

University of New England  
Defined Contribution Plan

Summary Plan Description

Revised Effective as of January 1, 2015

# Table of Contents

<b>INTRODUCTION</b> .....	4
<b>ELIGIBILITY</b> .....	5
Am I eligible to participate in the Plan? .....	5
What other requirements do I have to meet before I am eligible to enroll in the Plan? .....	6
When can I begin making Deferrals and when do Matching Contributions begin?.....	6
What happen to my eligibility for participation if I no longer meet the eligibility requirements?.	6
What happens to my eligibility for participation if I terminate my employment with UNE? .....	6
<b>CONTRIBUTIONS &amp; VESTING</b> .....	7
Who is my Plan Provider? .....	7
How do I contact my Plan Provider?.....	7
What amount can I contribute to the Plan? .....	7
What if I contribute too much to the Plan?.....	8
Are my Deferrals contributed on a pre-tax basis?.....	9
When are the investment earnings on my Deferrals and Balance taxed? .....	9
How do I start making Deferrals? .....	9
Do I make a percentage or fixed dollar Deferral for payroll withholding? .....	9
What occurs if I meet my Deferral Limit prior to the end of the calendar year?.....	9
What if I do not make an election to defer some of my Compensation into the Plan?.....	10
Can I change my Deferral percentage or stop making Deferrals after I start deferring to the Plan?.....	10
If I make Deferrals to the Plan, will UNE match any of those Deferrals?.....	10
Are there any limits on my combined Deferrals and UNE's Matching Contributions? .....	10

What happens if I am called to military service?.....	11
Will I be able to keep my Deferrals and Matching Contributions previously made on my behalf if I terminate employment or I am no longer eligible to participate in the Plan?.....	11
If I have money in other retirement plans, can I combine them with my Balance under the UNE Plan?.....	11
<b>INVESTING YOUR PLAN BALANCES</b> .....	12
What are my Investment Fund options? .....	12
Who is responsible for selecting the investments for the Deferrals and Matching Contributions under the Plan?.....	12
How do I change my Investment Fund options? .....	12
How frequently can I change my investment options? .....	12
<b>WITHDRAWING MONEY FROM THE PLAN</b> .....	13
When can I take a distribution from the Plan?.....	13
How do I request a distribution? .....	14
If I am married, does my spouse have to approve my distributions and beneficiary designations? .....	15
How will my money be distributed to me if I request a distribution from the Plan? .....	15
Do any penalties or restrictions apply to my distribution? .....	16
Are minimum distributions required from the Plan? .....	16
<b>PLAN LOANS</b> .....	16
Can I take a loan from the Plan?.....	16
<b>OTHER PAYMENT QUESTIONS</b> .....	17
What if I become deceased before receiving all of my money from the Plan? .....	17
How long can I leave the money in my Plan? .....	17
What if the Plan is terminated? .....	17

<b>ADMINISTRATION INFORMATION AND RIGHTS UNDER ERISA</b> .....	18
What is the Plan name and type? Who is the sponsoring employer? .....	18
When did the Plan become effective?.....	18
Who is responsible for overseeing the operations of the Plan? .....	18
Who pays the expenses associated with operating the Plan? .....	19
Does UNE have the right to change the Plan?.....	19
Does participation in the Plan provide any legal rights regarding my employment? .....	19
Can creditors or other individuals request a payout from my Plan balance? .....	19
If I need to take legal action with respect to the Plan, who is the agent for service of legal process? .....	20
What are my legal rights and protections under ERISA with respect to the Plan? .....	20
<b>PLAN CLAIMS</b> .....	22
How do I file a claim?.....	22
What if my claim is denied?.....	22
May I appeal the decision of the Plan Administrator? .....	23
<b>DEFINITIONS</b> .....	25

## INTRODUCTION

University of New England (UNE) has restated the University of New England Defined Contribution Plan (Plan) to assist employees in saving for retirement. The Plan is governed by Section 403(b) of the Internal Revenue Code.

UNE restated the Plan by signing a new adoption agreement (Plan Document) effective January 1, 2015. This Plan Document contains all of the provisions that the Internal Revenue Service (IRS) requires. The Plan Document must follow certain federal laws and regulations that apply to retirement plans. The Plan Document may change as new or revised laws or regulations take effect. UNE also has the right to modify the Plan at any time, and from time to time, you will be notified about material changes affecting the Plan provisions and 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 provisions or have questions about the information contained in this SPD, you should contact UNE's Human Resources Department. You may also examine a copy of the Plan Document by making arrangements with UNE's Human Resources Department. Certain terms in the SPD have a special meaning when used in the Plan. These terms are capitalized throughout the SPD and are defined in more detail in the DEFINITIONS section of the SPD.

If any information in this SPD conflicts with the terms of the Plan Document, the terms of the Plan Document will govern.

