

SANTA CLARA UNIVERSITY
DEFINED CONTRIBUTION RETIREMENT PLAN
SUMMARY PLAN DESCRIPTION

2022

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I. Introduction And Purpose

This Summary Plan Description (“SPD”) explains the basic provisions of the Santa Clara University Defined Contribution Retirement Plan (the “Plan”). Federal regulations require that you be informed of the benefits that the Plan provides, the persons responsible for the operation of the Plan, and your obligations and rights under the Plan. If you do not understand any part of the SPD, a representative of the Plan Administrator is available to explain it to you or to answer your questions. Generally, Santa Clara University (the “University”) is the Plan Administrator.

The detailed provisions of the Plan do not appear in this SPD. They are set forth in the Plan document that establishes the Plan. Copies of the Plan document are available for your inspection at the offices of the University at 500 El Camino Real, Santa Clara, California 95053. If you would like a copy, the Plan Administrator will provide you with a copy upon your request, at a charge to you to cover the costs of duplication. Although no differences between the Plan and this SPD are intended, the terms of the Plan will govern in the event any differences arise. Terms that are capitalized in this SPD have the same meaning as those terms have in the Plan.

The Plan is established and maintained solely for the benefit of Plan Participants and their Beneficiaries. The provisions of the Plan will be applied uniformly and consistently to all Participants.

II. Who Is Eligible To Participate In The Plan?

Generally, any employee of the University is eligible to participate in the Plan, except for the following employees:

- Student Employees,
- Visiting faculty,
- Faculty Post-Doctoral Fellows,
- Faculty who do not have an academic year appointment,
- Part-time Employees, other than faculty who have a calendar year appointment, who do not complete a Year of Service in an eligibility period,
- On-call Employees,
- Leased Employees,
- Certain non-resident aliens,
- Members of the Jesuits or other religious orders who have taken a vow of poverty,
- Employees covered by a collective bargaining agreement, unless such agreement specifically provides for participation in the Plan,

- Any Employee whose terms of employment provide that he or she is ineligible for the Plan,
- Any individual who is not classified by the Employer as an Employee (but, for example is classified as an independent contractor) even if such individual is later determined to be an Employee, and

Generally, references to the “University” shall also mean the Jesuit School of Theology of Santa Clara University, and, unless noted above, employees of the Jesuit School of Theology of Santa Clara University shall participate in the Plan.

If you are characterized as a part-time employee by the University, you will be credited with a “Year of Service” for eligibility purposes if you complete at least 1,000 “Hours of Service” during the 12-month period commencing on the date you started working for the University. If you are not credited with at least 1,000 Hours of Service during this period, you will be credited with a Year of Service during any Plan Year (which is the 12-month period that ends December 31) that begins after the date you started working for the University and in which you are credited with at least 1,000 Hours of Service.

An “Hour of Service” is any hour for which you have a right to be paid. This includes hours of vacation, holidays, illness, back-pay and the time you are on a paid, approved leave of absence.

There is no age requirement for eligibility to participant in the Plan.

III. When Does Participation in the Plan Begin?

Each eligible employee described in **Question I. Who is Eligible to Participate in the Plan?**, other than those employees classified as part-time employees, may begin to participate in the Plan on the first day of the month coinciding with or next following his or her date of hire. An employee who is classified as part-time employee may begin to participate in the Plan on the first day of the month coincident with or next following his or her completion one Year of Service.

Example 1: Joe is given an academic year appointment and starts to work for the University on September 17, 2022. Joe will become a participant in the Plan on October 1, 2022.

Example 2: Susan starts to work from the University as a part-time administrative assistant on May 5, 2018. She completes 1,000 Hours of Service in the May 5, 2018-May 4, 2019 period. Susan will become a participant in the Plan on June 1, 2019 if she is still employed on that date.

Example 3: Assume the same facts as Example 2 in this Question III except Susan does not complete 1,000 Hours of Service in the May 5, 2018-May 4, 2019 time period. She will not become a participant on June 1, 2019. Susan completes 1,000 Hours of Service in the January 1, 2019-December 31, 2019 period. Therefore, Susan becomes eligible to participate in the Plan on January 1, 2020.

If you have satisfied the University's service requirement, but you are excluded from participation in Plan because you are an excluded employee, you will become a participant in the Plan as soon as you cease to be an excluded employee, or if later, the date that you would have otherwise entered the Plan, while still working for the University. If you are an eligible employee and your classification changes to a class of employee that is not eligible to participate in the Plan, you will become a participant in the Plan on the date you again are an eligible employee. However, if you are a part-time employee, you will not become ineligible solely because you fail to complete at least 1,000 hours in any future Plan Year.

Example 4: Jennifer is a faculty member who receives an academic year appointment and she starts to work for the University on April 10, 2021. She begins participation on May 1, 2021. After her academic year appointment ends, Jennifer is offered a quarterly appointment, which begins on April 15, 2022. Because she no longer has an academic year appointment, Jennifer is no longer classified as an eligible employee on April 15, 2022. She will not participate in the Plan until the date on which she again becomes an eligible employee.

