SUMMARY PLAN DESCRIPTION

FOR

COLLEGE OF THE HOLY CROSS
403(b) DEFINED CONTRIBUTION AND
GROUP SUPPLEMENTAL RETIREMENT PLAN

July 2019

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SUMMARY PLAN DESCRIPTION

INTRODUCTION

The College of the Holy Cross sponsors the College of the Holy Cross 403(b) Defined Contribution and Group Supplemental Retirement Plan (the Plan) to help you and other Employees save for retirement. The restated Plan combines the features of the Voluntary Supplemental Plan, under which you may make voluntary contributions on a pretax or Roth post-tax basis with the Defined Contribution Retirement Plan under which you make Mandatory Employee Contributions and the College makes Matching Contributions.

The College may change the Plan from time to time as new laws or regulations take effect. The College also has the right to modify certain features of the Plan from time to time. You will be notified about material changes affecting your rights under the Plan.

This Summary Plan Description (SPD) summarizes the important features of the Plan, including your benefits and obligations under the Plan. If you want more detailed information regarding certain Plan features or have questions about the information contained in this SPD, you should contact the Plan Administrator whose address and telephone number appears in the section of this SPD entitled “Administrative Information and Rights under ERISA.” You may also examine a copy of the Plan document by making arrangements with the Plan Administrator. Certain terms in the SPD have a special meaning when used in the SPD and the Plan. These terms are capitalized throughout the SPD and are defined in more detail in the DEFINITIONS section at the end of the SPD. If any information in this SPD conflicts with the terms of the Plan, the terms of the Plan— not this SPD — will govern.

All dollars contributed to the Plan will be invested either in annuity contracts or in mutual funds held in custodial accounts. The agreements constituting or governing the annuity contracts and custodial accounts (the “Individual Agreements”) explain your rights under the contracts and accounts and the unique rules that apply to each Plan investment which may, in some cases, limit your options under the Plan. For example, an Individual Agreement may contain a provision which prohibits loans, even though the Plan allows loans. If this is the case, you would not be able to take a loan from the accumulation in an investment option governed by that Individual Agreement. You should review the Individual Agreements along with this SPD to gain a full understanding of your rights and obligations under the Plan. Contact the Plan Administrator or the investment vendor to obtain copies of the Individual Agreements or to receive more information regarding the investment options available under the Plan.

BRIEF OVERVIEW

To become a Participant in the Plan, you must meet the Plan's eligibility requirements. Once you become a Participant, the Plan will maintain an Individual Account for you. Your Individual Account balance will be adjusted on a daily basis to reflect contributions, gains, losses, etc. Your Individual Account is always fully vested, that means that you will be entitled to all of it when you terminate employment. These features are explained further in the following pages.

All eligible employees may make voluntary Deferrals, both pretax and post-tax Roth Deferrals, into the Plan up to certain limits established by the Internal Revenue Code.

In addition, eligible faculty and exempt employees must make Mandatory Employee Contributions as a condition of employment and will receive Matching Contributions. Mandatory Employee contributions are 2% of your Compensation up to the Taxable Wage Base, which is $132,900 for 2019, and 5% of your Compensation above the Taxable Wage Base. The College will make a Matching Contribution of 10% of your Compensation up to the Taxable Wage Base and 12% of your Compensation above that. You should consult the Plan document for technical and detailed Plan provisions.

If at any time you have specific questions about the Plan as it applies to you, please bring them to the attention of the Plan Administrator. You may also examine the Plan document itself at a reasonable time by making arrangements with the Plan Administrator.

ELIGIBILITY

Am I eligible to participate in the Plan?

As an employee of the College, you are eligible to contribute a portion of your Compensation to the Plan as a voluntary pre-tax Deferral or as a post-tax Roth Deferral, unless you are (1) a nonresident alien who received no earned income from the College which constitutes income from sources within the United States, (2) a student enrolled and attending classes offered by the College or (3) a Leased Employee. This group of employees are “Excluded Employees” under the Plan.

What requirements do I have to meet before I am eligible to participate in the Plan?

Unless you are an Excluded Employee described in the previous question, you will be immediately eligible to defer into the Plan a portion of your Compensation as a voluntary pre-tax Deferral or as a post-tax Roth Deferral.

You must complete one Year of Eligibility Service with the College during which you are credited with at least 1,000 hours of service before you are required to make Mandatory Employee Contributions and receive Matching Contributions. Mandatory Employee Contributions are a condition of your employment by the College.

Excluded Employees are not required to make Mandatory Employee Contributions or receive Matching Contributions. In addition, the following employees will accrue hours of service toward a Year of Eligibility Service but are not required to make Mandatory Employee

Contributions and will not receive Matching Contributions: (1) non-exempt employees, (2) visiting lecturers, (3) non-resident aliens who received no earned income from the College which constitutes income from sources within the United States, (4) students enrolled and attending classes offered by the College, (5) employees who belong to a religious order and who have taken a vow of poverty, or (6) Leased Employees.