All amounts contributed to the Plan will be invested either in annuity contracts or in mutual funds. The agreements constituting or governing the annuity contracts and mutual funds explain your rights under the contracts and accounts. These agreements will also explain the unique rules that apply to each of the Plan's Investment Funds which may, in some cases, limit your options under the Plan. For example, the Individual Agreement may contain a provision which prohibits loans, even if the Plan generally allows loans. You should review the Individual Agreements along with this SPD to gain a full understanding of your rights and obligations under the Plan. If you would like to obtain copies of the Individual Agreements or receive more information regarding the Investment Funds available under the Plan, contact UNE or the Plan Provider.

This booklet was prepared in March 2015 and describes the terms of the Plan effective as of January 1, 2015.

## ELIGIBILITY

### Am I eligible to participate in the Plan?

You will be eligible to contribute a portion of your Compensation to the Plan as a Deferral if you are a “regular full time” or “regular half time” Employee (see below), unless you fall into one of the excluded categories of employees (see below).

*A regular full time employee* is an employee regularly scheduled to work a minimum of 35 hours per week (non-exempt) or 40 hours per week (exempt) for at least 9 months of the year in a position that is budgeted as a regular full time position.

*A regular half time employee* is an employee regularly scheduled to work a minimum of 20 hours per week, but less than 35 hours per week (non-exempt), or a minimum of 20 hours per week but less than 40 hours per week (exempt) for at least 9 months of the year in a position that is budgeted as a regular half time position.

You are in an excluded category of Employees if:

- You are eligible to defer a portion of your Compensation into a 401(k) plan offered by UNE.
- You are eligible to defer a portion of your Compensation into a different 403(b) plan offered by UNE.
- You are a nonresident alien.
- You are a Student Employee enrolled and attending classes offered by UNE and not classified as a regular full time or regular half time employee.
- You are an adjunct faculty member. UNE has determined that adjunct faculty members are not eligible for classification as either regular full time or regular half time employees. UNE determined that employees classified as adjunct faculty normally work less than 20 hours per week and shall not be considered Eligible Employees.
- You are classified as an independent contractor during any period in which you are providing services to UNE. In this case, you would generally be ineligible to participate in the Plan, even if you are determined to be a common law employee during this period pursuant to a government audit or litigation.

### **What other requirements do I have to meet before I am eligible to enroll in the Plan?**

Unless you fall into one of the categories of excluded employees described above, you will be immediately eligible to defer a portion of your Compensation into the Plan. There is no age or service requirement for deferring a portion of your Compensation.

### **When can I begin making Deferrals and when do Matching Contributions begin?**

#### Deferrals

After your hire date and upon your completion of the required Enrollment steps, you will be able to begin deferring a portion of your Compensation into the Plan. If you need assistance or have questions about Enrollment, contact UNE's Human Resources Department.

#### Matching Contributions

If you have completed the required Enrollment steps and have met the service and age requirements below, you will become eligible to receive Matching Contributions from UNE.

Your service requirement will be met once you have completed 1 (one) year of service with UNE. Your one year service requirement will be met at the end of the 12-month period beginning with your hire date. If you have previously been employed by another institution of higher education, you may be eligible to receive credit for your service.

You must reach the age of 18 before you will be eligible to receive Matching Contributions made by UNE.

### **What happens to my eligibility for participation if I no longer meet the eligibility requirements?**

If you no longer meet the eligibility requirements in terms of being an Eligible Employee or having eligible Compensation, (e.g. your employment status is changed from regular full time to adjunct faculty), you will no longer be eligible to defer to the Plan. However, your Balance will be fully vested and may remain in the Plan until you qualify for a distribution and decide to withdraw the Balance.

### **What happens to my eligibility for participation if I terminate my employment with UNE?**

If your employment at UNE is terminated (Terminated Employment), you will no longer be eligible to defer to the Plan. However, your Balance will be fully vested and may remain in the Plan until you decide to withdraw the Balance.

## **CONTRIBUTIONS & VESTING**

### **Who is my Plan Provider?**

UNE changed Plan Providers from TIAA-CREF to Fidelity Investments on January 1, 2015. All Deferrals, Matching Contributions and Transfers to the Plan after January 1, 2015 will be made to Fidelity Investments.

Certain Investment Funds at TIAA-CREF were automatically transferred to your Fidelity Investment Funds as of January 2015. Remaining Investment Funds at TIAA-CREF may be transferred to Fidelity Investments or kept with TIAA-CREF. Please consult with your Plan Providers as certain restrictions may apply to Investment Fund Transfers. If you choose to transfer your TIAA-CREF investments, please contact Fidelity Investments to initiate the process.

### **How do I contact my Plan Provider?**

#### **FIDELITY INVESTMENTS CONTACTS:**

General Number: 800-343-0860

Web Address: <http://netbenefits.com/une>

#### **TIAA-CREF CONTACTS:**

General Number: 800-842-2252

Web Address: [www.TIAA-CREF.org](http://www.TIAA-CREF.org)

### **What amount can I contribute to the Plan?**

The calendar year amount the IRS and the Plan allows you to defer to the Plan is called your Deferral Limit. The following are three components that are considered in establishing your Deferral Limit.

