

# Pepperdine University Retirement Plan

# Table of Contents

<b>Introduction</b>	<b>3</b>
<b>Important Information About the Plan</b>	<b>4</b>
<b>Joining the Plan</b>	<b>5</b>
<b>Contributions to the Plan</b>	<b>6</b>
<b>Managing Your Account</b>	<b>12</b>
<b>Ownership of Your Account (Vesting)</b>	<b>15</b>
<b>Withdrawals</b>	<b>15</b>
<b>Benefits</b>	<b>18</b>
<b>Taxes on Distributions</b>	<b>22</b>
<b>Distribution Claim Procedures</b>	<b>24</b>
<b>Legal Rights</b>	<b>25</b>
<b>Additional Information</b>	<b>27</b>

## Introduction

The Pepperdine University Retirement Plan ("Plan") was established effective as of August 1, 1989 to provide faculty and staff with greater financial security. The Plan is known as a 403(b) Tax Deferred Annuity Plan. It has been established to help you provide for your future financial security through a combination of personal savings, current tax savings and contributions made by the University.

This Plan offers you an easy way to save for your retirement using pre-tax and after-tax contributions which are directly deducted from your paycheck. The amount you save on a pre-tax basis, along with the earnings, are not taxed until you withdraw them from the Plan. Roth deferrals are made after-tax but their deferrals and, in most cases, earnings on them, will not be subject to federal income taxes when distributed to you. However, for a distribution of earnings to qualify for federal tax-free treatment, such a distribution must be a "qualified distribution" from your Roth deferral account. See the question "**What is a 'qualified distribution' from a Roth deferral account?**" in the "**Taxes on Distributions**" section of this Summary Plan Description ("SPD".)

Except as otherwise discussed in this SPD, the same Plan provisions that currently apply to pre-tax salary deferral contributions generally will apply to Roth deferrals.

This Summary Plan Description -- or SPD -- will explain how the Plan works. It describes your benefits and rights under the Plan, as it was amended and restated, effective as of February 1, 2009.

This SPD is only a summary of your benefits and rights under the Plan. It is important that you understand that it cannot cover all of the details of the Plan or how the rules of the Plan apply to every person, in every situation. You can find the specific rules of the Plan in the Plan document, which you may request from your Plan Administrator.

Every effort has been made to accurately describe the Plan. If you find a difference between the information in this SPD and the information in the Plan document, your benefits will be determined based on the information found in the Plan document.

If in reading this SPD or the Plan document you find you have questions concerning your benefits under the Plan, please contact your Plan Administrator or Diversified Investment Advisors.

# Important Information About the Plan

**Plan Sponsor:** Pepperdine University ("University")  
24255 Pacific Coast Highway  
Malibu, CA 90263  
(310) 506-4397  
EIN: 95-1644037

**Plan Name:** Pepperdine Univeristy Retirement Plan

**Plan Number:** 001

**Plan Effective Date:** The Plan was originally effective as of August 1, 1989. This SPD describes the Plan as amended and restated effective as of February 1, 2009.

**Plan Year:** January 1<sup>st</sup> – December 31<sup>st</sup>

**Plan Administrator:** Pepperdine University  
24255 Pacific Coast Highway  
Malibu, CA 90263  
(310) 506-4397

**Plan Custodian:** State Street Bank and Trust Company  
One Lincoln Street  
Boston, MA 02111  
(617) 786-3000

**Agent for Service of Legal Process\*:** Pepperdine University  
24255 Pacific Coast Highway  
Malibu, CA 90263  
(310) 506-4397

\*Service of legal process may be made upon the Plan Custodian, if applicable, or the Plan Administrator.

**Plan Funding:** All assets of the Plan are held in a custodial account. The custodial account established by the Plan's custodian will be the funding medium used for the accumulation of assets from which benefits will be distributed.

**Plan Recordkeeper:** Diversified Investment Advisors ("Diversified")  
440 Mamaroneck Avenue  
Harrison, NY 10528

## Joining the Plan

### May I join the Plan?

All employees, except excluded employees, are eligible to participate in the Plan.

### Who are excluded employees?

An excluded employee is an employee who normally works less than 20 hours per week, an employee who is a non-resident alien, or an employee who is a student performing services described in Code section 3121(b)(10).

