

SUMMARY

North Dakota State Board of Higher Education Defined Contribution Retirement Plan

February 2022

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INTRODUCTION

North Dakota University System (“NDUS”) is pleased to provide you with this summary of the North Dakota State Board of Higher Education Defined Contribution Retirement Plan (the “Plan”). Because the Plan will provide valuable benefits to you and your family, you should read it carefully and keep it for future reference.

The term “Employer” also refers to each of the institutions listed on page 3 of this Summary. Whenever the word “Employer” is used in this summary, it refers to your employer, whether NDUS or one of the Employers listed on page 3.

The Plan is intended to provide protection for you and your family at retirement or death or if you become permanently disabled. This summary briefly describes the most important features of the Plan. The official plan documents are more detailed and set out all of the Plan’s features, including the effective dates of all plan provisions. The official plan documents govern the Plan. If there is ever any conflict between the official plan documents and anything in this summary, or any other materials that you may receive from NDUS or your Employer regarding the Plan, the official plan documents will control.

A copy of the Plan is on file in the main offices of NDUS and is available to you during regular business hours. Your questions regarding the Plan should be addressed to NDUS as follows:

David Krebsbach
600 E. Boulevard Ave, Dept. 215
Bismarck, ND 58505-0230
Ph: (701) 328-4116 Fax: (701) 328-2961
Email: david.krebsbach@ndus.edu
Web: ndus.edu

* * *

HIGHLIGHTS OF THE PLAN

PARTICIPATION: You are an eligible employee if you are a permanent employee and a member of a specified class, more fully described below. A “permanent employee” means an individual who is given a single appointment to a half-time or greater position for five months or more per year.

CONTRIBUTIONS: Both you and your Employer are required to contribute to the Plan. A percentage of your compensation will be contributed to the Plan. The percentage contributed depends on your class and your years of service. You may also contribute certain amounts received as distributions from other qualified retirement plans and certain IRAs, which are referred to as rollover contributions.

VESTING: All contributions under the Plan are 100% immediately vested.

INVESTMENTS: You can direct the investment of your accounts in the Plan among various funding vehicles, subject to any administrative restrictions determined by NDUS. A list of funding vehicles is provided below.

DISTRIBUTIONS: Generally, your accounts in the Plan are distributed following your termination or retirement. In certain limited circumstances, you may receive your benefit while you are still employed.

* * *

IDENTIFYING INFORMATION

PLAN SPONSOR: North Dakota University System
State Capitol
600 E. Boulevard Ave., Dept. 215
Bismarck, ND 58505-0230
701-328-2960

**FEDERAL IDENTIFICATION
NUMBER ASSIGNED TO
PLAN SPONSOR:** 43-1974004

**PLAN NUMBER ASSIGNED
BY PLAN SPONSOR:** 001

PLAN ADMINISTRATOR: North Dakota University System

**PARTICIPATING INSTITUTIONS:
("EMPLOYERS")** University of North Dakota
Williston State College
Lake Region State College
North Dakota State University
Dakota College Bottineau
North Dakota State College of Science
Dickinson State University
Mayville State University
Minot State University
Valley City State University
Bismarck State College
North Dakota University System Office
NDUS System Information Technology Services

PLAN YEAR: July 1 through June 30

**AGENT FOR SERVICE OF
LEGAL PROCESS:** Any officer of NDUS, at the address shown above.

* * *

MORE ABOUT THE PLAN

1. How do I become a “participant” in the Plan? In order to participate in the Plan, you must meet the following requirements:

First, you must be a “permanent employee.” A permanent employee means an employee who is given a single appointment to a half-time or greater position for five months or more per year.

Second, you must be a member of one of the following classes:

- | | |
|------------|--|
| Class I: | Teaching and research faculty with ranks of professor or associate professor, research personnel with equivalent rank, and executive and administrative staff. |
| Class II: | Teaching and research faculty with ranks of assistant professor or instructor, research personnel and lecturers with equivalent rank, and professional staff. |
| Class III: | A closed group of administrative assistants who elected participation in the Plan prior to January 1, 1965. |
| Class IV: | A closed group of employees as established on June 30, 1980, otherwise eligible for participation in the Plan as Class I or Class II employees, who have elected to continue participation in the Teacher’s Fund for Retirement (TFFR) as provided by the 1979 North Dakota Legislature. |

If you meet both of these provisional and administrative requirements, you will begin participating immediately upon employment.