If you were employed in a benefits eligible position by another educational organization, teaching institution, institution of higher education, non-profit research institution, or organization that is eligible to maintain a 403(b) plan prior to coming to work for the College, your period of service with such employer will be credited toward the Year of Eligibility Service requirement.

When can I enter the Plan?

Unless you are an Excluded Employee, you will be able to contribute a portion of your Compensation into the Plan as a voluntary pre-tax Deferral or a post-tax Roth Deferral as soon as administratively feasible after your hire date.

If you are an eligible faculty member or exempt employee, you will enter the Plan and be required to make Mandatory Employee Contributions and receive Matching Contributions on the first day of the month concurrent with or following the date on which you have met the Year of Eligibility Service requirement described above.

What happens to my Plan eligibility if I terminate my employment and am later rehired?

If you terminate employment and are later rehired, you will be able to defer a portion of your Compensation as a voluntary pre-tax Deferral or post-tax Roth as soon as administratively feasible after being rehired. If you were a Participant that had met the eligibility requirements for making Mandatory Employee Contributions and receiving Matching Contributions and were a Participant in the Plan before terminating employment and are later rehired into a position that is eligible for Mandatory Employee Contributions and Matching Contributions you will be required to make Mandatory Employee Contributions and begin receive Matching Contributions immediately. If you were not eligible to make Mandatory Employee Contributions and receive Matching Contributions before you terminated employment, and are rehired into a position that is eligible for Mandatory Employee Contributions and Matching Contributions, you will need to complete one Year of Eligibility Service with the College during which you are credited with at least 1,000 hours of service before being required to make Mandatory Employee Contributions and receive Matching Contributions. However, your period of service prior to your termination and rehire will be credited toward the Year of Eligibility Service requirement.

CONTRIBUTIONS AND VESTING

What amount can I contribute to the Plan?

Deferrals

You will be able to contribute a portion of your Compensation as a voluntary pre-tax Deferral or as a post-tax Roth Deferral. The maximum dollar amount that you can contribute to the Plan each year is $19,000 for 2019 and includes contributions you make to certain other deferral plans (*e.g.*, 401(k) plans, and other 403(b) plans). This amount will increase as the cost of living increases. Deferrals (and the related earnings) are always fully vested and cannot be forfeited. So, if you were to leave the College, you would be entitled to your full Deferral balance (plus earnings). The Mandatory Employee Contributions discussed later do not count against these Deferral limits.

Voluntary Deferrals made by you, either on a pre-tax basis or Roth post-tax basis, must be made under a compensation reduction agreement with the College. After the agreement is effective, your Compensation will be reduced by the amount of the Deferral and that amount will be applied as contributions or premiums to the funding vehicles you have selected from those that are available under the Plan. You may modify or terminate your compensation reduction agreement at any time, subject to reasonable restrictions established by the Plan Administrator. Your compensation reduction agreement will be legally binding and irrevocable with respect to Compensation paid to you while the agreement is in effect.

Unless you elect otherwise, the amount of your Compensation that you decide to defer into the Plan will be contributed on a pre-tax basis. Unlike the Compensation that you actually receive, your pre-tax Deferral (and all of the earnings accumulated while it is invested in the Plan) will not be taxed for income tax purposes at the time it is paid into the Plan by the College. Instead, it will be taxable to you when you take a payout from the Plan. These pre-tax Deferrals will reduce your taxable income each year that you make such a Deferral but will be treated as Compensation for Social Security taxes.

EXAMPLE: Assume your Compensation is $25,000 per year. You decide to make a voluntary pre-tax Deferral equal to 5% of your Compensation into the Plan. The College will pay you $23,750 as gross taxable income and will deposit $1,250 (5% of your Compensation) into the Plan. You will not pay federal income taxes on the $1,250 (plus earnings on the $1,250) until you withdraw it from the Plan. You will, however, owe Social Security taxes on the entire $25,000 amount.

You also have the choice of treating your voluntary Deferrals as post-tax Roth Deferrals rather than pre-tax Deferrals. Roth Deferrals are contributed to the Plan from amounts that have already been treated as taxable income. Roth Deferrals will not reduce your taxable income in the year in which you make such a Deferral into the Plan. The benefit of making Roth Deferrals comes when you take a payout from the Plan — when both the original Roth Deferrals and your earnings on those Deferrals are paid out tax-free — so long as you meet the requirements for a “qualified distribution.” A “qualified distribution” is any distribution made to you after you are age $59^1/_2$ and after 5 years from the time you first elected to make a Roth Deferral under the Plan.