**NOTE:** You will be considered an employee who normally works less than 20 hours per week if you (1) are reasonably expected to work less than 1,000 hours during your first year of employment, and (2) you actually work less than 1,000 hours for each subsequent Plan Year.

### What happens if I become an excluded employee?

If you become an excluded employee, you will no longer be allowed to make or receive additional contributions under the Plan. You will, however, still have the ability to manage your account and keep certain rights and benefits.

### When can I become a participant in the Plan?

You may enter the Plan immediately for purposes of making salary deferral contributions.

You may become a participant for purposes of receiving University contribution on the first day of the month coinciding with or next following your completion of one year of service and your 26<sup>th</sup> birthday.

If you are a rehired employee, or you are returning from a qualified military service leave, and you were previously a participant in the Plan, you may join the Plan on your rehire date.

If you are a rehired employee, and you were not previously a participant in the Plan, your Plan Administrator will determine the date you may enter the Plan for purposes of receiving an University contribution.

To complete a year of service, you must have worked 1,000 hours for the University during an eligibility period. The first eligibility period is the 12-month period beginning on your date of hire. Subsequent eligibility periods are based on the Plan Year (see "Important Information" for definition of "Plan Year").

Only those hours for which you are paid or for which you are entitled to be paid (for example: vacations, holidays and sick days) can be counted to reach the required 1,000 hours of service. However, if you go on a qualified military service leave, such period of leave will be counted when determining hours of service.

## **How do I become a participant in the Plan?**

When you are eligible to participate in the Plan, your Plan Administrator will give you an enrollment kit. This kit will explain the enrollment procedures. You may join the Plan by visiting Diversified Direct Online at [www.divinvest.com](http://www.divinvest.com) or by calling Diversified Direct at 800-755-5801.

If you elect not to join the Plan when you first become eligible, you may join on any business day thereafter.

## **If I am married, may I designate someone other than my spouse as the beneficiary of my account?**

Yes, but you must first submit the written consent of your spouse witnessed by either a notary public or Plan representative.

# **Contributions to the Plan**

## **What are the tax advantages of being in the Plan?**

Saving through the Plan provides you with tax advantages. You pay no current income taxes on contributions and the earnings in your account while the money is in the Plan. Money in the Plan is not subject to federal taxation until it is actually distributed to you.

**NOTE:** You will not pay income taxes on any Roth deferral or voluntary after-tax contributions you withdraw from the Plan since these contributions were taxed before being contributed to the Plan. The earnings on your voluntary after tax contributions will be taxable. However, the earnings in your Roth deferral account may qualify for federal tax-free treatment if such a distribution is a "qualified distribution" from your Roth deferral account. See the question "**What is a 'qualified distribution' from a Roth deferral account?**" in the "**Taxes on Distributions**" section of this SPD.

## **May I elect to make contributions to the Plan?**

Yes, you may contribute to the Plan and designate your contributions as pre-tax salary deferral contributions, Roth deferral contributions, or a combination of both.

### **Salary deferral contributions are pre-tax contributions.**

Your salary deferral contributions go directly into the Plan instead of your paycheck. Since these contributions do not show up as income on your W-2 form, the amount you contribute will not be subject to federal or, in most cases, state income taxes, until paid to you. However, you do pay Social Security (FICA) and certain other employment taxes on these contributions.

For example: If your salary is \$20,000 per year and you elect to make contributions to the Plan totaling \$1,000 during the Plan Year, you only pay income taxes on \$19,000.

**Roth deferral contributions:** You may irrevocably designate all or any part of your salary deferral contributions to the Plan as Roth deferrals.

Roth deferrals are similar to the pre-tax salary deferral contributions that are contributed on behalf of a participant to the Plan; However, Roth deferrals are “after-tax” deferrals that (1) you designate irrevocably as Roth deferrals at the time they are deferred, (2) the University treats as includible in your income at the time you would have received the amount in cash (had you not made the deferral election), and (3) are accounted for separately from all other amounts under the Plan. If you elect to make Roth deferrals, the deferrals will be made with money which you have already paid federal income taxes on (and, in some cases, state and local income taxes). Roth deferrals and, in most cases, earnings on them, will not be subject to federal income taxes when distributed to you. However, for a distribution of earnings to qualify for federal tax-free treatment, such a distribution must be a “qualified distribution” from your Roth deferral account. See the question “**What is a ‘qualified distribution’ from a Roth deferral account?**” in the “**Taxes on Distributions**” section of this SPD.

