SUMMARY

UNIVERSITY OF ST. THOMAS

VOLUNTARY RETIREMENT ARRANGEMENT

(This Summary is provided to give you information regarding the University’s Voluntary Retirement Arrangement. It is not part of the University of St Thomas Retirement Plan Summary Plan Description)
## VOLUNTARY RETIREMENT ARRANGEMENT HIGHLIGHTS

<table>
<thead>
<tr>
<th>Arrangement</th>
<th>Eligible Employees</th>
<th>Enrollment</th>
</tr>
</thead>
<tbody>
<tr>
<td>University facilitates savings by Eligible Employees who contribute to a chosen annuity or custodial account with approved providers (“Carrier”)</td>
<td>Eligible Employees are all individuals classified as employees by the University except non-resident aliens and student-workers</td>
<td>Eligible Employee must complete forms provided by chosen Carriers and University</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Benefits Available</th>
<th>Limits on Benefits</th>
</tr>
</thead>
<tbody>
<tr>
<td>Salary reduction of percentage of compensation or dollar amount chosen by participant</td>
<td>Salary deferral limit per IRS guidelines</td>
</tr>
<tr>
<td>Compensation means the participant’s wages subject to income tax withholding plus amounts withheld from wages on a pre-tax basis such as flexible benefit plan and transportation fringe contributions and contributions under this arrangement</td>
<td>Special catch-up deferral for participants who are 50 or older, per IRS guidelines</td>
</tr>
<tr>
<td></td>
<td>Special limit for those with 15 years of full-time service (described in the following summary)</td>
</tr>
<tr>
<td></td>
<td>Aggregate deferral limit with all retirement plans of University per IRS guidelines</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Vesting</th>
<th>Rollovers and Transfers</th>
</tr>
</thead>
<tbody>
<tr>
<td>100% vested at all times</td>
<td>Carriers may permit rollovers or transfers from another qualifying program to a participant’s account</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Loans</th>
<th>Investment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Loans from your accounts in this arrangement are not permitted</td>
<td>Options made available by chosen Carrier</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Earliest Distribution Date is the earliest of these events:</th>
<th>Latest Distribution Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Age 59½</td>
<td>Distribution of benefits must begin no later than April 1 of the calendar year following the later of the year in which you reach age 70½ or calendar year in which you terminate service with University</td>
</tr>
<tr>
<td>Separation from service</td>
<td></td>
</tr>
<tr>
<td>Death</td>
<td></td>
</tr>
<tr>
<td>Disability (with special requirements)</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Hardship Distributions</th>
<th>Death Benefit</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hardship withdrawals are not permitted</td>
<td>Upon death, beneficiary receives balance of annuity contract or custodial arrangement account</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Other Distribution Rules</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>10% penalty if paid before age 59½ (with exceptions)</td>
<td>Distribution to beneficiary must meet legal deadlines for payment</td>
</tr>
<tr>
<td>Benefit forms are those made available by participant’s Carrier</td>
<td></td>
</tr>
<tr>
<td>Distributions in cash are subject to 20% federal income tax withholding (with exceptions)</td>
<td></td>
</tr>
</tbody>
</table>
**Introduction**

**Nature of Arrangement.** The University of St. Thomas has encouraged and facilitated retirement savings by its employees for several decades under a voluntary tax-deferred retirement arrangement (the “Arrangement”). Unlike the other retirement vehicles in which the University has significant involvement as plan sponsor, administrator and contributor, the University’s involvement in this Arrangement is very limited. It facilitates communication between each Participant and the Participant’s chosen annuity or custodial account providers (the “Carriers”) and forwards the Participant’s elected salary deferrals to the Carriers for investment, pursuant to the Participant’s instructions.

Because of the University’s limited involvement with this Arrangement, neither the University nor the Carriers are subject to the requirements of the Employee Retirement Income Security Act of 1974 (ERISA) with respect to the Arrangement.

The Arrangement is, however, subject to the requirements for 403(b) retirement arrangements under the Internal Revenue Code. This summary describes them including the requirements that your contributions to and distributions from the Arrangement must meet in order to be eligible for the tax advantages afforded 403(b) retirement arrangements under the Code. The details of the Arrangement are also contained in the written plan document, which is available upon request from the University of St. Thomas.