EXAMPLE: Assume your Compensation is $25,000 per year. You decide to make a voluntary post-tax Roth Deferral equal to 5% of your Compensation into the Plan. The College will pay you $23,750 and will deposit $1,250 (5% of your Compensation) into the Plan. You will include the entire $25,000 in your taxable income for the year in which it was earned even though you only received $23,750. Eventually, when you withdraw the $1,250 contribution from the Plan, it will be tax free (along with all of the earnings that have accumulated on your Roth Deferrals) if you take a "qualified distribution." Thus earnings on your Roth Deferrals will never be taxed if you take a "qualified distribution."

Age 50 catch-up contributions

If you are or if you turn age 50 during a calendar year, you may defer up to an extra catch-up amount of $6,000 each year (for 2019) into the Plan as a pre-tax or post-tax Roth Deferral once you meet certain plan limits. The maximum catch-up amount will increase as the cost of living increases.

Catch-up contributions (and the related earnings) are considered voluntary Deferrals and are always fully vested. So, if you were to leave the College, you would be entitled to the full catch-up balance (including earnings).

How do I start making contributions?

To begin deferring a portion of your Compensation into the Plan, you must follow the procedures established by the College.

What if I don't make a specific voluntary Deferral election to contribute some of my Compensation into the Plan?

You are not required to contribute a portion of your Compensation into the Plan until you have satisfied the Year of Eligibility Service requirement for the Mandatory Employee Contributions. If you elect 0% or you simply fail to follow the procedures established by the College for making a voluntary Deferral election, you will not be enrolled in the Plan as a deferring Participant. When you have satisfied the Year of Eligibility Service requirement for Mandatory Employee Contributions, those contributions will be deducted from your Compensation. The Mandatory Employee Contributions are a condition of your employment with the College. If you do not elect an investment option, your Mandatory Employee Contributions will default into a qualified default investment which is a life cycle fund.

Can I change my contribution rate or stop making contributions after I start participating in the Plan?

If you are an eligible faculty or exempt employee described on page 4 of this SPD, you are required to make Mandatory Employee Contributions. Mandatory Employee Contributions cannot be stopped or changed.

You may change the amount of your voluntary Deferrals or stop making voluntary Deferrals altogether at any time, subject to such reasonable restrictions as the Plan Administrator may establish. Once you stop your voluntary Deferrals, you may restart voluntary Deferrals at any time, subject to such reasonable restrictions as the Plan Administrator may establish.

What amounts of Mandatory Employee Contributions am I required to make to the Plan?

Eligible faculty and exempt employees described on page 4 of this SPD who have satisfied the Year of Eligibility Service requirement are required to make Mandatory Employee Contributions in the amount of 2% of base Compensation up to the Taxable Wage Base, which is $132,900 for 2019, and 5% of base Compensation above the Taxable Wage Base. Mandatory Employee Contributions are contributed on a pre-tax basis. That means that, unlike the Compensation that you actually receive, the amount of the Mandatory Employee Contribution will not be taxed to you in the year it is contributed to the Plan. Instead, it will be taxable to you (together with the earnings on these contributions) when you take a distribution of these amounts from the Plan. The Mandatory Employee Contribution is not a voluntary Deferral and does not reduce the maximum voluntary regular or age 50 catch-up Deferral that you are permitted to make.

EXAMPLE: Assume your base Compensation is $25,000 per year. You are required to contribute 2% of your base Compensation into the Plan as a Mandatory Employee Contribution. The College will pay you $24,500 as gross taxable income and will deposit $500 (2%) into the Plan. You will not pay taxes on the $500 (plus earnings on the $500) until you withdraw these amounts from the Plan.

Mandatory Employee Contributions (and the related earnings) are always fully vested and cannot be forfeited. So, if you were to leave the College, you would be entitled to the full Mandatory Employee Contribution balance (including earnings).

What does the College contribute to the Plan?

Each year that you are required to make the 2% and, if applicable to you, 5% Mandatory Employee Contributions into the Plan, the College will make a Matching Contribution on your behalf equal to 10% of your base Compensation up to the Taxable Wage Base and 12% of your base Compensation in excess of the Taxable Wage Base. If you are not required to make Mandatory Employee Contributions, you will not receive a Matching Contribution.

If I have money in other retirement plans, can I combine it with my accumulation under the Plan?

Rollovers

The Plan Administrator may allow you to roll over certain amounts you have saved in other retirement arrangements into the Plan after you become eligible to participate in the Plan. The Plan Administrator will provide you with the documents or other information you need to determine whether your prior plan balance is qualified to be rolled into the Plan.

The Plan will accept amounts rolled over from a prior plan to the Plan if your prior plan was a:

- qualified retirement plan (*e.g.*, 401(k) plan, profit sharing plan, money purchase pension plan),
- 403(b) plan,
- government 457(b) plan, or
- Traditional IRA

Rollover contributions (and related earnings) are always 100 percent vested and nonforfeitable.