#### **Elective Deferrals**

The Elective Deferral maximum dollar amount that you can contribute to the Plan each calendar year is \$18,000 (for 2015). This \$18,000 maximum is only applicable to your Deferrals and does not include UNE's Matching Contributions. The deferral limit is established by the IRS and may change.

### Age 50 or Greater Catch-Up Contributions (Age 50)

*Age 50 Deferrals:* If you are eligible to make Deferrals and you reach the age of 50 before the end of any calendar year, you can defer up to an additional \$6,000 each year (for 2015) into the Plan. This catch-up amount is established by the IRS and may change.

### 15 Years of Service or Greater Catch-Up Contributions (Service Deferrals)

*Service Deferrals:* If you have worked for UNE for at least 15 years before the end of any calendar year, you may be eligible to defer an additional amount. Eligibility for the Service Deferral is not automatic and must be initiated by you. If you wish to evaluate your eligibility for this Service Deferral, please contact UNE's Human Resources Department. The Service Deferral is limited to the lesser of three amounts listed below: (These limits are established by the IRS and may change.)

1. \$3,000
2. \$15,000 minus the amount of the Service Deferrals made in prior years
3. \$5,000 times the number of years you have worked for the Employer, minus the total amount of Deferrals made while you worked for the Employer

Both the Age 50 Deferrals and Service Deferrals will be eligible for Matching Contributions.

If you qualify for both the Age 50 and Service Deferrals, your catch-up Deferrals will be allocated first to the Service Deferral.

Note: If you contribute Deferrals to more than one retirement plan, either with UNE or another employer, you should consult your tax advisor and monitor all of your retirement plans' deferrals closely to ensure that you do not exceed the IRS maximum in order to avoid potential tax penalties.

### **What if I contribute too much to the Plan?**

If you defer in excess of your Deferral Limit, you must take the excess amount (plus any earnings on the excess) out of the Plan by April 15<sup>th</sup> immediately following the calendar year. In the event of excess Deferrals, there are many considerations; therefore, you should contact UNE's Human Resources Department if you believe that you may have exceeded the annual maximum Deferral limit. If you have exceeded the Deferral Limit, you must provide written notification to UNE's Human Resources Department by March 1<sup>st</sup>, immediately following the calendar year, and request that the excess amount be withdrawn from the Plan to you. The excess amount is subject to federal and state income taxes for the year in which it was

contributed. If the excess is not withdrawn by the deadline of April 15<sup>th</sup>, additional taxes and penalties will apply.

### **Are my Deferrals contributed on a pre-tax basis?**

The amount of your Compensation that you decide to defer into the Plan will be contributed on a pre-tax basis. This means that the pre-tax Deferral will not be subject to federal and state income taxes at the time it is withheld from your paycheck. Instead, it will be taxable to you when you take a distribution from the Plan or pursuant to other IRS regulations. Your total gross Compensation is still subject to Social Security and Medicare taxes.

EXAMPLE: If your Compensation is \$25,000 per year and you decide to defer five percent of your Compensation into the Plan, UNE will deposit \$1,250 (five percent) into the Plan for the year. The Deferral is deposited into your balance on a pay period basis throughout the year. You will not pay federal or state income taxes on the \$1,250 until you withdraw it from the Plan. Social Security and Medicare taxes will still apply to your total Compensation of \$25,000.

### **When are the investment earnings on my Deferrals and Balance taxed?**

Generally, the investment earnings on your Balances consisting of Deferrals and Matching Contributions are not taxed until you withdraw the money from the Plan.

### **How do I start making Deferrals?**

Deferrals are made through withholdings from your UNE paychecks. To begin deferring a portion of your Compensation into the Plan, you must complete your Enrollment by going to Fidelity Investment's website. Your Deferrals will begin as soon as administratively feasible after you have completed the enrollment process. For more information about Plan enrollment, contact UNE's Human Resources Department.

### **Do I make a percentage or fixed dollar Deferral for payroll withholding?**

Elections to defer to the Plan can only be made on a percentage basis of your Compensation through the payroll process. You cannot elect to defer a fixed dollar amount. You may want to consider the percentage of your Compensation to arrive at the Deferral you wish to make.

### **What occurs if I meet my Deferral Limit prior to the end of the calendar year?**

Upon reaching your Deferral Limit, your Deferrals cease for the remainder of the calendar year.

### **What if I don't make an election to defer some of my Compensation into the Plan?**

You are not required to defer a portion of your Compensation into the Plan. If you do not make an election or simply do not follow the procedures established by UNE for making a Deferral election, you will not be enrolled in the Plan and will not become a Participant.

### **Can I change my Deferral percentage or stop making Deferrals after I start deferring to the Plan?**

You may change the amount you are deferring into the Plan or stop making Deferrals altogether at any time by visiting Fidelity Investment's website in order to initiate the change. UNE's Human Resources Department will put the change into effect as soon as administratively feasible after your initiated change.