Example 5: Assume the same facts as in Example 3 of this Question III except that Susan fails to work 1,000 hours for the January 1, 2021 - December 31, 2021 period. Susan will remain a participant, and receive a contribution in 2021. However, she will not receive a year of service for the year for vesting purposes. See Question VII. *What Is Vesting And How Much Is Vested?*

If you cease being a participant in the Plan because you have terminated employment with the University, and you are later rehired by the University as an eligible employee, you will begin to participate in the Plan as of the date you are rehired.

Example 6: Assume the same facts as in Example 1 of this Question III, except that Joe stops working for the University on December 31, 2021 and comes back to work as an eligible employee for the University on July 17, 2022. Joe will become a participant in the Plan on July 17, 2022.

IV. Do I Have to Contribute Money to the Plan in Order To Participate?

No. You are not required to contribute any money to participate in the Plan.

V. How Are Contributions Made To The Plan?

1. Employer Contributions. Generally, the University will make a contribution on your behalf in an amount equal to 10% of your Compensation each Plan Year that you are eligible to share in contributions. You will be eligible to share in the contributions in any year in which you are a participant and actively employed during the year, even if you terminate employment at any time during the Plan Year.

“Compensation” generally means your base salary for a Plan Year, including amounts you elect to have contributed to the Santa Clara University Tax-Deferred Annuity Plan, if any, and other similar fringe benefits, but excluding bonuses, overtime, summer supplements or shift differentials or other special amounts or payments. (The Plan Year is the calendar year.) Certain

severance payments are included, while others are excluded. The tax laws limit the maximum amount of Compensation that may be taken into account for Plan purposes with respect to any Participant for any Plan Year. For the 2022 Plan Year, this limit is \$305,000. The Internal Revenue Service may adjust this \$305,000 limit for Plan Years after 2022 to reflect changes, if any, in the cost of living.

For your initial year of participation, Compensation shall be recognized as of the date your participation begins. For any year in which you are an eligible employee but become an ineligible employee (or are an ineligible employee and then become an eligible employee), your Compensation will include only Compensation while you are an eligible employee.

Example 1: Fred is hired into a full-time eligible position on September 2, 2020 and becomes a participant on October 1, 2020. His Compensation for 2020 is \$16,000, of which \$11,000 was earned on or after October 1. Because Compensation is only recognized from the date an employee becomes a participant, Fred's contribution for 2020 is \$1,100 ($11,000 \times 10\%$).

Example 2: Assume the same facts as in Example 1 of this Question. Fred continues to work in 2021, but he becomes an on-call employee on July 21, 2021. Also assume \$30,000 of Fred's compensation for 2021 was attributable to when he was eligible for the Plan, and \$18,000 was attributable to when he was an on-call employee. Although Fred's total Compensation for the 2021 Plan Year was \$48,000, his 2021 contribution will be an amount equal to 10% of his Compensation while an eligible employee, which is \$3,000 ($10\% \times \$30,000$).

2. ***Rollover Contributions.*** You may under some circumstances “roll over” to the Plan distributions that you have received from another tax-qualified plan or individual retirement account, if the rollover meets certain requirements under the Plan and the tax laws. Please contact the Plan Administrator if you would like to make a rollover contribution.

After-tax contributions are not permitted under the Plan.

Contributions made by the University because of a mistake in fact may be returned to the University.

VI. Are There Limits On the Amounts That Can Be Contributed Under The Plan?

The tax laws impose on the total amounts that may be contributed on your behalf in any Plan Year. You will be notified if any of these limits become applicable to you.

VII. What Is Vesting And How Much Is Vested?

A vested benefit is that portion of your Plan benefit that belongs to you unconditionally. It can never be forfeited, even if your employment with the University terminates.

Your Rollover Account, which records any rollovers you have made the Plan, is always 100% vested. Your Pension Account, which records all of the University's contributions and forfeitures allocated to you, becomes vested in accordance with the following schedule:

<u>Years of Service</u>	<u>Percent Vested</u>
less than 2 years	0 %
more than 2 years	100 %

For purposes of vesting, generally you are credited with a Year of Service for each Plan Year (January 1 through December 31) in which you are credited with at least 1,000 Hours of Service. See Question **II. Who Is Eligible To Participate In the Plan?** for an explanation of what an "Hour of Service" is. For any individual who was an employee of the Jesuit School of Theology at Berkeley ("JSTB") immediately prior to becoming an Employee of Santa Clara University, Years of Service shall also include your total period of employment with JSTB.

If you are not vested in your account when you leave, you will forfeit the non-vested amount. Under certain circumstances, your account balance may be restored if you are re-hired by the University.

If you die while still employed by the University, or terminate your employment with the University as the result of a Disability or are still employed by the University when you attain Normal Retirement Age (age 65), your benefits in the Plan become 100% vested at that time, regardless of the number of your Years of Service. "Disability" as defined under the Plan, is a physical or mental condition resulting from bodily injury, disease, or mental disorder which renders you incapable of continuing any gainful occupation.