For example: If your salary is \$20,000 per year and you elect to make Roth deferral contributions to the Plan totaling \$1,000 during the year, you will pay income taxes on \$20,000.

The decision whether to take advantage of the Roth deferral option is complicated and you should consider your financial and tax situation. Before electing how you would like to allocate your salary deferrals between pre-tax salary deferral contributions and Roth deferrals, we recommend that you consult with your tax or legal advisor.

### **How much of my salary may I contribute to the Plan?**

You may contribute a percentage of your salary up to the maximum dollar limit. For the 2010 calendar year, your total salary deferral contributions to all 403(b) plans (and 401(k) plans) during a calendar year generally cannot exceed \$16,500. After calendar year 2010, the salary deferral limit may increase for cost-of-living increases. If you only participate in this Plan during the year, the University automatically limits your salary deferral contributions to the maximum dollar limit. However, if you participated in another employer’s 403(b) plan (or 401(k) plan) as well as this Plan during the year, your total salary deferral contributions to both plans together may not exceed the maximum dollar limit.

Adverse tax consequences may apply if your total salary deferral contributions to all 403(b) plans (and 401(k) plans) exceed the maximum annual dollar limit. If you participated in more than one 403(b) plan (or 401(k) plan) during a year, and you contributed more than the maximum dollar limit during such year, you may request that any excess salary deferral contributions made to this Plan, with earnings, be distributed to you by April 15<sup>th</sup> of the following year. Your request should be made no later than March 1<sup>st</sup> of the following year. If you think this limitation may apply to you, contact your Plan Administrator.

You may be allowed to make additional catch-up salary deferral contributions beginning in the calendar year in which you become age 50, or in any calendar year after 2001 if you are already 50 or older. For the 2010 calendar year, your catch-up contributions cannot exceed \$5,500. After calendar year 2010, the catch-up contribution limit may increase for cost-of-living increases. You may make such catch-up contributions, if you have already contributed salary deferral contributions up to the maximum limit permitted by law, or you have reached other plan or IRS limits for that year.

### **How do I make salary deferral contributions?**

To elect to have a portion of your salary contributed to the Plan through payroll withholding, please visit Diversified Direct Online at [www.divinvest.com](http://www.divinvest.com) or call Diversified Direct at 800-755-5801. Your salary deferral election will become effective no later than 30 days after you have completed the election and it will remain in effect until you amend it. To make catch-up salary deferral contributions, you must elect to have a portion of your salary contributed to the Plan through payroll withholding. Please visit Diversified Direct Online at [www.divinvest.com](http://www.divinvest.com) or call Diversified Direct at 800-755-5801 in order to make your initial catch-up salary deferral contribution election. Unless you amend it, the election will remain in effect for each succeeding year. In addition, Diversified's SaveXpress allows you to have your retirement savings contribution rate increased automatically each year by a set amount, at any point in the year you choose. To make your SaveXpress election, visit Diversified Direct Online at [www.divinvest.com](http://www.divinvest.com). Once elected, your contribution rate will be automatically increased each year by the amount you select, subject to the contribution limits above. You may turn SaveXpress off at any time.

### **Is there a limit on how much of my salary I can contribute as a Roth deferral?**

Yes. The total of your combined pre-tax salary deferral contributions and Roth deferrals may not exceed the maximum dollar limitation allowable under the law. In 2010, the maximum dollar limitation is \$16,500. If you are age 50 or older at any time during 2010, your 2010 limit is increased to \$22,000.

### **How often may I change the percentage of my salary deferral contributions and catch-up contributions?**

You may change the percentage of your pre-tax or Roth salary deferral contributions and catch-up contributions, at any time by visiting Diversified Direct Online at [www.divinvest.com](http://www.divinvest.com) or by calling Diversified Direct at 800-755-5801. Changes will be effective as of the next payroll period, or as soon as administratively possible thereafter.

### **May I stop making salary deferral contributions and catch-up contributions to the Plan?**

Yes, you may stop making pre-tax or Roth salary deferral contributions and catch-up contributions, at any time by visiting Diversified Direct Online at [www.divinvest.com](http://www.divinvest.com) or by calling Diversified Direct at 800-755-5801. Your change will be effective as of the next payroll period, or as soon as administratively possible thereafter. If you decide to start making salary deferral contributions and/or catch-up contributions again at a later date, you

may begin making them by visiting Diversified Direct Online or by calling Diversified Direct. Contributions will be deducted as of the next payroll period, or as soon as administratively possible thereafter.