### **If I make Deferrals to the Plan, will UNE match any of those Deferrals?**

Once you are eligible to receive Matching Contributions, UNE will make a Matching Contribution of 100% of your Deferral up to 8% of Compensation that you defer.

#### **EXAMPLES:**

If your annual salary is \$80,000 and you contribute 8% of your salary for the full year, you will have contributed \$6,400 as a Deferral and UNE will have made Matching Contributions of \$6,400 for the year.

If your annual salary is \$80,000 and you contribute 4% of your salary for the full year, you will have contributed \$3,200 as a Deferral and UNE will have made Matching Contributions of \$3,200 for the year.

If your annual salary is \$80,000 and you contribute 12% of your salary for the full year, you will have contributed \$9,600 as a Deferral and UNE will have made Matching Contributions of \$6,400 for the year (representing the maximum matching of 8%).

### **Are there any limits on my combined Deferrals and UNE's Matching Contributions?**

In addition to your Deferral Limit described previously, you may not have total contributions (including employee and employer contributions) of more than \$53,000 (for 2015). The \$53,000 limit is established by the IRS and may change. The maximum amount of Compensation that may be taken into account for calculating both your Deferrals and Matching Contributions under the Plan is \$265,000 (for 2015). The \$265,000 limit is established by the IRS and may change.

### **What happens if I am called to military service?**

If you are re-employed by UNE after completing military service, you may be entitled to receive certain make-up Matching Contributions from UNE. You may also have the option of making up missed Deferrals.

If you are re-employed after military service, contact your 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 Deferrals and the Matching Contributions previously made on my behalf if I terminate employment or I am no longer eligible to participate in the Plan?**

Even if you terminate employment or become ineligible to defer to the Plan, all of your Balances (which include any earnings) will be fully vested and will not be forfeited.

### **If I have money in other retirement plans, can I combine them with my Balance under the UNE Plan?**

Generally, other retirement plans can be rolled into the UNE Plan after you become eligible to Participate in the Plan. Contact Fidelity Investments to receive the documents or other information needed to determine whether your other retirement plan qualifies to be rolled into this Plan.

The Plan will accept amounts rolled over from other retirement arrangements if the former plan is a:

- qualified retirement plan (e.g., 401(k) plan, profit sharing plan, money purchase pension plan, target benefit plan)
- 403(b) tax-sheltered annuity plan
- government 457(b) plan
- Traditional IRA

Effective January 1, 2015, all rollovers to the Plan, for both Active and Terminated Employees, must be made to your Fidelity Investments accounts. Rollovers can no longer be made to your TIAA-CREF account.

Rollovers to the Plan are 100 percent vested and non-forfeitable as well as the corresponding earnings.

## **INVESTING YOUR PLAN BALANCES**

### **What are my Investment Fund options?**

You may invest in any of the Investment Funds available under the Plan. The Investment Funds will be limited to annuity contracts and mutual funds. The list of available Investment Funds is subject to change. You should carefully review the Individual Funds governing the annuity contracts and mutual funds, the prospectus, or other available information before making investment decisions.

For more information about the specific Investment Funds currently available under the Plan or to obtain a prospectus for any investment, contact UNE's Human Resources Department or the Plan Provider.

### **Who is responsible for selecting the investments for my Deferrals and Matching Contributions under the Plan?**

You decide how your Plan Balance will be invested. UNE will establish administrative procedures that you must follow in order to select your investments. UNE will designate a list of Investment Funds that you may select from. You will have the ability to transfer your Plan Balances among these Investment Funds to the extent permitted by the Plan and investment type. If you do not select investments, your account will be invested in a "qualified default investment alternative" selected by UNE. You can transfer your money from this default investment at any time by making your own Investment Funds selections.

UNE intends to operate this 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 UNE and others in charge of the Plan will not be responsible for any losses that result from investments chosen by you or your beneficiary.

### **How do I change my Investment Fund selections?**

You can initiate your Investment Fund selection changes by contacting the Plan Provider.

### **How frequently can I change my investment options?**

You may change your Investment Funds selections as frequently as permitted under the Individual Funds.

## WITHDRAWING MONEY FROM THE PLAN

### When can I take a distribution from the plan?

Generally, you may request a distribution of your vested account Balance at the times listed below:

- You terminate employment
- You become Disabled
- You reach the age of 59½
- On account of Financial Hardship
- At any time with respect to pre-1989 Deferrals invested in an annuity contract

You may elect a distribution of your transfer contributions and/or rollover contributions at any time (subject to the restrictions in the Individual Agreements).

With regard to transfer contributions, distribution restrictions that applied to the original plan may limit your payout options. If the distribution options were more limited under the prior plan, the transferred amount will remain subject to those more restrictive distribution rules.

### Financial Hardship

If you experience a Financial Hardship, you may take a distribution from the Deferrals you have contributed to the Plan, unless restricted under the terms of the Individual Agreements.

If you have no other available resources, you may also take a portion of the Matching Contributions made by UNE that are held in annuity contracts to satisfy a Financial Hardship.