Are there any limits on how much can be contributed for me?

In addition to the voluntary Deferral limit described previously, you may not have total contributions (voluntary Deferrals, Mandatory Employee Contributions and Matching Contributions) of more than $56,000 in 2019 plus any age 50 catch-up contributions, or an amount equal to 100% of your total Compensation, whichever is less, made to the Plan for your benefit each year. The $56,000 limit will be increased as the cost of living increases.

Will contributions be made for me if I am called to military service?

If you are reemployed by the College after completing military service, you may be entitled to receive certain make-up contributions from the College. You may also have the option of making up missed voluntary Deferrals. Contact the Plan Administrator for more information about your options under the Uniformed Services Employment and Reemployment Rights Act (USERRA).

Will I be able to keep my College Matching Contributions if I terminate employment or am no longer eligible to participate in the Plan?

Matching Contributions that you receive from the College (together with earnings) will always be fully vested and cannot be forfeited, even if you terminate employment or become ineligible to participate in the Plan.

<u>WITHDRAWING MONEY FROM THE PLAN</u>

When can I take a distribution from the Plan?

You may request a distribution of your voluntary Deferrals (including earnings) when you:

- terminate employment,
- become Disabled,
- reach age $59^1/_2$, or
- experience a hardship (as explained below).

You may request a distribution of your Matching Contributions and your Mandatory Employee Contributions when you terminate employment.

You may elect a distribution of your rollover contributions at any time subject to the restrictions in the Individual Agreements.

The Individual Agreements governing the investment options that you selected for your Plan contributions may contain additional limits on when you can take a distribution, the form of distribution that may be available, and your right to transfer among approved investment options. Please review both the information in this SPD and the terms of your Individual Agreements before requesting a distribution. Contact the College or the investment vendor if you have questions regarding your distribution options.

May I get a distribution if I have a financial hardship?

If you experience a financial hardship, you may take a distribution from your voluntary Deferrals (excluding earnings on such Deferrals), unless restricted under the terms of the Individual Agreements.

The following events qualify as a hardship distribution under the Plan:

- medical expenses for you, your spouse or your dependents, or your beneficiary,
- payment to purchase your principal residence,
- tuition and education-related expenses for you, your spouse or your dependents, or your beneficiary,
- payments to prevent eviction from your principal residence,
- funeral expenses for you, your spouse or your dependents, or your beneficiary,
- payments to repair your principal residence that would qualify for a casualty loss deduction (without regard to the requirement that the loss be attributable to a federally declared disaster), and
- expenses and losses (including loss of income) you experience because of a Federal Emergency Management Agency (FEMA) declared disaster if your principal residence or place of employment is located in FEMA-designated disaster area at the time of the disaster.

Before you take a hardship distribution from your voluntary Deferrals, you must take all other distributions (other than hardship distributions and nontaxable loans) available to you under the Plan. If you are under age $59^1/_2$, the amount you take out of the Plan as a hardship distribution may be subject to a 10 percent penalty tax.

You may be able to take a penalty-free distribution from your voluntary Deferrals if you were called to active military duty after September 11, 2001. In order to qualify for these penalty-free distributions, you must have been ordered or called to active duty for a period of at least 180 days or an indefinite period and your distribution must have been taken after you were called to duty and before your active duty ended.

You should consult with the Plan Administrator if you believe you have a financial hardship that will qualify you for a distribution.

How do I request a distribution?

You must complete a distribution request form provided or approved by the Plan Administrator or follow other procedures established by the Plan Administrator for processing distributions.

If you are taking a hardship distribution, you must provide documents to verify that you have a hardship event that qualifies for a hardship distribution and represent that you have insufficient cash or other liquid assets to satisfy the hardship need.

If I am married, does my spouse have to approve my distributions from the Plan?

If you are married, you must get written consent from your spouse to take a distribution from the Plan in any form other than a qualified joint and survivor annuity. Your spouse's consent is also needed if you want to name someone other than your spouse as your beneficiary. The qualified joint and survivor annuity is structured to provide a benefit while you and your spouse are both alive and a survivor benefit that is equal to 50 percent of the amount you received while you were both living. You can designate a different survivor percentage subject to certain limits under the qualified optional survivor annuity regulations. The Plan Administrator will provide you with more information regarding your annuity options when it comes time for you to make a decision. You must follow the procedures established by the Plan Administrator to document your spouse's consent to waive the annuity and take the payment in some other form permitted by the Plan. Your spouse must also consent to any Plan loans that you request. For purposes of the Plan, “spouse” means the person to whom you are legally married for purposes of federal law.

How will my money be distributed to me if I request a distribution from the Plan?

If you obtain the proper consents, you may choose from the following options for your distribution:

- Lump sum,
- Partial payments,
- Installment payments,
- Annuity contract (if assets are held in a custodial account) or converted to an income option (if your assets are invested in an annuity contract).