VIII. How Will Contributions Made On My Behalf Be Invested?

You direct the Trustee as to how you want your Plan Account invested among the choices made available to you by the Plan Administrator. You have two investment fund sponsors within the Plan:

- You may invest in one or more of a number of mutual funds available through Fidelity Investment Services; or
- You may invest in one or more of a number of funds available through TIAA-CREF.

If you have your investments at Fidelity, you may change among the Fidelity funds at any time or if you have your investments at TIAA-CREF, you may change among the TIAA-CREF funds at any time. You may also change your fund sponsor election (TIAA-CREF or Fidelity) throughout the Plan Year.

You may access you accounts as follows:

Fidelity Investments:	http://www.fidelity.com/atwork	or 1-800-343-0860
TIAA-CREF:	http://www.tiaa-cref.org	or 1-800-842-2776

You must follow the Plan's procedures for giving investment direction. If you fail to follow the established procedures, then your investment directions may not be followed. You are not required to direct investments. If you do not direct your investments, all new contributions to your Pension Account automatically will be invested in the Fidelity Freedom Fund that most closely aligns with year you are anticipated to retire (the year you reach age 65) until you elect to change how contributions made on your behalf are invested. Because you may estimate your retirement to be earlier or later than the year you reach age 65, carefully consider whether this option is best for you. If contributions are made on your behalf default into a Fidelity Freedom Fund, you may change your investment choice at any time by accessing your accounts, as discussed above;

The Plan is intended to be a "Section 404(c)" Plan. This means that the Plan is intended to constitute a plan described in Section 404(c) of the Employee Retirement Income Security Act of 1974 ("ERISA"), and Title 29 of the Code of Federal Regulations § 2550.404c-1 (the "404(c) Regulations"), under which the Plan fiduciaries, including the University, will not be liable for losses that are the direct and necessary result of investment instructions which you give. Additionally, if you fail to give investment direction, Plan fiduciaries will not be liable for any losses that are the direct result of placing your account in the Fidelity Freedom Fund.

The Plan Administrator or its designated agents shall be the party or parties responsible for providing the required disclosures and other optional information on the available investment alternatives as described by the 404(c) Regulations.

IX. How Much Will I Receive From The Plan?

The amount that you will receive from the Plan as benefits will depend on the total contributions made on your behalf, the investment gains (or losses) on those contributions, and the form in which your benefits are distributed to you. (See Question ***XI. How Are My Benefits Paid?***) The University and the Trustee will not provide investment advice or guarantee the performance of any investment choice under the Plan. Because the total contributions and the investment performance cannot be predicted, the exact amount of your benefits cannot be known until you start to receive your benefits.

X. When Will I Start To Receive My Benefits?

Except for amounts that may be withdrawn as a loan, as explained in Question ***XIII. May I Receive A Loan From The Plan?***, or an in-service distribution, as explained in Question ***XIV. Under What Circumstances Can I Receive An In-Service Distribution from the Plan?***, no amounts are payable from the Plan prior to your termination of employment or your attainment of normal retirement age, age 65.

► **When Your Employment Terminates.** If your employment terminates for any reason including retirement, you will receive distribution forms on which you (with your spouse's written consent, if married) may elect payment of your benefits. You may also defer the starting date of the benefits. However, you may not defer distribution beyond April 1st of the year following the year in which you reach age 70-1/2, or age 72, if you turned age 70 ½ after December 31, 2019.

► **When Your Employment Continues After Your Normal Retirement Date.** If you continue to work after you attain your normal retirement age (age 65), then you may defer receipt of your benefits until “Late Retirement Date.” Late Retirement Date is the first day of the month coinciding with or next following the date you choose to retire after first having reached age 65.

► **When You Die.** If you die before the full amount of your accounts has been paid out, death benefits will be paid to your beneficiary. Therefore, it is important for you to name a beneficiary as soon as you become a Participant in the Plan. See Question *XII. What Happens If I Die Before Receiving All My Benefits?* for more information on death benefits.

► **When You Have or Adopt a Child.** You may take a distribution of up to \$5,000 from your account during the one-year period from the date of the birth of your child, or if you adopt, from the date of the legal adoption of a child who is considered an “eligible adoptee” under the Internal Revenue Code.

XI. How Are My Benefits Paid?

In general, the distribution rules and options for payment of benefits are as follows:

► ***Standard Form of Benefit Payment – Married Participants.***

If you are married at the time benefits begin, your benefits will be paid to you in the form of a “qualified joint and survivor annuity,” unless you, with your spouse’s written consent as described below, select another form of payment.

A qualified joint and survivor annuity is a monthly payment to you during your lifetime and, upon your death, continuing to your surviving spouse for his or her lifetime in a monthly amount equal to 50% of the monthly benefit which you were receiving. You automatically will receive your benefits in this form unless you elect a joint and 75% or a joint and 100% survivor annuity with your spouse or one of the alternate forms of payment, as described below. Please note if you choose to elect one of the alternate forms of payment described below, you are required to obtain your spouse’s consent.