The following events qualify for a Financial Hardship distribution under the Plan:

- medical expenses for you, your spouse, your dependents, or your beneficiary
- payment to purchase your principal residence
- tuition and education-related expenses for you, your spouse, your dependents, or your beneficiary
- payments to prevent eviction from your principal residence
- funeral expenses for you, your spouse, your dependents, or your beneficiary

- payments to repair your principal residence that would qualify for a casualty loss deduction

Depending upon the account for which you request the Financial Hardship, the Plan Provider will determine in its sole discretion if the events qualify for Financial Hardship. The list of events that qualify as a Financial Hardship distribution if Matching Contributions made by UNE are being used to satisfy your Financial Hardship request.

Before you take a Financial Hardship distribution, you must take all other distributions and all non-taxable loans available to you under the Plan. If you take a Financial Hardship distribution of Deferrals, you will not be eligible to make Deferrals for the next six months. If you are under the age of 59½, the amount you take out of the Plan as a Financial Hardship distribution may be subject to a 10 percent penalty tax. This is only required under the safe harbor method of determining Financial Hardship.

You may be able to take a penalty-free distribution from your 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 either a minimum of 180 days or for an indefinite period. In this case, your distribution must have been taken after you were called to duty and before your active duty ended.

The Individual Agreements governing the investment options that you selected for your Plan contributions may contain additional restrictions on when you can take a distribution, the form of distribution that may be available, as well as your right to transfer among approved investment options. Please review both the following information in this Summary Plan Description and the terms of your annuity contracts or custodial agreements before requesting a distribution. Contact UNE, Fidelity Investments and/or TIAA-CREF if you have questions regarding your distribution options.

### **How do I request a distribution?**

You must complete a distribution request form provided and approved by UNE or follow other procedures established by UNE for processing distributions. Required forms are available through Fidelity Investments and TIAA-CREF.

If you are taking a Financial Hardship distribution, you must provide documents to verify that you have a Financial Hardship event that qualifies for a Plan distribution.

If you die, become Disabled, or reach the age of 65 and you qualify for and request a distribution, your distribution will begin as soon as administratively feasible after the date you (or your beneficiary in the case of your death) request a distribution.

If you terminate your employment and you qualify for and request a distribution, your distribution will begin as soon as administratively feasible after the date you request a distribution.

**If I am married, does my spouse have to approve my distributions and beneficiary designations?**

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 annuity would need to be structured to provide a benefit while you are both alive and then to provide 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. Fidelity Investments and/or TIAA-CREF will provide you with more information regarding your annuity options when it comes time for you to make a decision. 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.

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

You may choose from the following options for your distribution:

- Lump sum;
- Partial payments;
- Installment payments; or
- 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)

You may be required to obtain the consent of your spouse (if you are married) or of UNE (in the case of certain distributions made on account of cessation of employment) in order to complete the distribution election process.

The Individual Agreements governing the investment options that you selected for your contributions may further restrict your payout options. Please review the annuity contracts or custodial agreements before requesting a distribution and contact Fidelity Investments and/or TIAA-CREF 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 Fidelity Investments and/or TIAA-CREF 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 reach the age of 59½, a 10 percent early distribution penalty will apply to the taxable portion of your payout. 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 payout is eligible to be rolled over, 20 percent of the taxable portion of your payout will be withheld and remitted to the IRS on your behalf, unless you do a direct rollover to the other retirement plan.

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

### **Are minimum distributions required from the Plan?**

There are rules which require that certain minimum distributions be made from the Plan. Generally, these minimum distributions must begin no later than (a) the April 1<sup>st</sup> following the end of the year in which you reach age 70 ½ or (b) the April 1<sup>st</sup> following the end of the year in which you retire.

## **PLAN LOANS**

### **Can I take a loan from the Plan?**

You may take a loan from your Plan account as outlined below, subject to the terms and restrictions in the Individual Agreements that govern your account. Please review your annuity contracts or custodial agreements before requesting a loan. Contact UNE, Fidelity Investments, or TIAA-CREF if you have questions regarding your loan options.

There is no minimum loan amount and generally the maximum loan amount is \$50,000. 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 UNE'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.

Taking loans from the Plan are subject to the Plan Documents and Plan Administrator loan policy on file in the UNE Human Resources Department.

## **OTHER PAYMENT QUESTIONS**

### **What if I become deceased before receiving all of my money from the Plan?**

If you become deceased before taking all of your assets from the Plan, the remaining balance will be paid to your designated beneficiary. To designate your beneficiary or beneficiaries, you must follow the procedures established by UNE. 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 beneficiary 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 spouse. 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.

### **How long can I leave the money in my Plan?**

In general, when you terminate from employment your balance will not be paid out of the Plan until you request a distribution or rollover.

### **What if the Plan is terminated?**

If the Plan is terminated, your entire account balance will be distributed from the Plan to you, your beneficiaries or alternate payee as applicable. To the extent you are invested in an annuity contract, the contract itself will be distributed.

