) Arrangement had the Participant died as an active Employee, in accordance with the Heroes Earnings Assistance and Relief Tax Act of 2008 (“HEART Act”) and Code Section 403(b)(14).

**ARTICLE VI**

**Administration**

Section 6.1 **Carrier.** A Carrier shall be responsible for the administration of the Carrier’s Savings Vehicle pursuant to the terms of that Savings Vehicle.

Section 6.2 **Restrictions on Employer Involvement.** The University shall maintain the 403(b) Arrangement subject to the following restrictions:

(a) Participant by Eligible Employees is completely voluntary;

(b) Except for Deferrals, the University will make no other contributions to the 403(b) Arrangement.

(c) The University’s sole involvement with the 403(b) Arrangement is limited to:

(1) permitting annuity contractors, including agents or brokers offering investment products within the meaning of 403(b)(7) to publicize their products to Employees (subject to any limits established pursuant to Section 4.1(b) of this 403(b) Arrangement);

(2) requesting information concerning proposed funding media, products or annuity contractors;

(3) summarizing or otherwise compiling the information provided with respect to the proposed funding media or products which are made available, or the annuity contractors whose services are provided, in order to facilitate review and analysis by Employees;

(4) collecting annuity or custodial account considerations as required by salary reduction agreements, remitting such considerations to annuity contractors and maintaining records of such considerations;
(5) holding in the Employer’s name one or more group annuity contracts covering its participating Eligible Employees.

The University is not required by this Subsection (c) to do any of the items listed in this Subsection (c).

(d) All rights under the 403(b) Arrangement are enforceable solely by the Participant or Beneficiary of such Participant, or any authorized representative of such Participant or Beneficiary.

Section 6.3 403(b) Arrangement Administrator. The University is the Administrator of this 403(b) Arrangement. The Administrator will perform duties required for the administration of the 403(b) Arrangement, and for compliance with IRS requirements. The Administrator shall not have responsibility for, or make, discretionary determinations in administering the program.

Section 6.4 Authority of the University. The University, as Administrator of this 403(b) Arrangement, has all the powers and authority expressly conferred upon it herein and further shall have discretionary and final authority to determine all questions concerning eligibility and contributions under this 403(b) Arrangement, to interpret and construe all terms of this 403(b) Arrangement, including any uncertain terms, and to determine any disputes arising under and all questions concerning administration of this 403(b) Arrangement. Any determination made by the University shall be given deference, in the event it is subject to judicial review, and shall be overturned only if it is arbitrary or capricious. In exercising these powers and authority, the University will at all times exercise good faith, apply standards of uniform application, and refrain from arbitrary action. The University may employ attorneys, agents, and accountants as it finds necessary or advisable to assist it in carrying out its duties. The University, by action of its Board, may designate a person or persons other than the University to carry out any of its powers, authority, or responsibilities. Any delegation will be set forth in writing.

Section 6.5 Action of the University. Any act authorized, permitted, or required to be taken by the University under this 403(b) Arrangement, which has not been delegated in accordance with Section 6.4, may be taken by a majority of the members the Board in accordance with the Bylaws of the University, provided that the University shall not make any discretionary determinations in administering the 403(b) Arrangement. Examples of such discretionary determinations are authorizing transfers of funds, processing distributions, and making determinations regarding hardship distributions, qualified domestic relations orders, and eligibility for or enforcement of loans. All notices, advice, directions, certifications, approvals, and instructions required or authorized to be given by the University under this 403(b) Arrangement will be in writing and signed by a person who becomes authorized to act for the University in accordance with the provisions of Section 6.4. Any action taken by the University which is authorized, permitted or required under the 403(b) Arrangement and is in accordance with contractual obligations between the University and the provider of any Savings
Vehicles is final and binding upon the University, and all persons who have or who claim
an interest under this 403(b) Arrangement, and all third parties dealing with the
University.

Section 6.6 Indemnification. In addition to whatever rights of indemnification
the members of the Board, or any other person or persons (other than the provider of any
Savings Vehicles) to whom any power, authority, or responsibility of the University is
delegated pursuant to Section 6.4, may be entitled under the articles of incorporation,
regulations, or by-laws of the University, under any provision of law, or under any other
agreement, the University will satisfy any liability actually and reasonably incurred by
any member or other person or persons, including expenses, attorneys’ fees, judgment,
fines, and amounts paid in settlement, in connection with any threatened, pending, or
completed action, suit, or proceeding which is related to the exercise or failure to exercise
by the member or other person or persons any of the powers, authority, responsibilities,
or discretion of the University as provided under this 403(b) Arrangement, or reasonably
believed by the member or other person or persons to be provided thereunder, or any
action taken by the member or other person or persons in connection with it.

ARTICLE VII
Claims Procedure

Section 7.1 Benefit Claims. Requests for information, and claims concerning
participation, investments, distributions, benefit forms or other aspects of the operation of
the Savings Vehicle of a Carrier should be directed to the Carrier.