In the event of a conflict or inconsistency between this summary and the terms of your specific investment imposed by the Carriers with whom you have elected to invest your salary deferrals, those terms will govern, provided that they are consistent with the written plan document and Section 403(b) of the Internal Revenue Code.

**Name of Arrangement.** University of St. Thomas Voluntary Retirement Arrangement

**Type of Arrangement.** Tax Deferred Annuity arrangement instituted by the University of St. Thomas in conjunction with Carriers (available Carriers are identified in attached Exhibit A that may be modified by the University) pursuant to Section 403(b) of the Internal Revenue Code for Eligible Employees of the University of St. Thomas.

**Eligibility Requirements**

Subject to the enrollment requirements described below only Eligible Employees may participate in the Arrangement. “Eligible Employees” are all individuals classified as employees by the University except non-resident aliens and student-workers enrolled at the University.

**Enrollment Requirements**

In order to participate in the Plan, an Eligible Employee must complete the enrollment materials prescribed by the Carrier selected by the Eligible Employee and submit these to the University. An Eligible Employee may enroll in the Arrangement as of his or her first day of employment. The enrollment materials contain the Eligible Employee’s consent for the University to reduce his or her salary by an amount or a percentage elected by the Eligible Employee and authorizes the University to forward that amount or the amount represented by that percentage to the Carriers, as selected by the Eligible Employee. Salary Reduction Contributions will begin as soon as administratively feasible following an Eligible Employee’s proper completion and submission of the enrollment materials.

**Benefits Available**

Eligible Employees who elect to participate in the Arrangement may defer a percentage or dollar amount of their Compensation on a pre-tax basis and have that amount invested in investment funds available through Carriers selected by the University (see Exhibit A). The amounts contributed to the investment funds will grow tax-free provided they are subject to the...
distribution restrictions discussed in the later sections of this summary.

For this purpose, a Participant’s “Compensation” means the Participant’s wages subject to income tax withholding and, in addition, amounts that are not included in income by reason of Internal Revenue Code Section 132(f)(4) (regarding transportation benefits) or Section 403(b) (regarding arrangements such as this one).

**Limitations on Benefits**

Federal law imposes certain limitations on the amount a Participant can contribute to a 403(b) arrangement.

**Compensation Limitation.** The IRS limits the amount of your contribution by setting a cap on the amount of Compensation that may be multiplied by the salary deferral percentage you elect. Limitation amounts are set annually by the IRS.

**Salary Deferral Limitation.** The amount of your salary that you may defer tax-free is itself also subject to limitation. The IRS sets the maximum amount for deferrals annually.

The salary deferral limitation is increased for Eligible Employees who have the equivalent of 15 years of full-time service. The limitation is increased by the least of the following:

1. $3,000,
2. $15,000, reduced by amounts not included in gross income for prior taxable years by reason of this increased limit, or
3. The excess of $5,000 multiplied by the number of years of service of the Eligible Employee over such Employee’s contributions under this Arrangement for prior taxable years.

If you are interested in this option, please contact the University for information.

Participants who are 50 or older, or who will reach the age of 50 during the Arrangement Year, may make additional “catch up” contributions. The IRS sets the maximum amount for “catch up” contributions annually.

**Limitation on the Aggregate Excludable Amount.** The annual amount you may exclude from income, under all retirement plans sponsored or maintained by the University, is also subject to limitation. The annual additions to all University-sponsored defined contribution plans in which a Participant participates are aggregated for purposes of this limitation. Such annual additions include salary deferrals as well as those contributions made by the University to a plan on a Participant’s behalf.

**Vesting**

You are 100% vested at all times in all salary deferrals invested with the Carriers pursuant to the Arrangement.

**Investment of Contributions**

Your assets are invested in annuity contracts or custodial arrangements offered by certain Carriers included in the 403(b) Arrangement offered by the University (see Exhibit A for a list of Carriers). The University may change the available Carriers and the investment options offered by them.

This Arrangement is not covered by the Employee Retirement Income Security Act of 1974 (ERISA). You are entirely responsible for directing the investment of the assets in your account. Neither the University nor your selected Carriers can do this for you.

The Carriers coordinate all participant investment elections and keep the records on all investment activities on behalf of the Participants. Much of the specific information regarding the investment process is described in the investment materials available to you when you first enroll in the Arrangement and periodically thereafter. If you have not received
this information, please contact the Carriers listed in Exhibit A.