In lieu of participating in this Plan, if you have an accrued retirement benefit under the North Dakota Public Employees’ Retirement System (PERS), you may elect to continue to participate in PERS. If you are a PERS participant who transfers or is reclassified into a position that qualifies for participation in this Plan, you may elect to become a participant by making such election within 60 days of being transferred or reclassified. If you do not make a timely election, your right to participate in this Plan is irrevocably waived.

2. How do I benefit from the Plan? Both you and your Employer are required to make contributions to the Plan. The contributions made on your behalf depend on your class and your years of service, based on the following schedule:

Effective Prior to January 1, 2014
Plan Contributions as a Percent of Regular Salary

<u>Employment Classification</u>	<u>Years of Service</u>	<u>By the Participant*</u>	<u>By the Institution</u>	<u>Total</u>
Class I and III	0 through 10	3.5%	11.5%	15.0%
	Over 10	4.0%	12.0%	16.0%
Class II	0 through 2	2.5%	6.5%	9.0%
	3 through 10	3.5%	11.5%	15.0%
	Over 10	4.0%	12.0%	16.0%
Class IV		3.0%	11.0%	14.0%

Effective as of January 1, 2014:
Plan Contributions as a Percent of Regular Salary

<u>Employment Classification</u>	<u>Years of Service</u>	<u>By the Participant*</u>	<u>By the Institution</u>	<u>Total</u>
Class I and III	0 through 10	4.5%	12.5%	17.0%
	Over 10	5.0%	13.0%	18.0%
Class II	0 through 2	3.5%	7.5%	11.0%
	3 through 10	4.5%	12.5%	17.0%
	Over 10	5.0%	13.0%	18.0%
Class IV		4.0%	12.0%	16.0%

*These contributions are mandatory pre-tax contributions made on a salary reduction basis, sometimes referred to as “pick-up” contributions, and are contributed to the Plan by your Employer. You cannot directly receive these “pick-up” contributions.

For purposes of these contributions, you will receive credit for the years of service during which you accrued retirement benefits under the North Dakota Public Employees’ Retirement System, North Dakota Teachers’ Fund for Retirement and/or TIAA. Credit for TIAA years of service shall also include credit earned at other institutions, including out-of-state institutions, provided that you have a current TIAA contract (*i.e.*, your contract was not repurchased).

EXAMPLE: John’s compensation for the plan year is \$50,000. John is a member of Class I and has 15 years of service. John’s total contribution for the plan year will be \$8,000 (\$50,000 x 16%). Of that amount, \$2,000 is John’s contribution (\$50,000 x 4%) and \$6,000 is his Employer’s contribution (\$50,000 x 12%).

You may also make a rollover contribution to the Plan, as described in Item 5 below.

3. What is my “compensation”? Your compensation is basic annual earnings and summer session earnings, but does not include the following overtime pay and overload earnings. In addition, your compensation excludes amounts that exceed a dollar limitation established by the IRS, which in 2022 is \$305,000. (This limitation will be adjusted when the total cost-of-living increases equal or exceed \$5,000.)

4. Does the law limit the contributions that can be made to my account in a plan year? Federal tax laws restrict the contributions that may be made for you each plan year. The annual limit is the total of your “pick-up” contributions, the contributions made by your Employer and forfeitures (if any) credited to your accounts in this and all other plans (if any) maintained by your Employer. The annual limit does not apply to rollover contributions (as described in Item 5) or earnings on contributions. The annual limit is (i) 100% of your taxable compensation, or \$61,000, whichever is less. Your “taxable compensation” includes differential wages and certain amounts paid in the following plan year but earned in the plan year, plus the amount of your cafeteria plan, qualified transportation fringe benefit plan, Section 403(b) and Section 457 (b) contributions, and might not be the same as your “compensation” for the plan year. The \$61,000 limit is effective for the limitation year that ends December 31, 2022, and *may* increase in future years for cost-of-living in \$1,000 increments.