## **ADMINISTRATION INFORMATION AND RIGHTS UNDER ERISA**

### **What is the Plan name and type? Who is the sponsoring employer?**

The official name of the Plan is the University of New England Defined Contribution Plan.

The employer maintaining the Plan is:

University of New England  
11 Hills Beach Rd  
Biddeford, ME 04005  
207-283-0171  
Federal Tax Identification Number: 01-0211810  
Fiscal Year End: 05/31

UNE has assigned Number 001 to the Plan.

The Plan is a Section 403(b) tax sheltered annuity plan. Deferrals and Matching Contributions made to the Plan on your behalf (and related earnings/losses) will be separately accounted for within the Plan.

### **When did the Plan become effective?**

UNE has amended and restated the University of New England Defined Contribution Plan which was originally adopted on 09/01/1972. The effective date of this amended Plan is 01/01/2015.

### **Who is responsible for overseeing the operations of the Plan?**

UNE has appointed the following Plan Administrator to oversee the operations of the Plan:

Retirement Plan Oversight Committee  
588 Pool Road  
Biddeford, ME 04005  
207-602-2339

The Plan Administrator has delegated responsibility and authority for day-to-day operations and ministerial duties relating to the administration of the Plan to UNE's Human Resources staff. To assist in operating the Plan efficiently and accurately, UNE may appoint additional persons or organizations, including investment vendors, if appropriate, to act on its behalf or to perform certain functions. References to UNE in the Summary Plan Description include the Plan Administrator in certain circumstances.

### **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 and Mutual Funds Agreements, these expenses may be allocated among you and all other Plan participants. Expenses directly related to you may be 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 or loans, qualified domestic relations orders, and your ability to direct the investment of your Plan balance. Finally, UNE may, at its discretion, pay any or all of these expenses out of its own assets. For example, UNE may pay expenses for current employees, but may deduct the expenses of former employees directly from their accounts.

### **Does UNE have the right to change the Plan?**

UNE has the right to amend the Plan, to add new features, change Investment Funds, or to change or eliminate various provisions at any time. UNE cannot amend the Plan in a way which would retroactively take away or reduce protected benefits under the Plan (e.g. UNE cannot reduce the vesting percentage that applies to your current balance in the Plan). The Plan will be amended from time to time in order to incorporate changes required by the law and regulations governing retirement plans.

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

The Plan is not intended (and cannot be interpreted) as a way to provide any additional rights to employment or constitute a contract for employment. The purpose of the Summary Plan Description is to help you understand how the Plan operates and the benefits available to you under the Plan. The Plan Document is the controlling legal document with respect to the operation of and rights granted under the Plan. If there are any inconsistencies between this Summary Plan Description and the Plan Document, the Plan Document will be followed.

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

Generally, creditors cannot request a distribution from your Plan balance. Two major exceptions to this rule is that your benefits may be distributed or reallocated in response to a “qualified domestic relations order” or “qualified child support order” as discussed below. These are orders or decrees issued by a court that requires you to either pay child support or alimony or to give a portion of your Plan account to an ex-spouse or legally separated spouse. The Plan Administrator, in conjunction with the Plan Provider, will review the order to ensure that it meets certain criteria before any money is paid from your account. You (or your

beneficiary) may obtain, at no charge, a copy of the procedures the Plan Administrator will use for reviewing any qualifying domestic relations orders.

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

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

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

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

*Receive Information About Your Plan and Benefits*

1. Examine all Plan Documents governing the Plan, including insurance contracts and collective bargaining agreements, and a copy of the latest annual report (Form 5500 Series) filed by the Plan with the U.S. Department of Labor (available at the Public Disclosure Room of the Employee Benefits Security Administration). These documents can be examined, without charge, at the employer's office and at other specified locations.
2. Obtain, upon request to the employer, copies of documents governing the operations of the Plan, including insurance contracts and collective bargaining agreements, and copies of the latest annual report (Form 5500 Series) and updated Summary Plan Description (SPD). The employer may charge a reasonable fee for the copies.
3. Receive a summary of the Plan's annual financial report. The employer is required by law to furnish each Participant with a copy of this Summary Annual Report.
4. Obtain, once a year, a statement of the total pension benefits accrued and the vested pension benefits (if any) at the earliest date on which benefits will become vested. The Plan may require a written request for this statement, but it must provide the statement free of charge.

*Prudent Actions by Plan Fiduciaries*

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 UNE, your union (if any), or any other person, may fire you or otherwise discriminate against you in any way to prevent you from obtaining a pension benefit or for exercising your rights under ERISA.

### *Enforce Your Rights*

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 UNE 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 UNE. 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 UNE's Human Resources Department. If you have any questions about this statement or about your rights under ERISA or if you need assistance in obtaining documents from UNE, you should contact the nearest area office of the Employee Benefits Security Administration, U.S. Department of Labor. Their contact information will be listed in your telephone directory or you can contact 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.

Further, if this Plan is maintained by more than one employer, you may obtain a complete list of all such employers by making a written request to UNE.