► ***Standard Form of Benefit Payment -- Unmarried Participants.***

If you are unmarried at the time your benefits begin, your benefits will be paid to you in the form of a life annuity, unless you select another form of payment (as described below). A life annuity is a monthly payment payable to you during your lifetime with no additional payments after your death.

► ***Waiver of Standard Form of Benefits.***

You may waive the standard form of benefit payment and select another form of benefit payment. If you are married at the time benefit payments begin, your spouse must consent to the waiver in writing. Your waiver and the spousal consent must be executed on a form provided to you. Generally, the waiver must be executed within 180 days, but not less than 30 days, prior to

the commencement of benefits. Under certain circumstances, the thirty-day requirement can be reduced to 7 days.

► ***Other Forms of Benefits.***

If you waive the standard form of benefit payment, you may choose to have your payment made to you in the following ways:

- a lump sum cash payment,
- installments,*
- a life annuity*,
- a joint and 50%, or 100% survivor annuity to your beneficiary (including a non-spouse beneficiary)*,
- or a combination of the above-described forms of payment.

*There are certain limitations on the selection of these optional forms of benefit. If you would like to select either one of these forms of benefit, please contact the HR department for more information.

If you are married, your spouse must irrevocably consent in writing in the presence of a notary or a plan representative to the waiver of the standard form of payment. The Administrator will provide you with forms to make these elections. For all purposes under the Plan, “spouse” is defined in accordance with federal law, and includes a person of the same sex if you are lawfully married under state law.

Regardless of which form of benefit you choose to receive, its value to you will be the same value as each other form of benefit available under the Plan.

XII. What Happens If I Die Before I Receive All My Benefits?

If you die before you receive all your benefits, your interest in the Plan will be paid to your named beneficiary. If you die without having named a beneficiary or your beneficiary is not alive at the time of your death, then the Plan provides that your benefits will be paid to your surviving spouse. If you do not have a surviving spouse, then your benefits will be paid to the following persons, if living, in the following order:

- Surviving children;
- Parents;
- Siblings;
- Nephews and nieces; or
- Your estate.

If you are married and had not commenced distribution of your benefit payments before your death, your benefit payment generally must be paid to your spouse in the form of a pre-retirement survivor annuity. A pre-retirement survivor annuity provides monthly payments for the life of your surviving spouse. Generally, your spouse may waive the pre-retirement survivor

annuity and receive benefits under one of the alternative forms of payment (other than a joint and survivor annuity) permitted under the Plan. See Question *XI. How Are My Benefits Paid?* for a description of the alternative forms of payment available under the Plan.

If you are married and wish to designate a person or entity other than your spouse as beneficiary of any portion of your benefit, your spouse must consent to the designation of the non-spouse beneficiary in writing, witnessed either by a notary or an authorized agent of the Plan Administrator. You will be provided with an appropriate form for this purpose.

If you had already begun to receive your benefits before you died, if your beneficiary is an Eligible Designated Beneficiary, he or she must receive payments at least as rapidly as you did. Any other beneficiary will receive a lump sum as soon as administratively feasible after your death. If you had not begun to receive your benefits before your death, then your benefit must either (1) be paid in full to your beneficiary as soon as administratively feasible after your death or (2) if your beneficiary is your surviving spouse, be paid out in annual installments beginning by the later of the end of the year following the year of your death the end of the year in which you would have attained age 72).

Generally, an Eligible Designated Beneficiary is one of the following individuals:

- Your spouse.
- A disabled individual, if they meet the rules outlined by IRC Section 72(m)(7).
- Chronically ill persons, if they meet the rules outlined by IRC Section 7702B(c)(2).
- Individuals who are not more than 10 years younger than you. –
- Your minor children , until they reach the age of majority (age 21).

You may change your beneficiary designation at any time by filing a new written designation, with spousal consent, if required, with the Plan Administrator.

Both spousal and non-spousal beneficiaries may elect a direct rollover of such inherited assets into an IRA.

XIII. May I Receive A Loan From The Plan?

As long as you have not separated from service with the University or have a current outstanding loan from this plan or any other qualified plan maintained by the University, you may obtain a loan from the Plan. Any such loan requires the written, notarized consent of your spouse, if you are married. The terms, conditions and limitations placed on Plan loans may vary depending on whether your Accounts are invested with TIAA-CREF or with Fidelity. More information regarding the terms, conditions and limitations placed on loans, is set forth in Appendix A and Appendix B of the SPD. If you have any questions, you may consult the Plan's Loan Program Administrator. TIAA-CREF acts as the Loan Program Administrator for accounts invested with TIAA-CREF, and Fidelity acts as the Loan Program Administrator for accounts invested with Fidelity.

If you terminate employment with the University, the entire outstanding amount of your loan or loans shall become immediately due and payable and may be offset from your account balance. Failure to repay the outstanding amount of your loans will cause your loans to default. If you do receive a loan from the Plan and you default on any payment of principal or interest due with respect to the loan, then you may be subject to the same federal income tax consequences as if the balance due on your loan were actually paid to you.