5. May I contribute distributions that I receive from a prior employer’s qualified retirement plan? There is one kind of contribution that you can make to the Plan. It is called a rollover contribution. If you receive an “eligible rollover distribution” from a qualified retirement plan of a prior employer, a 403(b) annuity or custodial account, or a 457(b) plan maintained by a governmental entity, you may contribute it to this Plan and defer paying income taxes on such amounts that have not previously been taxed. You may roll over after-tax contributions, but only if those contributions are rolled over from a qualified retirement plan of a prior employer. Whoever makes a distribution should inform you whether it is an eligible rollover distribution. You may make a rollover contribution whether or not you have become a participant in this Plan as described in Item 1. A rollover contribution must be completed within 60 days after the date you receive the distribution. The Plan will also accept a direct rollover.

Very technical rules apply to rollover contributions. You should contact TIAA for additional information. You and TIAA can then determine whether you qualify to make a rollover contribution.

6. What happens to contributions? To give you a greater degree of flexibility and control over the investment of your Plan accounts, NDUS has authorized several fixed or variable annuity contracts and custodial accounts with different investment objectives (referred to as “funding vehicles”). A current list of those funding vehicles is attached at the end of this summary. These funding vehicles may be updated from time to time. You will be given more information about these funding vehicles so that you (or your beneficiary following your death) may decide how to invest your accounts. You have the opportunity to change your investment elections on a daily basis (although this is not recommended). Each participant will have an undivided interest in the fund or funds selected. Your accounts and the accounts of other participants who choose a particular funding vehicle will share in the net investment return of that fund. If you do not make an investment election, your accounts will automatically be

invested exclusively in the Lifecycle Funds -- the Plan's "default" fund. If your accounts are so invested, you may use the procedures described above to select different funding vehicles. Information on the default funding vehicle can be found at www.tiaacref.org.

The Plan is valued on a daily basis and your accounts will be adjusted daily to reflect any increase or decrease in value. Even if you are no longer employed by your Employer but continue to have an account in the Plan, you will share in the investment performance of the Plan.

A variety of fees and expenses may be charged to your accounts and will affect your retirement savings. For example, investment fees are generally assessed as a percentage of assets invested, and are deducted directly from your investment returns. Investment fees can be in the form of sales charges, loads, commissions, 12b-1 fees, or management fees. You can obtain more information about such fees from the documents (e.g., a prospectus) that describe the investments funds.

Plan administration fees cover the day-to-day expenses of the Plan for recordkeeping, accounting, legal and trustee services, as well as additional services that may be available under the Plan, such as daily valuation, telephone response systems, internet access to plan information, retirement planning tools, and educational materials. In some cases, these costs are covered by investment fees that are deducted directly from investment returns. In other cases, these administrative fees are paid by your Employer or are passed through to the participants in the Plan, in which case a recordkeeping fee will be deducted from your accounts.

Transaction-based fees are associated with optional services offered under the Plan, and may be charged directly to your accounts if you take advantage of a particular plan feature that may be available, such as a distribution. For more information on fees associated with your accounts, please contact TIAA at or through TIAA's website at www.tiaa.org.

7. Will I lose benefits if I terminate employment with my Employer? All contributions made to the Plan (increased or decreased by net earnings or losses) are always 100% vested. Therefore, if you terminate employment, you will not lose or forfeit such amounts.

8. When and how will I receive my benefits from the Plan?

**DISTRIBUTIONS
AFTER TERMINATION
OF EMPLOYMENT:**

There are no withdraw or rollover restrictions for terminated employees. Terminated employees may choose to leave their account balances with TIAA until their distribution eligibility date. For further information regarding withdraw or rollover contact TIAA. In order to receive a distribution, you must submit a written request to TIAA prior to the date as of which you wish to begin receiving distributions. The distribution will then be made as soon as administratively practicable following your request.

You are also eligible to receive your accounts in the form of a single sum distribution after termination of employment if you meet one of the following conditions and if the "Retirement Transition Benefit" (described below) does not apply:

- You are disabled; or
- The value of your accounts is \$5,000 or less.

If the value of your accounts is \$5,000 or less, it will be paid to you as soon as practicable following your termination of employment. You may have to file a distribution request form, depending on the value of your accounts. However, if you fail to make an election regarding the form and timing of your distribution, and the value of your accounts is greater than \$1,000 but not greater than \$5,000, including amounts credited to a rollover account under the Plan, your accounts will automatically be rolled over directly to an IRA established by TIAA for you. The amounts rolled over will be invested in very low-risk investments, such as money market funds. The costs of the IRA will be no greater than are imposed by TIAA for other IRAs. Once your accounts are distributed in a direct rollover to an IRA, you will no longer be a participant in this Plan, and you should contact TIAA immediately to obtain a new beneficiary designation form for your IRA. For further information concerning the automatic direct rollover provisions, the IRA provider and the fees and expenses associated with an IRA, please contact TIAA.