## **PLAN CLAIMS**

### **How do I file a claim?**

To claim a benefit that you are entitled to under the Plan, you must file a written request with the Plan Administrator. The claim must set forth the reasons you believe you are eligible to receive benefits. You must also authorize the Plan Administrator to conduct any necessary examinations and to take the steps needed to evaluate the claim.

### **What if my claim is denied?**

Except as described below, if your claim is denied, the Plan Administrator will provide you (or your beneficiary) with a written notice of the denial within 90 days of the date your claim was filed. This notice will give you the specific reasons for the denial, the specific provisions of the Plan upon which the denial is based, and an explanation of the procedures for appeal.

In the case of a claim for disability benefits, if the Plan Administrator is making a determination of whether you are Disabled, you will be notified of a denial of your claim within a reasonable amount of time, but no later than 45 days after the Plan receives your claim. The 45-day time period may be extended by the Plan for up to 30 days if the Plan Administrator determines that an extension is necessary due to matters beyond the control of the Plan. If an extension is necessary, the Plan Administrator will notify you of the reason(s) for the extension and the date by which the Plan expects to make a decision regarding your claim before the end of the 45-day period.

If the Plan Administrator determines that a decision regarding your claim cannot be made within the 30-day extension, the decision making period may be extended for an additional 30 days. If an additional extension is necessary, the Plan Administrator will notify you of the circumstances requiring the additional extension and the date by which the Plan expects to make a decision regarding your claim before the end of the previous 30-day extension period. The notice will specifically explain the standards on which the approval of your claim will be based, the unresolved issues that prevent a decision on your claim, and the additional information needed to resolve those issues. You will have at least 45 days within which to provide the specified information.

The period of time within which approval or denial of your claim is required to be made generally begins at the time your claim is filed. If the period of time is extended because you fail to submit information necessary to decide your claim, the period for approving or denying your claim will not include the period of time between the date on which the notification of the extension is sent to you and the date on which you provide the additional information.

The Plan Administrator will provide you with written or electronic notification if your claim is denied. The notification will provide the following:

- i. The specific reason or reasons for the denial;
- ii. Reference to the specific section of the Plan on which the denial is based;
- iii. 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;
- iv. 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 of 1974, following a claim denial on review; and
- v. In the case of a Plan providing disability benefits, if the Plan Administrator used an internal rule or guideline in denying your claim, he or she will provide (1) the specific rule or guideline or a statement that the rule or guideline was relied upon in denying your claim, and (2) a statement saying that a copy of the rule or guideline will be provided free of charge to you upon request.

If the claim denial is based on a medical necessity, experimental treatment, or a similar situation, the Plan Administrator will provide either a) an explanation of the scientific or clinical basis for the denial, applying the terms of the Plan to your medical circumstances, or b) a statement saying that an explanation will be provided free of charge upon request.

### **May I appeal the decision of the Plan Administrator?**

You or your beneficiary will have 60 days from the date you receive the notice of claim denial in which to appeal the Plan Administrator's decision. You may request that the review be in the nature of a hearing and an attorney may represent you.

However, in the case of a claim for disability benefits, if the Plan Administrator is deciding whether you are Disabled under the terms of the Plan, you will have at least 180 days following receipt of notification of a claim denial within which to appeal the Plan Administrator'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.

If the claim is for disability benefits:

- i. Your claim will be reviewed independent of your original claim and will be conducted by a named fiduciary of the Plan. This person will not be the individual who denied your original claim or any of his or her employees.
- ii. In deciding an appeal of a claim denial that is based in whole or in part on a medical judgment, the appropriate named fiduciary will consult with a health care professional who has appropriate training and experience in the field of medicine involved in the medical judgment;
- iii. The Plan Administrator will provide you with the name(s) of the health care professional(s) who was consulted in connection with your original claim, even if the claim denial was not based on his or her advice. The health care professional consulted for the purposes of your appeal will not be the same person or any of his or her employees.
- iv. You will be notified of the outcome of your appeal no later than 45 days after receipt of your request for the appeal, unless the Employer determines that special circumstances require an extension of time for processing the claim. If the Plan Administrator determines that an extension is required, written notice of the extension will be provided to you before the end of the initial 45-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.

The Plan Administrator will provide you with written or electronic notification of the final outcome of your claim. The notification will include:

- i. A statement that you are entitled to receive, upon request and free of charge, reasonable access to and copies of all documents, records, and other information relevant to your claim;
- ii. A statement describing any additional voluntary appeal procedures offered by the Plan, your right to obtain the information about such procedures, and a statement of your right to bring an action under Section 502(a) of ERISA; and
- iii. If UNE used an internal rule or guideline in denying your claim, the Plan Administrator will provide (1) the specific rule or guideline or a statement that the rule or guideline was relied upon in denying your claim, and (2) a statement saying

that a copy of the rule or guideline will be provided free of charge to you upon request.