The Individual Agreements governing the investment options that you have selected for your contributions may further restrict your distribution options. Please review the annuity contracts or custodial agreements before requesting a distribution and contact the Plan Administrator or the investment vendor if you have questions regarding your distribution options.

If your distribution is eligible to be rolled over, you may choose to have your distribution paid to another eligible retirement arrangement. Contact the Plan Administrator for information regarding rollover procedures.

Do any penalties or restrictions apply to my distributions?

Generally, if you take a distribution from the Plan before you are age $59^1/_2$, a 10 percent early distribution penalty will apply to the taxable portion of your distribution. There are some exceptions to the 10 percent penalty. Your tax adviser can assist you in determining whether you qualify for a penalty exception.

If your distribution is eligible to be rolled over, 20 percent of the taxable portion of your distribution will be withheld and remitted to the IRS as a credit toward the taxes you will owe on the amount unless you do a direct rollover to another eligible retirement arrangement.

EXAMPLE: You request a $10,000 distribution from the pre-tax portion of your Plan balance. If the amount is eligible to be rolled over to another plan, but you choose not to roll it over directly, you will receive $8,000 and $2,000 will be remitted to the IRS.

<u>PLAN LOANS</u>

Can I take a loan from the Plan?

Although the Plan is designed primarily to help you save for retirement, you may take a loan from the Plan as outlined below. The Individual Agreements governing the investment options that you selected for your Plan contributions may contain additional limits on when or whether you can take a loan. Please review both the information in this SPD and your Individual Agreements before requesting a loan. Contact the Plan Administrator or the investment vendor if you have questions regarding your loan options.

Loans will only be made from the balance of your voluntary pre-tax Deferrals, rollover contributions and employee after tax contributions, that is, you may not borrow against your account balances from post-tax Roth Deferrals, Mandatory Employee Contributions, or Matching Contributions.

Generally the minimum loan amount that you may take is $1,000 and the maximum loan amount is the lesser of $50,000 or one-half of your vested Plan account. The maximum amount you can borrow may be less, however, depending on two factors: 1) the amount of your accumulation under the Plan, and 2) whether you have taken other loans from any of the College's plans within the last year. If you have not had a plan loan in the previous year, your maximum loan cannot be greater than one-half of your vested account balance or $50,000, whichever is less. If you have had another loan, the $50,000 maximum will be reduced by the highest outstanding loan balance in the 12 month period prior to the new loan.

Additional loan limits may be imposed by the investment vendor.

If your loan is used to purchase a primary residence, you must repay it within ten years. Other loans must be repaid within one to five years.

How do I apply for a loan?

To apply for a loan contact your investment vendor regarding your loan options.

Your investment vendor will administer the loan program and will consider the vested portion of your account when reviewing your loan request.

What is the interest rate for my loan?

The interest rate for your loan will vary in accordance with the terms set forth by your investment vendor.

What if I don't repay my loan?

You will be required to repay the loan amount (plus interest) to the Plan.

If you default on the loan, you will be taxed on the amount of the outstanding loan balance and will be subject to a 10 percent penalty if you are under age $59^1/_2$. In addition, the College has the right to foreclose its security interest in the portion of your vested account under the Plan that you pledged as security for the loan, when an event allowing a Plan distribution occurs. The following events will cause a loan default:

- Not repaying your loan as set forth in your loan agreement,
- Breaching any of your obligations under your loan agreement, or
- Severing your employment (for loans from mutual funds in custodial accounts).

What if I die before receiving all of my money from the Plan?

If you die before taking all of your assets from the Plan, the remaining balance will be paid to your designated beneficiary. To designate or change your beneficiary, you must contact your investment vendor. If you are married and decide to name someone other than your spouse as your beneficiary, your spouse must consent in writing to your designation. It is important to review your designation from time to time and update it if your circumstances change (*e.g.,* a divorce, death of a named beneficiary).

If you do not name a beneficiary, your balance will be paid to your surviving spouse unless a different alternative is provided in your Individual Agreement. If you do not name a beneficiary and have no surviving spouse, your remaining balance in the Plan will be paid to your estate, unless a different alternative is provided in the Individual Agreement.

Distributions to your beneficiary will be made in accordance with the applicable provisions of your Individual Agreements.

How long can I leave the money in my Plan?

When you terminate from employment, your balance will generally not be paid out of the Plan until you request a payout from the College.

Age $70^1/_2$ Required Distributions

When you reach age $70^1/_2$ if you are no longer working for the College, you will generally need to begin taking a distribution each year based on your balance in the Plan. If you are working for the College, however, you can delay the required distribution until you terminate from employment with the College. For purposes of this requirement if you work for the College on a part-time basis, you will be treated as having terminated employment during a calendar year if you work less than 40 hours during any month of the calendar year.