### **Does the University make contributions to the Plan?**

The University may make contributions to the Plan as follows:

**Matching Contributions.** The University will make a matching contribution each payroll period equal to 100 % of the first 5 % of your pre-tax or Roth salary deferral contributions.

The University will only match catch-up salary deferral contributions if you were unable to receive the maximum matching contribution under the Plan formula because of a Plan or IRS limit on salary deferral contributions.

**Nonelective Contributions.** The University may choose to make a nonelective contribution. If so, the amount credited to your account will be equal to 5 % of your salary.

### **Are Roth deferrals eligible for an University matching contribution?**

Yes. Roth deferrals are eligible for an University matching contribution in the same manner as pre-tax salary deferral contributions, but they do not increase the amount or rate of the maximum University matching contribution that can be made to the Plan.

### **May I make voluntary after-tax contributions to the Plan?**

Yes, if you are an expatriate you may make voluntary after-tax contributions to the Plan up to 5 % of your salary. Simply indicate the percentage of your salary you wish to contribute on your enrollment form and return it to your Plan Administrator. Voluntary after-tax contributions are deducted from after-tax income. The earnings on these contributions will accumulate tax deferred until you receive a distribution from the Plan.

### **What happens if I go on a qualified military service leave?**

Generally, when you go on a qualified military service leave, you are no longer able to make pre-tax or Roth salary deferral contributions, catch-up contributions or voluntary after-tax contributions until you return to work. However, when you return to work, you will be given an opportunity to make up the contributions that you could have made while you were on such leave. You will have a period of three times the period of military service to make up these contributions, not to exceed five years.

When you return from a qualified military service leave, the University is required to restore your account with any contributions that would have been made on your behalf, had you not been absent due to the leave. If you make the missed contributions you were not able to make due to your qualified military service leave, you will also be entitled to receive any applicable matching contributions. The University will make the applicable matching contributions within a reasonable period after you make up any missed contributions.

When determining the contributions to be restored to your account, the University will use the salary you would have received during the period of your leave, based on your rate of pay, or if not reasonably certain, your average salary during the 12-month period preceding your leave.

### **May I make a rollover contribution to the Plan?**

Yes, unless you are an excluded employee. If you were a participant in another plan (for example, a 403(b) plan, qualified plan or governmental 457(b) plan from a previous employer), you may elect a direct rollover contribution into this Plan from the other plan. If you elect a direct rollover, that amount will be contributed directly to this Plan and may include after-tax contributions, provided the direct rollover is from a qualified Roth contribution program, or a 401(a) plan or another 403(b) plan. You may also roll over amounts that were previously contributed to a traditional Individual Retirement Account ("IRA"). To make a rollover contribution, you must provide Diversified with a certification from your former employer, plan administrator or IRA provider stating that the distribution you received from their plan or traditional IRA qualifies as a rollover contribution. Please call Diversified Direct at 800-755-5801 if you want to make a rollover contribution.

### **What is the most that may be contributed to the Plan on my behalf?**

The Internal Revenue Service (IRS) places a maximum limit on the amount of money (the "Annual Contributions") that may be contributed to your account each Plan Year. For your Plan, this limit applies to:

- your own contributions to the Plan (excluding catch-up contributions);
- the University's contributions to the Plan; and
- any forfeitures credited to your account.

For the 2010 Plan Year, the maximum Annual Contributions to your account cannot exceed the lesser of \$49,000 or 100% of your total salary. Total salary for this purpose includes any salary deferral contributions to 403(b) plans, Section 125 cafeteria plans, Section 132(f)(4) plans, governmental 457(b) plans, 401(k) plans, simplified employee pension plans or simple retirement accounts.

**NOTE:** In general, for purposes of applying these limits (which may be adjusted in future years), contributions to all 403(b) defined contribution plans maintained by the University are counted.

If you are a "highly compensated employee", the IRS also places an annual limit on the amount of matching contributions and voluntary after-tax contributions which may be made to your account. Contributions may be limited to an amount that enables the Plan to meet a certain nondiscrimination test.