XIV. Under What Circumstances Can I Receive An In-Service Distribution from the Plans?

If you reach age your normal retirement date (the first day of the month after attaining age 65) while still employed and you are 100% vested in your account, you may be eligible for an “in-service” distribution of your accounts.

If you are married, any such in-service distribution requires the written, notarized consent of your spouse.

XV. Will I Ever Be Required To Take A Distribution From the Plan?

This Plan is required to comply with the minimum distribution rules of the Internal Revenue Code. A Participant will be required to begin receiving minimum distributions by April 1 of the year which follows the year in which he or she reaches age 72 or terminates employment with the University, whichever is later. However, a Participant who is a “five percent owner,” as defined in the tax law, will be required to begin receiving minimum distributions by April 1 of the year following the year in which he or she reaches age 72 even if he or she is still working for the University at that time. Other rules apply if you reached age 70 ½ prior to January 1, 2020.

XVI. Can I Roll Over My Distribution To An Individual Retirement Account Or Another Tax-Qualified Plan To Defer Payment Of Income Taxes?

To continue to defer payment of income taxes on your distribution, you may elect to have any portion of an “eligible rollover distribution” paid directly to an individual retirement account (including a Roth IRA) or another tax-qualified plan, tax-sheltered annuity plan or governmental deferred compensation plan which accepts rollover distributions. Generally, an “eligible rollover distribution” from the Plan is any distribution except a series of substantially equal periodic payments, payments that are required minimum distributions, and hardship distributions.

XVII. What Are The Tax Advantages Of The Plan?

The Plan has been designed to be a “defined contribution plan” which meets the requirements of section 401(a) of the Internal Revenue Code. This means that contributions under the Plan on your behalf as well as amounts paid to you will be eligible for special tax benefits.

When contributions under the Plan are made on your behalf, you do not currently pay income taxes on those amounts. You also do not currently pay income taxes on your share of the income from Plan investments that accumulate for your benefit. You will pay federal, and any applicable state, income taxes when you actually receive benefits from the Plan (unless you roll over your distribution, as described in Question *XVI. Can I Roll Over My Distribution To An Individual Retirement Account Or Another Tax-Qualified Plan To Defer Payment Of Income Taxes?*).

It is important for you to remember that distributions from the Plan may be handled for tax purposes in different ways depending on your particular situation, and you should understand the various consequences of the available options. This SPD provides only general guidance, and does not cover the many variations in individual situations or changes that may occur in the law. You should contact your own attorney or tax consultant for specific tax advice.

XVIII. Can My Plan Benefits Be Assigned By Me Or Taken By My Creditors?

Generally, you may not assign, and your creditors may not take, your Plan benefits before they are paid to you.

An exception to this rule is that benefits may be assigned or awarded to an “alternate payee” (which can be a spouse, former spouse, child or other dependent) under an order which is a “Qualified Domestic Relations Order” (usually abbreviated as “QDRO” and pronounced “quadro”), within the meaning of the tax and pension laws. The Plan Administrator maintains written procedures for determining whether an order it receives is such a “Qualified Domestic Relations Order.” You may obtain a copy of those procedures by contacting the Plan Administrator.

XIX. What Is A Claim And How Do I File A Claim For Benefits?

A claim is a request for a Plan benefit by a Participant or beneficiary. Prior to the date benefits become payable, you will receive an application for retirement benefits on which you may claim your benefit and make the elections described in this Plan. If you feel you are entitled to your Plan benefit, you may contact the Plan Administrator at Santa Clara University, Human Resources Department, 500 El Camino Real, Santa Clara, California 95053. However, no claim is considered filed until a written request for benefits is received from you (or your duly appointed representative) or your beneficiary. You will be given a prompt response to your claim and, if your claim is denied in whole or in part, you will be given the specific reasons for the denial. If you wish, you may, within 60 days of receiving the response, file a written request for a review of your claim. This response must state the specific reasons why you believe that the denial is improper. You have the right to request copies of documents pertinent to your appeal, and you may have a duly designated representative process the appeal on your behalf.

XX. What Are My Rights If The Plan Terminates?

The University intends to continue the Plan indefinitely. However, the University has retained the right to terminate as well as change the terms of the Plan. In terminating or amending

the Plan, the University cannot, however, reduce the vested amount in your Plan Account or, generally, reduce any other benefit that you had under the Plan before the termination or amendment.

XXI. Is My Interest In The Plan Insured By The Pension Benefit Guaranty Corporation?

No. The Pension Benefit Guaranty Corporation does not insure benefits under this type of plan.