## DEFINITIONS

**Balances:** The accumulation of a Participant's Deferrals, their Matching Contributions, Transfers and related earnings/losses of such amounts invested in their Investment Funds under the Plan.

**Compensation:** The definition of Compensation under the Plan can vary depending upon the purpose (e.g., allocations, nondiscrimination testing, tax deductions).

In general, the amount of your earnings from UNE taken into account under the Plan is all earnings reported to you on Form W-2. Compensation will include amounts that are not included in your taxable income that were deferred under a cafeteria plan, a 401(k) plan, a salary deferral SEP 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.

The definition of Compensation used under the Plan has been further adjusted.

- **Compensation** means the amount paid by the Institution to a Participant that must be reported as wages on the Participant's Form W-2, plus compensation that is not currently includable in the Participant's gross income because of the application of Code Sections 125 or 403(b) through a salary reduction agreement, but excluding the following: mileage reimbursement, housing allowance payments, health insurance opt out payments, imputed income arising out of excess life insurance coverage, salary gross up payments to employees on account of domestic partner health insurance coverage, salary gross up payments to employees purchasing long term care insurance, and other payments statutorily includable as compensation that are not earned salary or wages (including non-cash compensation).
- Amounts deemed to be compensation that relate to an automatic enrollment cafeteria plan where you fail to provide proof of insurance will be excluded when determining your Compensation.

If you receive payments from UNE within 2 ½ months after severing your employment, any regular pay for services you performed prior to severance will be included in Compensation. Other post-severance payments will affect your Compensation as described below.

- Unused accrued sick, vacation or other leave that you are entitled to cash out will be excluded from Compensation.

- Amounts received under a nonqualified unfunded deferred compensation program will be excluded from Compensation.

The measuring period for Compensation will be the Plan Year.

**Deferrals:** Deferrals are amounts you choose to contribute in the Plan through payroll deduction on a percentage basis of Compensation. Deferrals are made on a pre-tax basis.

**Deferral Limit:** The established IRS calendar year maximum Deferral you may make to the plan through payroll deduction.

**Disabled:** You will be considered Disabled if you cannot engage in any substantial, gainful activity because of a medically determined physical or mental impairment that is expected to last at least 12 months.

**Eligible Employee:** An Employee who has met all the criteria to become a Participant and enroll in the Plan.

**Employee:** An individual currently employed by UNE.

**Employer:** The Employer is University of New England (UNE).

**Enrollment:** Enrollment is accomplished when you are eligible to Participate in the Plan and you have completed the necessary administrative steps to defer a portion of your Compensation.

**Individual Agreements** - All contributions (e.g. Deferrals, Matching Contributions, Transfers) to the Plan will be invested either in annuity contracts or in mutual funds. The agreements between the Plan Provider and UNE 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 of the Plan's Investment Funds and may, in some cases, limit your options under the Plan, including your transfer and distribution rights.

**Investment Funds:** The investment options available under the Plan are referred to as the Investment Funds, e.g. as annuities and mutual funds.

**Matching Contributions:** Matching Contributions consist of UNE's contribution to the Plan on your behalf of 100% of your Deferral up to 8% maximum of your Compensation.

**Participant:** An Eligible Employee of UNE who has Enrolled in the Plan is referred to as a Participant. A Participant can be an Active Participant (current Employee of UNE) or Non-Active Participant (Terminated Employee or an Employee no longer an Eligible Employee).

**Plan:** The University of New England Defined Contribution Plan is the Plan described in this Summary Plan Description.

**Plan Administrator:** UNE has appointed the following Plan Administrator to oversee the operation of the Plan.

Retirement Plan Oversight Committee  
588 Pool Road  
Biddeford, ME 04005  
207-602-2339

To assist in operating the Plan efficiently and accurately, UNE or the Plan Administrator may appoint additional persons or organizations to act on its behalf or to perform certain functions. In cases involving matters of plan administration, references to UNE in this Summary Plan Description will include the Plan Administrator named above.

**Plan Provider:** The companies which maintain Participants' balances, coordinate Enrollment, process financial hardships and loan requests, facilitate investment fund options, report balances and earnings histories, account for various transactions, and additional services for Participants and UNE. The Plan currently has two Plan Providers, Fidelity Investments and TIAA-CREF.

**Plan Year:** The Plan Year is the calendar year.

**Student Employee:** An Employee of UNE who is also regularly enrolled in attending classes who is classified as a Student Employee by UNE and not as a regular full-time or regular half-time employee.

**Terminated Employee:** The designation of a former Employee who is no longer employed at UNE. The effective date of termination is determined by UNE.

**Transfers:** Amounts transferred into the Plan via a rollover or other means as allowed by the Plan.

**Year of Service:** A 12 month period of service that is measured and applied for purposes of determining eligibility for Matching Contributions. Since the Plan credits service using the elapsed time method, Years of Service are generally measured from your date of hire. For the purposes of determining eligibility for participation in the Plan, you will receive credit for your hours of service with UNE beginning on your date of hire. You may also be eligible to receive credit for your service with other institutions of higher education.