In addition, in order to pass this test (known as the ACP test), the University may return or forfeit excess contributions to highly compensated employees. As an alternative, the University may choose to make a 100% vested contribution to any or all of the members of the non-highly compensated group who have met the eligibility requirements for your Plan. The University will notify you if your contributions exceed these limits and if they will need to be adjusted or refunded.

### **Who is a highly compensated employee?**

A highly compensated employee is one who:

- receives salary from the University of over \$110,000 (2010 Plan Year limit) in the prior year.

**NOTE:** The IRS may adjust the salary limit stated above in future years based on the cost-of-living index.

### **Is my total salary used to calculate contributions?**

For the 2010 Plan Year, the IRS allows salary up to \$245,000 to be used when calculating contributions. This limit may be adjusted in future years based on the cost-of-living index.

Your salary used to calculate contributions will be your base annual wages, before reduction for employee benefits and ministerial housing allowance and before taking into account any before-tax savings, paid or payable by Pepperdine in any Plan Year for services performed by you and which are includable in gross income for Federal income tax purposes, including foreign earned income (as defined in Code Section 911(b)), whether or not excludable from gross income under Code Section 911, excluding employee expense reimbursements, all fringe benefit allowances which are includable in gross income, overtime pay, shift differential pay, special compensation (including, but not limited to, compensation paid under adjunct contracts, overload payments, workshop payments, directed studies payments, special payments, and one-time payments and bonuses), and compensation paid to you before you became a Participant. Compensation, shall further be limited to \$245,000 (for 2010 Plan Year) which amount shall be adjusted for cost-of-living increases, in accordance with section 401(a)(17)(B) of the code.

For your first year of participation in the Plan, your salary will be recognized for the entire Plan Year, regardless of the date you enter the Plan.

### **What happens if I defer too much money or the Plan must return a portion of my Roth or other deferrals because of the special rules that apply to 403(b) plans?**

If you are required to receive money back from the Plan because you deferred too much (see the question “**Is there a limit on how much of my salary I can contribute as a Roth deferral?**”), you will receive a return of excess contributions first from your pre-tax salary deferral contributions and then from Roth deferrals. If Roth deferrals are returned to you, they will not be included in your income if they are timely distributed. However, any earnings on returned Roth deferrals will be included in your income in the year that the deferrals are distributed to you.

# Managing Your Account

## Who decides how the money in my account is invested?

You do. When you become eligible to participate in the Plan you may select from a variety of professionally managed investment funds. You will receive enrollment material that will include the following information for each fund:

- a description of the investment objectives;
- the risk and return characteristics;
- the type and diversification of the assets; and
- the investment manager.

To help you make your selection, investment education material will be made available to you through your Plan Administrator. You may also visit Diversified Direct Online at [www.divinvest.com](http://www.divinvest.com) for more information. Diversified Direct at 800-755-5801 is also available to provide investment information to help you make investment decisions. Diversified is equipped to handle your calls and questions in over 140 languages through Language Line® service. It also provides services for those who are hearing-impaired. All calls are recorded for your protection.

Once you decide how you would like your contributions invested, you will need to call Diversified Direct at 800-755-5801. Please note that your choices must be in whole percentages.

**NOTE:** If you have not made your investment elections, all contributions made on your behalf will be invested in the T. Rowe Price Target date funds based on the year in which you turn age 65. This is known as the "Default Alternative." The University has chosen to qualify the Default Alternative as a Qualified Default Investment Alternative ("QDIA") established in accordance with the legal requirements under section 404(c)(5) of ERISA and regulations thereunder. This means that the plan fiduciary would not be liable for any investment losses that result, notwithstanding that you did not affirmatively elect to invest in the Default Alternative. This relief from liability applies whether or not the Plan is intended to be an ERISA 404(c) plan.

<b>T. Rowe Price</b>	<b>Year in which Participant turns age 65</b>
T. Rowe Price Retirement 2055	2053 and later
T. Rowe Price Retirement 2050	2048-2052
T. Rowe Price Retirement 2045	2043-2047
T. Rowe Price Retirement 2040	2038-2042
T. Rowe Price Retirement 2035	2033-2037
T. Rowe Price Retirement 2030	2028-2032
T. Rowe Price Retirement 2025	2023-2027
T. Rowe Price Retirement 2020	2018-2022
T. Rowe Price Retirement 2015	2013-2017
T. Rowe Price Retirement 2010	2008-2012
T. Rowe Price Retirement 2005	2003-2007
T. Rowe Price Retirement Income	prior to 2003

Your Plan is intended to be a 404(c) plan as described in Section 404(c) of the Employee Retirement Income Security Act of 1974 (ERISA). This provision provides special rules for plans that permit participants to have control over their accounts (like yours). Because you choose your own investments, you are responsible for any investment gains or losses that result from your investment decisions. The Plan's fiduciaries (the Plan Administrator, etc.) are not liable if the value of your account declines because of investment losses based on your investment decisions.