PHASED

RETIREMENT:

As part of a phased retirement plan while still employed, and upon attainment of age 55, a participant may have access to 100% of their respective total accumulation. Benefits may be received under a lifetime annuity option. The Interest Payment Retirement Option (IPRO) will also be available to those currently employed provided the IPRO eligibility requirements are met. Cash withdrawals from your accounts are permitted only to the extent permitted by the funding vehicles you select, and may not be received unless you are disabled or are provided for within a phased retirement plan. Please contact TIAA for more information.

WHEN DISTRIBUTIONS MUST BEGIN:

Unless you filed a special extended payment election in 1983, you must begin receiving distributions no later than April 1 of the year following the calendar year in which you reach age 70-1/2 or retire, whichever is later. The date by which you must begin receiving distributions is referred to as the “required beginning date.” If you filed a special extended benefit election in 1983, your payments can be delayed until you retire, or later, consistent with your election. The form of minimum required distributions is discussed below.

If you have reached your required beginning date—the April 1 described above under the heading “WHEN DISTRIBUTIONS MUST BEGIN”—you will be required to receive distributions each calendar year (by December 31, except in the first year where the minimum distribution can be deferred to April 1 of the following year) of amounts that are not less than an annual amount determined each year by the Plan Administrator using a life expectancy table issued by the Internal Revenue Service and based on your account balance as of the preceding December 31.

All forms of distribution are subject to minimum payout rules which determine when distributions must begin and how much must be distributed each calendar year. You should consult with your estate planning advisor and your professional tax advisor.

**FORMS OF
DISTRIBUTION:**

If the value of your accounts is \$5,000 or less, you will receive a single-sum payment. However, as explained above, if the value of your accounts is greater than \$1,000 but not greater than \$5,000, and you fail to make an election regarding the form and timing of your distribution, your accounts will automatically be rolled over directly to an IRA established by TIAA for you. If the value is more than \$5,000, your accounts will be paid to you in the form of an annuity contract subject to the following:

If you **are not married** on the date payments are scheduled to begin, the annuity contract will provide a monthly benefit for your lifetime. You may waive the annuity and choose to have your accounts paid to you in any other form of benefit permitted by the funding vehicle(s) you have chosen.

If you **are married** on the date that payments are scheduled to begin, the annuity contract will provide a monthly benefit for your lifetime, and at your death, your spouse will be paid a monthly benefit for his or her lifetime equal to 50% of your monthly benefit. This form of annuity is known as a “joint and survivor annuity.” In lieu of the joint and survivor annuity, you may choose a “qualified optional survivor annuity” that will provide a monthly benefit for your lifetime, and at your death, your spouse will be paid a monthly benefit for his or her lifetime equal to 75% of your monthly benefit. The qualified optional survivor annuity will provide you with smaller periodic payments during your lifetime than the 50% annuity because upon your death, your spouse would receive a monthly benefit during his/her lifetime equal to 75% of your periodic benefit. You may waive the joint and survivor annuity with your spouse’s written consent and choose to have

your accounts paid to you in any other form of benefit permitted by the funding vehicle(s) you have chosen.

In addition, cash withdrawals from the TIAA Traditional Annuity are available in substantially equal installments over a 10-year period.

The “Retirement Transition Benefit” (“RTB”) allows you to receive a one-time lump-sum payment of up to 10% of your accounts when your annuity payments begin. However, the one-time lump-sum payment from each TIAA contract and/or each CREF account cannot exceed 10% of value of your accounts. You and, if applicable, your spouse, must consent to this distribution.

9. If I receive a distribution before age 59-1/2, will I incur a penalty tax? As a general rule, you will incur a 10% federal penalty tax with respect to taxable amounts you receive from the Plan prior to attaining age 59-1/2. There are several circumstances, however, in which you will not incur the 10% penalty tax:

- If you terminate employment with your Employer after attaining age 55.
- If you terminate employment with your Employer and the payments are in substantially equal installments extending over at least five years and until you reach age 59-1/2. The payments must be calculated to pay the value of your entire account to you over your life expectancy or the joint life and last survivor expectancy of you and your spouse.
- To the extent that deductible-type medical expenses that you have paid during the year exceeded 7.5% of your adjusted gross income for the year.
- If the payment is pursuant to a qualified domestic relations order as a result of divorce or legal separation.
- To the extent that the payment is rolled over (and only to the extent it is rolled over) in a tax-deferred rollover to an individual retirement account (with certain exceptions), another qualified retirement plan, Section 403(a) annuity, Section 403(b) annuity or custodial account or governmental Section 457(b) plan.
- If you become disabled as defined for social security purposes.
- If the IRS seizes your accounts pursuant to a levy.