What if the Plan is terminated?

If the Plan is terminated, your entire account balance will be distributed from the Plan. To the extent you are invested in an annuity contract, you will receive a distribution of the contract.

INVESTING YOUR PLAN ACCOUNT

What investments are permitted?

The Retirement Committee (or someone appointed by the Retirement Committee) will select the investment vendors and investment options that will be available under the Plan. The investment options will be limited to annuity contracts and mutual funds purchased through a custodial account. The list of approved investment options and vendors may change from time to time as the Retirement Committee considers appropriate. The current investment vendors are TIAA and Fidelity Investments. The Retirement Committee may restrict the list of vendors who may accept new contributions to the Plan and it may be different from the list of vendors and investment options available once the contributions have been made to the Plan through a contract exchange. You should carefully review the Individual Agreements governing the annuity contracts and custodial accounts, the prospectus, or other available information before making investment decisions.

Who is responsible for selecting the investments for my contributions under the Plan?

You have the right to decide how your Plan balance will be invested. The College will establish administrative procedures that you must follow to select your investments. The College will designate a list of vendors and investment options that you may select for new contributions to the Plan. You will have the ability to transfer your Plan balance among these vendors and investment options, to the extent permitted by the Individual Agreements. Contact the Plan Administrator if you are not certain whether a particular vendor or investment option is permitted under the Plan.

If you do not select an investment option, your Plan contributions will default into a qualified default investment alternative, which is a life cycle fund. Furthermore, if you do not select an investment vendor for your Mandatory Employee Contributions and your Matching Contributions by the time you first become eligible for such contributions, your default investment vendor for these contributions will be Fidelity Investments.

The College intends to operate the Plan in compliance with Section 404(c) of the Employee Retirement Income Security Act (ERISA), and Title 29 of the Code of Federal Regulations Section 2550.404c-1. This means that the College and others in charge of the Plan will not be responsible for any losses that result from investment instructions given by you or your beneficiary.

How frequently can I change my investment elections?

You may change your initial investment selections as frequently as permitted under the Individual Agreements.

ADMINISTRATION INFORMATION AND RIGHTS UNDER ERISA

Who established the Plan?

The official name of the Plan is the College of the Holy Cross 403(b) Defined Contribution and Group Supplemental Retirement Plan.

The Plan Sponsor and Plan Administrator is:

College of the Holy Cross
1 College Street
Worcester, MA 01610-2395

508.793.2426

Federal Tax Identification Number: 04-2103558

The College has assigned Number 001 to the Plan.

The Plan is a 403(b) defined contribution plan, which means that contributions to the Plan made on your behalf (and earnings) will be separately accounted for within the Plan.

Who is responsible for the operations of the Plan?

The College has appointed a Retirement Committee to assist the College in the administration of the Plan. The official name of the Retirement Committee is the 403(b) Defined Contribution and Group Supplemental Retirement Plan Committee. The members of the Retirement Committee are employees of the College selected by the College.

Who pays the expenses associated with operating the Plan?

All reasonable Plan administration expenses including those involved in retaining necessary professional assistance may be paid from the assets of the Plan, to the extent permitted by the Individual Agreements. These expenses may be allocated among you and all other Plan Participants or, for expenses directly related to you, charged against your account balance. Examples of expenses that may be directly related to you include general recordkeeping fees and expenses related to processing your distributions, plan loans, qualified domestic relations orders, and your ability to direct the investment of your Plan balance. Finally, the College may, in its discretion, pay any or all of these expenses. For example, the College may pay expenses for current employees, but may deduct the expenses of former employees directly from their accounts.

Does the College have the right to change the Plan?

The College has the authority to amend the Plan from time to time to incorporate changes required by the law and regulations governing retirement plans. The College also has the right to amend or terminate the Plan to add new features or to change or eliminate various provisions. Except as permitted by law, the Plan cannot be amended to take away or reduce protected benefits under the Plan.

Does participation in the Plan provide any legal rights regarding my employment?

The Plan does not intend to, and does not provide, any additional rights to employment or constitute a contract for employment.

Can creditors or other individuals request a payout from my Plan balance?

Creditors and others generally may not request a distribution from your Plan balance. One major exception to this rule is that the College may distribute or reallocate your benefits in response to a qualified domestic relations order. A qualified domestic relations order is an order or decree issued by a court that requires you to pay child support or alimony or to give a portion of your Plan account to an ex-spouse or legally separated spouse. The College will review the order to ensure that it meets certain criteria before any money is paid from your account. You may obtain, at no charge, a copy of the procedures the College will use for reviewing and qualifying domestic relations orders.

How do I file a claim?