XXII. General Information

Name of Plan:	Santa Clara University Defined Contribution Retirement Plan
Name and Address of Employer:	Santa Clara University 500 El Camino Real Santa Clara, CA 95053
Names, Address and Telephone Number of Plan Administrator:	Santa Clara University Defined Contribution Retirement Plan Administrative Committee 500 El Camino Real Santa Clara, CA 95053 408 554-4392
Employer Identification Number (EIN):	94-1156617
Plan Number:	002
Plan Year:	The calendar year
Type of Plan:	Defined Contribution (Money Purchase Plan)
Type of Administration:	Self-administered
Normal Retirement Age:	65 years
Name and Address of Plan Trustee:	Fidelity Management Trust Company 82 Devonshire Street Boston, MA 02109

This Plan is administered by the Plan Administrator as designated above. The Plan Administrator is designated as the agent for service of process at the address provided above. Service of process may also be made on the Plan Trustee.

XXIII. Your Rights Under the Employee Retirement Income Security Act of 1974 (ERISA)

As a Participant in the Plan, you are entitled to certain rights and protections under ERISA. Under ERISA, all Participants are entitled to:

Receive Information About Plan Benefits.

- a. Examine, without charge, at the Plan Administrator's office, all documents governing the Plan, including 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.
- b. Obtain, upon written request to the Plan Administrator, copies of documents governing the operation of the Plan, including insurance contracts and collective bargaining agreements, and copies of the latest annual report (Form 5500 Series) and an updated summary plan description. The Plan Administrator may make a reasonable charge for the copies.
- c. Receive a summary of the Plan's annual financial report. The Plan Administrator is required by law to furnish each Participant with a copy of this summary annual report.

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

Enforce Your Rights.

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

Under ERISA, there are steps you can take to enforce the above rights. For instance, if you request copies of Plan documents or the latest annual report for the Plan and do not receive them within 30 days, you may file suit in a federal court. In such a case, the court may require the Plan Administrator to provide the materials and pay you up to \$110 a day until you receive the materials, unless the materials were not sent because of reasons beyond the control of the Plan Administrator. If you have a claim for benefits which is denied or ignored, in whole or in part, you may file suit in a state or federal court. In addition, if you disagree with the Plan's decision or lack thereof concerning the qualified status of a Domestic Relations Order, you may file suit in federal court.

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

Receive Assistance With Your Questions.

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

APPENDIX A

TERMS, CONDITIONS AND LIMITATIONS PLACED ON LOANS FROM AMOUNTS HELD AT TIAA-CREF

1. *Participants Eligible for a Loan.*

You are eligible for a loan from the Plan if you are a vested participant who is receiving Compensation through the Employer's payroll on a regular basis and you do not have an outstanding loan from this Plan or any other qualified plan maintained by Santa Clara University.

2. *Procedure for Applying for a Loan.*

Applications for loans must be made in writing and submitted to the TIAA-CREF, the "Loan Program Administrator" for accounts invested with TIAA-CREF, on a form prepared by the Loan Program Administrator. Applications must include all information required by the Loan Program Administrator.

Your loan application will be considered by the Loan Program Administrator within a reasonable time after you make a formal application for a loan, and will be approved or denied on the basis of your eligibility to receive a loan, and the satisfaction of all conditions, limitations and requirements of the Loan Program. The Loan Program Administrator will request that the Employer provide information regarding your vested account balance under all plans maintained by the Employer in order to determine whether all conditions, limitations and requirements of the Loan Program and applicable law are satisfied.

3. *Basis On Which Loans Will Be Approved or Denied.*

The Loan Program Administrator is responsible for determining whether you are eligible for a loan.

Upon determining that you are eligible, the Loan Program Administrator shall grant your loan request.

4. *Limitations on Amount of Loans And Number of Loans Offered.*

Loans cannot exceed the lesser of: a) \$50,000 (reduced by the highest outstanding balance of loans from the Plan, the Santa Clara University Tax Deferred Annuity Plan, or any other qualified employer plan, within the meaning of Code Section 72(p)(4)(A)(i), maintained by the Employer, in the past twelve months, over the outstanding balance of all loans from the Plan or any other qualified plan maintained by the Employer to you on the date such loan is made); b) 45% of a your combined TIAA and CREF Retirement or Group Retirement Annuity accumulations under the Plan, the Santa Clara University Tax Deferred Annuity Plan, or any other qualified employer plan; or c) 90% of your TIAA-CREF Retirement or Group Annuity variable account accumulations available for loans under the Plan, the Santa Clara University Tax Deferred Annuity Plan, or any other qualified employer plan.

The amount of a loan cannot be less than \$1,000. You are allowed one outstanding loan at a time from any qualified plan maintained by the University

5. *Repayment of a Plan Loan.*

A. Repayment Period. The repayment period of the loan shall not exceed 5 years unless the loan is used to acquire a dwelling unit that is to be used as your principal residence, in which case the repayment period for the loan may be 10 or any lesser number of whole years.

B. Repayment Schedule. Your loan will be repaid on a definite repayment schedule that requires substantially level amortization of such loan, with payments of principal and interest not less frequently than quarterly. Payments on the loan, together with any and all charges imposed by the Loan Program Administrator in connection with the loan, as determined by the Loan Program Administrator, will be made directly by you unless otherwise specified. Prepayments in full or in part are permitted without penalty. Prepayments reduce the dollar amount of future payments, not the number of payments due.