Section 7.2 Eligibility and Contribution Claims. Requests for information and
claims concerning eligibility and contributions should be in writing and directed to the
Employer. The Employer will use the claims procedure available for the University of
St. Thomas Retirement Plan and use of such procedure shall not be construed as evidence
that this 403(b) Arrangement is governed by ERISA.

ARTICLE VIII
Amendment and Termination

Section 8.1 Right to Amend. The University’s Board of Trustees reserves the
right to amend, alter, or wholly revise this document, prospectively or retrospectively, at
any time. Such right may also be exercised by the President of the University, except that
such President cannot determine to provide for contributions under the 403(b)
Arrangement by the Employer and cannot amend this section. An amendment shall be
stated in an instrument in writing signed by a person authorized by whichever of those
two groups exercises that right and shall be effective as of the date specified in the
instrument, and all parties interested herein shall be bound thereby. No such amendment
may be made, however, that would reduce the amounts accumulated under the Savings
Vehicles established or issued under the 403(b) Arrangement with respect to any
Participant or Beneficiary at the time of the amendment.
Section 8.2 Termination of Participation. The University’s Board of Trustees also reserves the power to terminate the University’s involvement in the 403(b) Arrangement as to any designated group of Employees, former Employees or Beneficiaries.

Section 8.3 Effect of Amendment or Termination. Any amendment or termination of the 403(b) Arrangement shall not operate to deprive any Participant or Beneficiary of the amounts accumulated under the Savings Vehicles established or issued under the 403(b) Arrangement.

ARTICLE IX
Miscellaneous

Section 9.1 Delegation of Authority. Whenever the University, under the terms of the 403(b) Arrangement, is permitted or required to do or perform any act or matter or thing, and the applicable term of the 403(b) Arrangement does not specify a person or group that is to act for the University, it shall be done and performed by the Board of Trustees or the President of the University or the delegate of such Board or President.

Section 9.2 Non-Alienation.

(a) To the extent permitted by law and provided in a Savings Vehicle, the benefits, payments, proceeds of any allocated or unallocated amounts accumulated under that Savings Vehicle will not be subject to execution, attachment, garnishment or other legal or judicial process whatsoever by any person, whether a creditor or otherwise. Except as provided in Subsection (b) below, a Savings Vehicle should provide that no Participant or Beneficiary will have any right to alienate, encumber or assign any of the payments of proceeds or any other interest arising out of or created by the Savings Vehicle. Savings Vehicles may recognize that a court may order distribution of all or a portion of amounts accumulated under a Participant’s retirement annuity contract or other Savings Vehicle to commence or be made prior to the date the Participant incurs a Termination of Service.

(b) The restrictions contained in a Savings Vehicle as referred to in Subsection (a) should not apply to any Domestic Relations Order which is determined to be a Qualified Domestic Relations Order, or any other Domestic Relations Order permitted to be treated as a Qualified Domestic Relations Order in accordance with Section 414(p) of the Code. Each Carrier shall be responsible for determining the qualified status of a Domestic Relations Order applicable to one of its Savings Vehicles and to administer distributions under such qualified orders.

Section 9.3 Negation of Employment Rights. This 403(b) Arrangement is purely voluntary on the part of the Employer and Participants. Neither the establishment of the 403(b) Arrangement nor any changes herein shall be construed as giving any Employee, Participant, Beneficiary or any other person any legal or equitable right
against the Employer, unless the same shall be specifically provided for herein, or as giving any Employee the right to be retained in employment. All Employees shall remain subject to discharge from employment to the same extent as if the 403(b) Arrangement had never been established.

Section 9.4 Governing Laws. This 403(b) Arrangement shall be construed and enforced according to the laws of the United States of America and, to the extent not preempted by such laws, the laws of the State of Minnesota. Each provision hereof shall be treated as separable, so that if any one or more provisions shall be adjudged or declared illegal, invalid or unenforceable, this 403(b) Arrangement shall be interpreted, and shall remain in full force and effect, as though such provision or provisions had never been contained herein.

Section 9.5 Incorporation of Savings Vehicles. The 403(b) Arrangement, together with the individual Savings Vehicles, is intended to satisfy the requirements of Section 403(b) of the Code and the Treasury Regulations thereunder. Terms and conditions of the Savings Vehicles are hereby incorporated by reference into the 403(b) Arrangement, excluding those terms that are inconsistent with the 403(b) Arrangement or Section 403(b) of the Code.

IN WITNESS WHEREOF, the University of St. Thomas has caused its name to be hereto subscribed this _____ day of _______________, 2011.

UNIVERSITY OF ST. THOMAS

By: _______________________________

Its: _______________________________
APPENDIX “A”

(Carriers approved under the University of St. Thomas Voluntary Retirement Arrangement)

Fidelity Investment Company
TIAA-CREF

1137029.1