Each of the investment funds available from a Carrier are described in more detail in the fund descriptions that will be provided to you in investment information packets and periodically updated. Please contact the appropriate Carrier if you need information concerning any of the funds.

Any fees or expenses of a Carrier’s investment fund should be described in materials provided to you by the Carrier.

When major changes are made (for example, if an investment fund or Carrier is added or eliminated), investment activity may be suspended or restricted. Restrictions that may apply to certain transfers between funds may be described in an investment information packet provided to you by your selected Carriers.

**Loans**

You may not borrow against the amount of salary deferrals you have made.

**Timing Rules for Distributions**

The timing of your distribution is determined under the terms of your annuity contract or custodial account.

**Earliest Date Distributions Can Begin.** By law, you may not receive a distribution of benefits from your annuity contract or custodial account prior to the first of the following events to occur:

- Age 59½
- Separation from Service (subject to the limitation described below)
- Death
- Disability (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)

**Latest Date By Which Distributions Must Begin.** The law requires that you must begin receiving distributions from your annuity contract or custodial account no later than April 1 of the calendar year following the later of:

- the calendar year in which you attain age 70-1/2; or
- the calendar year in which you terminate service with the University.

**NOTE:** All distributions to you are included in your gross income at the time received. Distributions are also subject to an additional 10% penalty tax except for any portion of the distribution:

- paid on or after age 59½;
- paid on account of death or disability;
- paid in the form of a series of substantially equal periodic payments based on your life or life expectancy or the joint lives or joint life expectancies of you and your beneficiary, or a life annuity contract (qualified joint and 50% survivor annuity contract if married);
- paid after you terminate service with the University after age 55;
- rolled over to an IRA;
- used for medical care expenses allowable as a deduction on your income tax return; or
- paid on account of a Qualified Domestic Relations Order (court order made in connection with a divorce).

Other exceptions may also apply.
Benefit Forms

You may select any benefit form made available by your Carriers for your annuity contract or custodial arrangement.

If you want to receive benefits in a form other than the options made available by your Carriers, you may receive a lump sum distribution of your account and roll the distributed amount over to an Individual Retirement Arrangement (IRA) which provides the desired distribution form. Your account balance must be rolled over to the IRA within sixty days following the day on which you receive the distribution. Alternatively, you may be able to do a direct rollover to another 403(b) annuity or account, an IRA, or a qualified plan.

Income Tax Withholding on Distributions

Except under certain circumstances, 20% of your distribution will be withheld for federal income tax purposes unless you elect to have the distribution transferred to an eligible retirement plan or an IRA in a direct rollover.

If your distribution is an eligible rollover distribution (see the next paragraph) and you choose not to roll over your distribution to an eligible retirement plan or to an IRA, you will receive no more than 80% of your payment because the Arrangement is required to withhold 20% of the payment and send it to the IRS to be credited against your taxes. State income tax withholding may also be required. Please note that you can avoid the 20% withholding by asking for your distribution to be a direct rollover to your IRA or other plan.

Generally, an “eligible rollover distribution” means any distribution of all or any portion of amounts accumulated in investment funds pursuant to this Plan, except:

- any distribution that is one of a series of substantially equal periodic payments made over any one of the following periods: your life (or the joint lives of you and your beneficiary), your life expectancy (or the joint life expectancies of you and your beneficiary), or a specified period of 10 years or more;

- any minimum distribution required under Code Section 401(a)(9);

- the portion of any distribution that is not includable in gross income; and

- certain other limited exceptions.

The Carrier will provide you with information concerning the withholding requirements at the time you request a distribution.

Death Benefit

If you die before distribution to you has been completed, your beneficiary will receive distribution of the balance of your annuity contract (or custodial arrangement) account, unless your beneficiary makes an election to receive your benefit in another distribution form available under the relevant annuity contract (or custodial arrangement).

Unless the death benefit is payable over the course of your beneficiary’s life, your entire interest must be distributed to your beneficiary by the end of the calendar year that includes the fifth anniversary of the date of your death.

If distribution will be made over your beneficiary’s life, the benefit must commence by the end of the calendar year following the year of your death. However, if your surviving spouse is your beneficiary, distribution does not need to begin until the later of the end of the calendar year following the calendar year in which you die or the end of the calendar year in which you would have reached age 70½.