C. Time and Method of Repayment. Unless otherwise provided, your first payment is due three (3) months after the first day of the month in which you took the loan. At the onset of the loan, you may choose to make subsequent payments monthly or quarterly. TIAA-CREF may establish a repayment schedule that requires more frequent payments. TIAA-CREF loans are repayable over the term of the loan by personal check, submitted to TIAA-CREF, or by TIAA-CREF's Automatic Repayment service (electronic transfer of funds from the Participant's bank account). If you choose to make repayments monthly must make repayment by Automatic Repayment.

If you choose to repay the loan quarterly, you may elect to change to monthly payments. However, if you choose to repay the loan monthly, you may not change that election to repay the loan on a quarterly basis.

D. Suspension of Loan Payments. Your loan payments may be suspended for certain leaves of absences in accordance with Code section 414(u), related regulations and the Uniformed Services Employment and Reemployment Rights Act of 1994.

E. Repayment upon Distribution. If, at the time benefits are to be distributed (or to commence being distributed) to you with respect to a separation of service, there remains any unpaid balance of a loan, such unpaid balance shall, to the extent consistent with Department of Labor Regulations, become immediately due and payable in full. Such unpaid balance, together with any accrued but unpaid interest on the loan, will be deducted from your TIAA-CREF account or annuity that serves as collateral for the loan, subject to the default provisions below, before any distribution of benefits is made.

6. *Reasonable Rate of Interest.*

Any loan granted or renewed under this Loan Program must bear a reasonable rate of interest. The loan's initial rate of interest is based on the Moody's Corporate Bond Yield Average for the calendar month ending 2 months before your loan was issued. Thereafter, the interest rate may, under certain circumstances, be adjusted once a year on the first day of the month in which

your loan was originally issued to reflect changes in the Moody's Corporate Bond Index. TIAA-CREF recalculates your payments if there is a change to the interest rate being charged on the loan. Such adjustments and recalculations will be made in a uniform and consistent manner.

7. *Spousal Consent.*

If you are married, you must obtain spousal consent to receive a loan. Any such spousal consent will acknowledge the possibility that an amount to be paid under the terms of the Plan might be reduced by the amount of the outstanding balance of the loan, fees and interest due thereon. If such spousal consent is given at the time that the loan is made, any such subsequent reduction of a distribution will be made (without further consent), even if you are married to a different spouse at the time of the subsequent reduction. The spouse's consent will acknowledge the effect of such loan and the spouse's signature shall be witnessed by a Plan representative or a notary public. A new spousal consent will be required upon any renegotiation, extension, renewal or other revision to any such loan or the granting of a new loan under the Plan.

8. *Loan Fees.*

Currently, TIAA-CREF does not charge an origination or loan maintenance fee. This may change in the future.

9. *Adequate Security.*

The loan must be adequately secured by collateral of sufficient value to secure repayment of the loan principal and interest. Such collateral must be pledged to the Plan so that it may be sold, foreclosed upon, or otherwise disposed of upon default of repayment of the loan.

Unless otherwise specified by the terms of the loan, the Loan Program Administrator requires you to pledge 110% of the value of your loan as collateral for any outstanding loan to you from the Plan. Example: If you borrow \$36,000, you will need to keep 110% of this amount, or \$39,600, as collateral in a TIAA-CREF retirement loan annuity. However, no more than 50% of your vested interest in the Plan (determined immediately after origination of the loan) may be considered as security for the outstanding balance of all Plan loans made to you.

10. *Default of Plan Loan.*

If your loan payment has not been made by the last day of the month that it is due, the loan will be in default and the Loan Program Administrator will notify you in writing. If you do not make the payment by the last day of the calendar quarter following the calendar quarter in which such payment was due, the outstanding loan balance will be deemed distributed and reported to the IRS accordingly.

APPENDIX B

TERMS, CONDITIONS AND LIMITATIONS PLACED ON LOANS FROM AMOUNTS HELD AT FIDELITY INVESTMENTS

1. *Participants Eligible for a Loan.*

You are eligible for a loan from the Plan if you are receiving Compensation through the Employer's payroll on a regular basis and you do not have an outstanding loan from this Plan or any other qualified plan maintained by Santa Clara University.

2. *Procedure for Applying for a Loan.*

Applications for loans must be made in writing and submitted to Fidelity, the "Loan Program Administrator" for accounts invested with Fidelity, on a form prepared by the Loan Program Administrator. Applications must include all information required by the Loan Program Administrator.

Your loan application will be considered by the Loan Program Administrator within a reasonable time after you make a formal application for a loan, and will be approved or denied on the basis of your eligibility to receive a loan, and the satisfaction of all conditions, limitations and requirements of the Loan Program. The Loan Program Administrator will request from the Employer information regarding your vested account balance under all plans maintained by the Employer in order to determine whether all conditions, limitations and requirements of the Loan Program and applicable law are satisfied.

The foregoing procedures are subject to any provisions relating to loan processing set out in any recordkeeping or administrative services agreement between Fidelity Investments and the Employer for the Plan and any changes of those provisions.