10. Are there other tax consequences if I receive a distribution? You will incur federal and state income taxes with respect to the distribution of any amounts to you that have not been previously taxed, as will your beneficiary in the event of your death. If you wish to defer paying taxes on your distribution, you may wish to roll it over to another qualified plan,

conduit IRA or certain other retirement savings vehicles that accept rollovers. In the event of your death, your surviving spouse may be eligible to roll over amounts held in the Plan for him or her. Your nonspouse beneficiary may also be eligible to roll over amounts directly to an IRA. Only certain distributions are eligible to be rolled over.

Detailed information regarding the tax consequences of distributions and the availability of a rollover will be provided by TIAA to you before a distribution is made. You will want to read that information very carefully before deciding how to take your distribution. NDUS is required to provide this information to you at least 30 days prior to the distribution and to give you a 30-day period to make your decision. Under certain circumstances, you may waive the 30-day period by returning your election form before the end of that period. In that case, your distribution can be made as soon as possible after the date you return your election form, but not prior to the eighth day following the date you received the rollover information.

If your distribution occurs after you have attained age 59-1/2, you may be able to choose favorable income tax treatment. Ten-year forward averaging or long-term capital gain treatment may be elected by those individuals who attained age 50 on or before January 1, 1986. You must, however, receive a distribution of all of your accounts in the Plan and in other profit sharing plans maintained by your Employer, if any, in the same year and must have been a participant for at least five years. The averaging and capital gain rules are very technical. You will be advised of some of those rules before you receive a distribution, but you should also consult with a professional tax advisor before you take a distribution.

11. If I die, what happens to amounts credited to my account?

BENEFICIARY:

When you become a participant, you should complete a beneficiary designation form, and you should update it periodically as necessary. On the beneficiary designation form, you will name the person(s) who will receive your accounts if you die before all vested amounts credited to your accounts have been paid to you. You may obtain a beneficiary designation form at TIAA's website at www.tiaa.org. Who you name as a beneficiary and when your beneficiary will be paid the benefit under the Plan may have significant financial consequences. You should always consult with your estate planning advisor when initially naming beneficiaries or changing beneficiaries.

If you have not filed a beneficiary designation form before your death, the Plan's provisions will determine who will be paid the value of your accounts at death.

If you are married and you do not name your spouse as your sole beneficiary on your beneficiary form, your spouse must consent to the designation of other beneficiaries. If your spouse does not consent, if the consent is invalid, or if you do not file a beneficiary form, your spouse will be paid the entire value of your accounts,

one-half of which may be paid in the form of a preretirement survivor annuity as discussed below. If you wish to change beneficiaries, you may sign a new beneficiary form and your spouse must sign the consent again, if required.

**WHEN
DISTRIBUTIONS
MUST BEGIN:**

Generally speaking, the law requires that if your death occurs before the required beginning date, described above, your entire account must be paid to your beneficiaries by the last day of the fifth calendar year following the calendar year of your death. If payments begin by December 31 of the calendar year following the year of your death, payments may be made over the life expectancy of your designated beneficiary. However, if you named your spouse as your sole beneficiary, your spouse may delay payment until the last day of the calendar year in which you would have reached age 70-1/2 had you not predeceased your spouse. If you are receiving distributions on or after your required beginning date, as described above, the law generally requires that distributions continue to your beneficiary as rapidly as required by the method of distribution you chose before your death. If you filed a special extended payment election in 1983, distribution of your death benefit may be governed by that election.

The rules on distributions at death are exceedingly complex and there are many ways that you and your beneficiaries may be able to arrange distributions, not described above, that may benefit you and your beneficiaries. You should always consult your estate planning advisor before distribution decisions are made and implemented.