You may designate your beneficiary at any time on the Designation of Beneficiary form provided by your Carriers.
Hardship Distributions

Distributions on account of hardship are not permitted.

Requesting a Distribution

You may request a distribution any time after you terminate service with the University. Distribution of your account will begin pursuant to the terms of your annuity contract (or custodial account).

The value of your benefits will depend on changes in value of the investments for each fund. Investment return may increase or decrease at any time depending on market conditions.

Miscellaneous

Rollovers and Transfers. Rollovers are tax-free transfers of cash from a retirement program to a Participant and then from the Participant to another retirement program. Direct rollovers are tax-free transfers of cash or property directly from one retirement program to another.

Rollovers and Direct Rollovers to this Arrangement from other 403(b) retirement plans, certain annuity contracts and custodial accounts or qualified plans may be permitted by your Carriers. NOTE: Rollovers, direct rollovers, or transfers from the University of St. Thomas Retirement Plan (ERISA-qualified Plan) are not permitted.

Assignment. Your annuity contract (or custodial arrangement) may limit your ability to pledge or assign your rights or interest in your benefits under the Arrangement to anyone.

Qualified Domestic Relations Orders. If you get divorced, the court may order a specific portion of your account at the time of the divorce to be placed in a new account for your ex-spouse, or for the benefit of your minor children (alternate payees). The court order must meet the Plan requirements for a Qualified Domestic Relations Order (QDRO). You may obtain a copy of your Carrier’s QDRO procedures by contacting your Carrier.
GENERAL INFORMATION

NO PROVISION OF THE ARRANGEMENT OR THIS SUMMARY SHALL GIVE YOU THE RIGHT OF CONTINUED EMPLOYMENT OR PROHIBIT CHANGES IN OR THE TERMINATION OF THE TERMS OF EMPLOYMENT OF ANY EMPLOYEE PARTICIPATING IN THIS ARRANGEMENT.

THE ACTUAL TERMS AND CONDITIONS GOVERNING THIS ARRANGEMENT ARE DESCRIBED IN THE WRITTEN PLAN DOCUMENT GOVERNING THIS ARRANGEMENT, AND ARE MANAGED BY THE CARRIERS WITH WHOM YOU HAVE ELECTED TO INVEST YOUR CONTRIBUTIONS, SUBJECT TO THE REQUIREMENTS IMPOSED ON 403(b) ARRANGEMENTS BY THE INTERNAL REVENUE SERVICE.

THIS ATTACHMENT IS A SUMMARY OF THE REQUIREMENTS FOR 403(b) ARRANGEMENTS FUNDED BY SALARY DEFERRALS. IT IS NOT A PLAN DOCUMENT NOR IS IT A SUMMARY OF THE SPECIFIC CARRIERS’ POLICIES AND REQUIREMENTS. YOU SHOULD CONSULT YOUR CARRIERS FOR THE EXACT TERMS GOVERNING YOUR INVESTMENT. IN THE EVENT OF A CONFLICT OR INCONSISTENCY BETWEEN THIS SUMMARY AND THE REQUIREMENTS OF YOUR CARRIERS, THE CARRIERS’ REQUIREMENTS SHALL CONTROL, PROVIDED THAT THEY ARE CONSISTENT WITH THE WRITTEN PLAN DOCUMENT AND SECTION 403(b) OF THE INTERNAL REVENUE CODE.
EXHIBIT A (EFFECTIVE 7/1/10)

ANNUITY CONTRACT AND CUSTODIAL ACCOUNT PROVIDERS
(CARRIERS CURRENTLY AVAILABLE UNDER ARRANGEMENT)

Fidelity Investment company  800-343-0860 or www.fidelity.com
TIAA-CREF  800-842-2776 or www.tiaa-cref.org

CARRIERS CLOSED TO NEW ENROLLMENT AFTER 1/1/07, INCLUDING BUT NOT LIMITED TO THE FOLLOWING CARRIERS:

Ameriprise Financial (formerly American Express)  800-437-0602 or www.ameriprise.com
American Funds  800-421-0180 or www.americanfunds.com
Great American Life  Herb or Mark Mischke 651-481-6900 or www.galic.com