3. *Basis On Which Loans Will Be Approved or Denied.*

The Loan Program Administrator determines whether you are eligible for a loan.

Upon determining that you are eligible, the Loan Program Administrator will inform the Trustee that you are eligible to receive a loan under the Plan's Loan Program and will direct the Trustee to grant the loan request.

4. *Limitations on Amount of Loans And Number of Loans Offered.*

Loans cannot exceed the lesser of \$50,000 (reduced by the highest outstanding balance of loans from the Plan, the Santa Clara University Tax Deferred Annuity Plan, or any other qualified employer plan, within the meaning of Code section 72(p)(4)(A)(i), maintained by the Employer, in the past twelve months, over the outstanding balance of all loans from the Plan or any other qualified plan maintained by the Employer to you on the date such loan is made), or the greater of

50% of the vested portion of your Account balance under those plans as of the most recent valuation for such account produced by the Trustee.

The amount of a loan cannot be less than \$1,000. You are allowed one outstanding loan at a time from this Plan or any other qualified plan maintained by the University.

5. *Repayment of a Plan Loan.*

A. Repayment Period. The repayment period of the loan cannot exceed 5 years unless the loan is used to acquire a dwelling unit which is to be used as your principal residence, in which case the repayment period for the loan may be 15 or any lesser number of whole years.

B. Repayment Schedule. Your loan will be repaid on a definite repayment schedule that requires substantially level amortization of such loan, with payments of principal and interest not less frequently than quarterly. Payments on the loan, together with any and all charges imposed by the Loan Program Administrator or Trustee in connection with the loan, as determined by the Loan Program Administrator, will be made directly by the Participant unless otherwise specified. Prepayments of the full outstanding loan balance shall be permitted without penalty. You may not make a partial prepayment on your loan.

C. Method of Repayment. Loans made from accounts invested with Fidelity shall be repayable by electronic transfer of funds (ACH).

D. Suspension of Loan Payments. Your loan payments may be suspended for certain leaves of absence, as permitted under Code section 72(p) and the regulations thereunder, Code section 414(u) and the Uniformed Services Employment and Reemployment Rights Act of 1994.

E. Repayment upon Distribution. If, at the time benefits are to be distributed (or to commence being distributed) to you with respect to a separation of service, your loan has not been fully repaid, such unpaid balance will, to the extent consistent with Department of Labor Regulations, become immediately due and payable in full. Such unpaid balance, together with any accrued but unpaid interest on the loan, will be deducted from your accounts, subject to the default provisions below, before any distribution of benefits is made.

6. *Reasonable Rate of Interest.*

Any loan granted or renewed under this Loan Program shall bear a reasonable rate of interest. For accounts that are invested with Fidelity, a loan's fixed rate of interest shall be equal to the prime rate in effect at the beginning of the calendar quarter in which the loan is processed (as reported in the Wall Street Journal), plus 1%.

7. *Spousal Consent.*

If you are married, you must obtain written spousal consent to receive a loan. Any such spousal consent must acknowledge the possibility that an amount to be paid under the terms of the Plan might be reduced by the amount of the outstanding balance of the loan, fees and interest due thereon. If such spousal consent is given at the time that the loan is made, any subsequent reduction of a distribution can be made (without further consent), even if you are married to a different spouse at the time of the subsequent reduction. Your spouse's consent must acknowledge the

effect of such loan and your spouse's signature must be witnessed by a Plan representative or a notary public. A new spousal consent is required upon any renegotiation, extension, renewal or other revision to any such loan or the granting of a new loan under the Plan.

8. *Loan Fees.*

You are responsible for the expenses and costs associated with a loan. Such fees include the one-time application fee and any loan maintenance fee charged by the Trustee. These fees will be charged to your account. Currently, Fidelity Investments charges a \$25 origination fee and a \$12.50 per quarter maintenance fee.

9. *Accounting of Loan.*

All loans made pursuant to the Loan Program are considered a direct investment from your account(s) maintained under the Plan. As such, all payments of principal and interest made by you will be credited only to your account(s).

10. *Funding of Loan.*

Loans will be funded pro-rata from your Accounts held at Fidelity Investments.

11. *Adequate Security.*

Your loan must be adequately secured by collateral of sufficient value to secure repayment of the loan principal and interest. Such collateral must be pledged to the Plan so that it may be sold, foreclosed upon, or otherwise disposed of if you default on repayment of the loan.

Unless otherwise specified by the terms of the loan, the Loan Program Administrator requires you to pledge a portion of the value of your Accounts as collateral for any outstanding loan to you from the Plan. No more than 50% of your vested interest in any plan maintained by the Employer (determined immediately after origination of the loan) may be considered as security for the outstanding balance of all loans made to you from such plans.

12. *Default of Plan Loan.*

If your loan payment has not been made within 30 days after it is due, the Loan Program Administrator shall notify you in writing. If you do not make the payment by the last day of the calendar quarter following the calendar quarter in which such payment was due, your loan shall be in default and the outstanding loan balance will be deemed distributed and reported to the IRS accordingly.

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