**FORMS OF
DISTRIBUTION:**

If the value of your death benefit is \$5,000 or less, it will be distributed to your beneficiary in a single-sum payment. If the value exceeds \$5,000, the law may restrict the way that it is paid to your beneficiary. If the entire vested amount in your accounts has been paid to you before you die in the form of a single sum, an annuity contract, insurance company installment contract, or any other way, your beneficiaries will not receive a death benefit from the Plan. There may be a survivor benefit, however, under an annuity or other contract.

If you **are not married** on the date of your death, your death benefit will be distributed to your beneficiary in any form of benefit permitted by the funding vehicle(s) you have chosen, as selected by your beneficiary.

If you **are married** on the date of your death and your surviving spouse is a designated beneficiary, he or she will receive all or a share of your death benefit.

- If your spouse's share of your death benefit (as specified on your beneficiary designation form) is 50% or more of the value of your accounts, 50% of the value of your accounts will be paid to your surviving spouse in the form of a "preretirement survivor annuity" contract providing monthly benefits for his or her lifetime, so long as the present value of the annuity exceeds \$5,000. The balance of your spouse's benefit will be paid in any form of benefit permitted by the funding vehicle(s) you have chosen, as selected by your spouse. If the present value of the annuity is \$5,000 or less, that portion of your accounts will be paid to your spouse in a single-sum payment.
- If your spouse's share of your death benefit is less than 50% of the value of your accounts (and your spouse has consented to your designation of beneficiaries, as explained above), your spouse's entire benefit will be paid in the form of a preretirement survivor annuity contract, so long as the present value of the annuity is greater than \$5,000. If the present value is \$5,000 or less, your spouse's benefit will be paid in a single-sum payment.

You and your spouse may elect to waive the preretirement survivor annuity (on the beneficiary designation form). If the annuity is properly waived, your spouse may elect to receive his or her entire share of your death benefit in any form of benefit permitted by the funding vehicle(s) you have chosen, as selected by your spouse. If you do not waive the annuity during your lifetime, your spouse may waive it after your death.

If your spouse is not your sole beneficiary, your other beneficiaries may receive their share of your death benefit in any form of benefit permitted by the funding vehicle(s) you have chosen, as selected by your beneficiaries.

12. Will distributions after my death be taxed? Distributions at your death are subject to state and federal income taxes and may be eligible for 10-year special averaging treatment, as described in Item 10. The value of your accounts at death is includable in your estate and may be subject to estate taxes, depending upon the size of your estate and how your estate plan has been structured. No 10% penalty tax (see Item 9 above) will be incurred by your beneficiary upon receipt of a distribution at your death, even if you are less than age 59-1/2 when you die. Your spouse will generally be permitted to roll over his or her distribution to an IRA or other retirement savings vehicle under the rules described in Item 10. Your nonspouse beneficiary may also be eligible to roll over amounts directly to an IRA as discussed in Item 10. You should consult with your estate planning advisor or your professional tax advisor for advice on these matters.

13. What happens to my benefits if I divorce or am separated? If your spouse has obtained a judgment, decree or order that provides for child support, alimony payments or marital property rights, the Plan may be required to pay benefits to your spouse or former spouse. The precise amount and the way in which the payment may be made are described in detail in the Plan. The Plan cannot pay your spouse or former spouse, however, until TIAA has received the judgment, decree or order and has determined that it meets all of the technical requirements of the law. That determination may take several months. In order to avoid delays, your attorney or your spouse's or former spouse's attorney should contact TIAA to find out what will be required and the procedures for reviewing such judgments, decrees or orders. You may obtain, without charge, a copy of these procedures by contacting TIAA. Your spouse will generally be permitted to roll over his or her distribution to an IRA or other retirement savings vehicle under the rules described in Item 10.

14. May I borrow or take a hardship distribution from the Plan? No. You are not permitted to borrow or take a hardship distribution from the Plan.

15. May I use my plan benefits to secure a loan to a third party? Under no circumstances may you assign your plan benefit as security for a loan. Any attempted assignment will be ineffective.

16. How will military service affect my participation in the Plan? If you are timely reemployed by your Employer after a period of military service, federal law entitles you to credit for certain purposes under the Plan for your period of military service and certain benefits under the Plan that were provided to other participants during your absence for military service. If you are an employee and you die while engaged in qualified military service, your beneficiaries may be entitled to any additional benefits (other than benefit accruals) relating to qualified military service had you resumed active employment and then terminated employment on account of death. For more information about these benefits, please contact NDUS.