To claim a benefit that you are entitled to under the Plan, you or your authorized representative must file a written request with the 403(b) Defined Contribution and Group Supplemental Retirement Plan Committee, College of the Holy Cross, 1 College Street, Worcester, MA 01610-2395. The claim must set forth the reasons you believe you are eligible to receive benefits and you must authorize the Retirement Committee to conduct any necessary examinations and take the steps to evaluate the claim.

What if my claim is denied?

If your claim is denied, the Retirement Committee will provide you (or your authorized representative) with a written notice of the denial within 90 days of the date your claim was filed (or within 180 days if special circumstances require an extension of time for processing the claim, and if written notice of such an extension and circumstances is given to you within the initial 90 day period).

The notification will provide the following:

- The specific reason or reasons for the denial,
- Reference to the specific sections of the Plan on which the denial is based,
- A description of any additional information that you must provide before the claim may continue to be processed and an explanation of why such information is necessary, and
- A description of the Plan's review procedures and the time limits applicable to such procedures, including a statement of your right to bring a civil action under Section 502(a) of the Employee Retirement Income Security Act (ERISA) following a claim denial on review.

May I appeal the decision of the Retirement Committee?

You or your authorized representative will have 60 days from the date you receive a notice of claim denial in which to appeal the Retirement Committee's decision.

You may submit written comments, documents, records, and other information relating to your claim. In addition, you will be provided, upon request and free of charge, reasonable access to, and copies of, all documents, records, and other information pertaining to your claim.

Your appeal will take into account all comments, documents, records, and other information submitted by you relating to the claim, even if the information was not included originally.

- Your claim will be reviewed by the Retirement Committee.
- You or your authorized representative will be notified of the outcome of your appeal no later than 60 days after receipt of your request for the appeal, unless the Retirement Committee determines that special circumstances require an extension of up to 60 more days for processing the claim. If the Retirement Committee determines that an extension of up to 60 or more days is required, written notice of the extension will be provided to you before the end of the initial 60-day period. The notice will identify the special circumstances requiring an extension and the date by which the Plan expects to make a decision regarding your claim.
- If your claim is denied on appeal, the notification will include a statement of your rights to review or request (free of charge) copies of pertinent documents and to file a suit in federal or state court with respect to the denial of the claim.

If I need to take legal action with respect to the Plan, who is the agent for service of legal process?

The College is the agent to be served with legal papers regarding the Plan.

Are there limits on my ability to take legal action with respect to the Plan?

You may not bring a lawsuit on a claim for benefits unless you have exhausted the claim and appeal procedures described above. Any lawsuit must be brought within 36 months after the date of the final determination under the claim and appeal process.

If the Plan terminates, does the federal government insure my benefits under the Plan?

If the Plan terminates, you will remain entitled to your entire balance under the Plan. You will be entitled to take your entire balance from the Plan following termination. The Plan is not the type of plan which is insured by the Pension Benefit Guarantee Corporation, the government agency that insures certain pension plan benefits upon plan termination.

What are my legal rights and protections with respect to the Plan?

As a Participant in the Plan, you are entitled to certain rights and protections under ERISA. ERISA provides that all Plan Participants shall be entitled to do the following:

<u>Receive Information About Your Plan and Benefits</u>

- Examine, without charge, at the College's office and at other specified locations all Plan documents governing the Plan, including insurance contracts, and a copy of the latest annual report (Form 5500 Series) filed by the Plan with the U.S. Department of Labor and available at the Public Disclosure Room of the Employee Benefits Security Administration.
- Obtain, upon request to the College, copies of documents governing the operations of the Plan, including insurance contracts and copies of the latest annual report (Form 5500 Series) and updated Summary Plan Description (SPD). The College may charge a reasonable fee for the copies.
- Receive a summary of the Plan's annual financial report. The College is required by law to furnish each Participant with a copy of the Summary Annual Report.
- Obtain, as frequently as required by law, a statement of your total plan benefits accrued and your vested plan benefits free of charge.

<u>Prudent Actions by Plan Fiduciaries</u>

In addition to creating rights for Plan Participants, ERISA imposes duties upon the people who are responsible for the operation of the Plan. The people who operate your Plan, called "fiduciaries" of the Plan, have a duty to do so prudently and in the interest of you and other Plan Participants and beneficiaries. No one, including the College or any other person, may fire you or otherwise discriminate against you in any way to prevent you from obtaining a pension benefit or exercising your rights under ERISA.