17. What if I want NDUS to review a decision affecting my benefits? If you do not agree with the way your claim for benefits has been handled, you may object in writing during the 30-day period after the date payment of benefits is to begin, or would begin if any benefits were payable. Your authorized representative may also object on your behalf, subject to any documentation required by NDUS to verify that such representative has that authority.

NDUS must respond to your written objection. That response must be in writing and must be provided to you during the 90-day period following NDUS' receipt of your written objection. However, if special circumstances require an extension of the time period for NDUS to make a decision, NDUS will, within the initial 90-day period, notify you of those circumstances and the date by which NDUS expects to make its decision. In no event will NDUS have longer than 180 days from the receipt of your written objection to make its decision. NDUS will issue a written explanation of its decision, which must:

- State the reason(s) why your claim for benefits was denied;
- Specifically refer to any plan provisions that formed the basis for NDUS' decision;

- Describe any additional material or information necessary for you to perfect your claim and why that material or information is necessary; and
- Describe the procedures you must follow to have your claim reviewed further, including your right to bring a civil action in the event of an adverse decision.

If you disagree with NDUS' decision, you may request an appeal by filing a written application for review with NDUS within the 60-day period following your receipt of the notice of denial of your original claim. You will be entitled to review any applicable plan documents or other records, to request copies of such documents without charge, and to submit written comments, documents or other materials relating to your claim for benefits. NDUS must provide you with a decision on your appeal within 60 days following receipt of your written request. However, if special circumstances require an extension of the time period for NDUS to make a decision, NDUS will, within the initial 60-day period, notify you of those circumstances and the date by which NDUS expects to make its decision. In no event will NDUS have longer than 120 days to make its decision. NDUS will issue a written explanation of its decision, which will be considered final. That explanation must:

- State the reason(s) why your claim for benefits was denied;
- Specifically refer to any plan provisions that formed the basis for NDUS' decision;
- Inform you that you may have reasonable access to all documents, records and other materials relevant to your claim, and may request copies at no charge; and
- Inform you of your right to bring a civil action.

If you do not give proper notice or otherwise follow the rules for filing and reviewing claims under the Plan, you and/or your beneficiary may not be able to take further legal action, including arbitration, to contest any decision made under the Plan with respect to your benefits.

18. Are my plan benefits guaranteed or insured? Under federal law, the benefits under some types of retirement plans are insured by the Pension Benefit Guaranty Corporation if the Plan is terminated. This termination insurance is available only to plans that are "defined benefit" plans. Under federal law, this Plan is a defined contribution plan and not a defined benefit plan. Therefore, the contributions, accounts and benefits under the Plan are not insured by the Pension Benefit Guaranty Corporation.

19. Will the Plan continue indefinitely? NDUS has the right to terminate or change the Plan at any time. However, such circumstances cannot be used to take away your vested interest that you earned before the Plan was terminated or changed unless required by law, government regulation or court decision. Furthermore, no change is permitted that would give NDUS or any Employer any interest in any assets of the Plan.

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Funding Vehicles

TIAA and CREF Annuities

TIAA Traditional Annuity
TIAA Real Estate Account
CREF Stock Account
CREF Money Market Account
CREF Bond Market Account
CREF Social Choice Account
CREF Global Equities Account
CREF Equity Index Account
CREF Growth Account
CREF Inflation Linked Bond Account

TIAA-CREF Mutual Funds

TIAA-CREF International Equity Fund
TIAA-CREF Large-Cap Value Fund
TIAA-CREF Lifecycle Retirement Income Fund
TIAA-CREF Mid-Cap Growth
TIAA-CREF Mid-Cap ValueFund
TIAA-CREF Small-Cap Equity Fund

TIAA-CREF Lifecycle Funds

TIAA-CREF Lifecycle 2010 Fund
TIAA-CREF Lifecycle 2015 Fund
TIAA-CREF Lifecycle 2020 Fund
TIAA-CREF Lifecycle 2025 Fund
TIAA-CREF Lifecycle 2030 Fund
TIAA-CREF Lifecycle 2035 Fund
TIAA-CREF Lifecycle 2040 Fund
TIAA-CREF Lifecycle 2045 Fund
TIAA-CREF Lifecycle 2050 Fund
TIAA-CREF Lifecycle 2055 Fund

Money Market Fund

Vanguard Federal Money Market Investor (VMFXX)