<u>Enforce Your Rights</u>

If your claim for a benefit is denied or ignored, in whole or in part, you have a right to know why this was done, to obtain copies of documents relating to the decision without charge, and to appeal any denial, all within certain time schedules. Under ERISA, there are steps you may take to enforce the above rights. For instance, if you request a copy of Plan documents or the latest annual report from the Plan and do not receive them within 30 days, you may file suit in a Federal court. In such a case, the court may require the College to provide the materials and pay you up to $110 a day until you receive the materials, unless the materials were not sent because of reasons beyond the control of the College. If you have a claim for benefits which is denied, or ignored, in whole or in part, you may file suit in a state or Federal court. In addition, if you disagree with the Plan's decision or lack thereof concerning the qualified status of a domestic relations order or a medical child support order, you may file suit in Federal court. If it should happen that Plan fiduciaries misuse the Plan's money, or if you are discriminated against for asserting your rights, you may seek assistance from the U.S. Department of Labor, or you may file suit in a Federal court. The court will decide who should pay court costs and legal fees. If you are successful, the court may order the person you have sued to pay the costs and fees. If you lose, the court may order you to pay these costs and fees, for example, if the court finds your claim is frivolous.

Assistance with Your Questions

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

DEFINITIONS

College — College of the Holy Cross.

Compensation — The definition of Compensation under the Plan can vary depending upon the purpose (*e.g.*, contributions, nondiscrimination testing, tax deductions).
In general, for purposes of making voluntary pre-tax and Roth Deferrals, the amount of your earnings from the College taken into account under the Plan is all earnings reported to you on Form W-2. In general, for purposes of Mandatory Employee Contributions and Matching Contributions, the amount of your earnings from the College taken into account under the Plan is limited to your base Compensation paid to you after you become eligible for such contributions. Base compensation does not include (1) bonuses, (2) overtime, (3) lump sum payments relating to the non-renewal of contracts or tenure buy-outs, if any, paid to faculty, (4) amounts paid to faculty for research or other services performed during intersessions or summer sessions, (5) amounts paid to exempt employees for supplemental duties performed that are not a condition of regular employment or for hours worked beyond a normal work week, (6) imputed income, tuition remission or assistance, taxable fringe benefits such as group term life insurance, and expense reimbursements, or (7) stipends.

Compensation will include amounts that are not included in your taxable income that were deferred under a cafeteria plan, a 401(k) plan, a 403(b) tax-sheltered annuity plan, a 457(b) deferred compensation plan of a state or local government or tax-exempt employer, or transportation fringe benefits that you receive.

For purposes of all types of contributions under the Plan, Compensation does not include accrued vacation, sick or other leave payouts, severance or other payments made on or following severance from employment except for payments of regular pay made after severance from employment but not later than the later of $2^1/_2$ months after severance from employment or the last day of the Plan Year in which severance from employment occurs. Amounts paid under a separation or salary continuation agreement between the College and an Employee following a severance from employment are not "regular pay" and are not included in Compensation.

The measuring period for Compensation will be the Plan Year.

The maximum amount of Compensation that will be taken into account under the Plan is $280,000 (for 2019). This amount increases as the cost of living rises.

Deferrals — Deferrals are the dollars you choose to contribute to the Plan through payroll deduction on pre-tax or Roth (post-tax) basis.

Disabled — You will be considered Disabled if you are disabled within the meaning of the College's long-term disability plan.

Highly Compensated Employee — A Highly Compensated Employee is any employee who for the previous year had Compensation from the College greater than $125,000 (for 2019).

The $125,000 threshold is increased as the cost of living rises.

Individual Agreements — All contributions to the Plan will be invested at your direction either in annuity contracts or in mutual funds held in custodial accounts. The agreements between the vendor and the College or you that constitute or govern the annuity contracts and custodial accounts are referred to as Individual Agreements. The Individual Agreements explain the unique rules that apply to each Plan investment and may, in some cases, limit your options under the Plan, including your transfer and distribution rights.

Leased Employee — A Leased Employee is an individual described in Internal Revenue Code section 414(n).

Mandatory Employee Contributions — Mandatory Employee Contributions are pre-tax contributions that you are required to make to the Plan as a condition of employment.

Matching Contribution — The College may make Matching Contributions to the Plan based on the amount of Mandatory Employee Contributions you contribute to the Plan.

Normal Retirement Age — Age 65 is considered the Normal Retirement Age under the Plan.

Participant — An employee of the College who has satisfied the eligibility requirements and entered the Plan is referred to as a Participant.

Plan — The College of the Holy Cross 403(b) Defined Contribution and Group Supplemental Retirement Plan is the Plan described in this Summary Plan Description.

Plan Administrator — The College is the Plan Administrator.

Plan Year — The calendar year will serve as the Plan Year.

Taxable Wage Base — The Social Security Administration sets a contribution and benefit base level each year which is referred to as the Taxable Wage Base. The Taxable Wage Base changes from time to time. The Taxable Wage Base in 2019 is $132,900.

Year of Eligibility Service — A 12-consecutive month period, measured from your date of hire with the College, during which you are credited with a 1,000 or more hours of service. Employees for whom the College is not tracking actual hours of service will be credited with 95 hours of service for each semi-monthly payroll period worked. If you do not complete 1,000 hours during the initial 12-consecutive month period, subsequent Years of Eligibility Service will be measured with reference to the Plan Year.