**Is there any other information available?**

Certain additional information is available to you directly from your Plan Administrator upon request. The information for each investment fund includes:

- a description of the annual operating expenses;
- the most recent copies of financial statements, prospectuses (if applicable), reports and other information;
- a listing of assets comprising the portfolio of each designated investment fund holding "plan assets", its value, and information related to fixed-rate investment contracts (rate of return and maturity date); and
- a performance history and information regarding the value of shares or units in the investment fund and in your account.

There are no investment fund transaction fees or expenses (e.g., commissions, front-end or back-end loads) associated with the investments which will affect your account, except those in the Schwab Personal Choice Retirement Account® ("PCRA") described below. Prior to making any investment, you should obtain and read all available information concerning that particular investment, including financial statements, prospectuses (if applicable), reports or other offering documents, where available.

## **How do I change the way my future contributions will be invested?**

You may change the way your contributions are invested by visiting Diversified Direct Online at [www.divinvest.com](http://www.divinvest.com) or by calling Diversified Direct at 800-755-5801. Changes received by Diversified before 4:00 p.m. Eastern Time will be effective the same day. You may change the way your contributions are invested at any time. Please note that your choices must be in whole percentages. Confirmation of any changes you make will be sent to you within five business days.

## **May I transfer money from/to another 403(b) plan?**

Yes! But only incoming transfers of your 403(b) account from another 403(b) plan into the Plan are allowed.

## **What is a Diversified Managed Account?**

The Diversified Managed Account is designed for individuals who are short on time when it comes to managing their retirement plan investments. Through the Diversified Managed Account, you can subscribe to portfolio management services from an independent investment firm selected by Diversified. Based on your input, the independent investment firm will develop a personalized portfolio asset allocation based on the core investment options in the Plan. The portfolio is monitored and rebalanced regularly.

The annual fee for the Diversified Managed Account is 0.10% of your account balance. The fee accrues daily and will be deducted monthly from your account or, if sooner, at the time you initiate a transaction that liquidates an investment fund. Additional information regarding the fees and terms and conditions applicable to the Diversified Managed Account is available in a Managed Account Agreement which you must accept to subscribe to the service. You may subscribe to the Diversified Managed Account by visiting Diversified Direct Online at [www.divinvest.com](http://www.divinvest.com).

Effective March 2010, the fee for the Diversified Managed Account no longer applies.

## **What is the PCRA?**

The PCRA is designed for experienced investors who want more control over their investments. It offers a wider selection of mutual fund investments to choose from. You may invest in PCRA by transferring contributions to the account, subject to the following minimum amounts:

- initial transfer of \$1,000
- subsequent transfers of \$250

Transfers from the PCRA to any other investment funds under the Plan and transfers among the different investment options offered under the PCRA are unlimited. Upon opening your PCRA, a \$50 charge will be deducted from your account at the end of each Plan Year, as well as upon your termination of employment. Please see your Plan Administrator for additional information.

## Ownership of Your Account (Vesting)

### What does vesting mean?

Vesting means ownership of your account. The portion of your account that is yours is called your vested account.

You are always 100% vested in (i.e., have full ownership of) your account.

### What if a Qualified Domestic Relations Order (“QDRO”) is issued against my account?

Generally, your vested account may not be sold, used as collateral for a loan outside the Plan, given away, or otherwise transferred. In addition, with certain limited exceptions (e.g., an IRS levy), your creditors may not interfere with your account in any way. An exception to this general rule, however, is a QDRO. A QDRO is a decree or order issued by a court that makes you pay child support or spousal support, or otherwise allocates a portion of your account to your spouse, former spouse, child or other dependent. If a QDRO is received by Diversified, all or a portion of your benefits may be used to satisfy such order. Diversified will determine if the decree or order issued by the court meets the requirements of a QDRO. Participants and beneficiaries can obtain a description of the procedures for QDRO determinations at no charge from Diversified, and should do so before having their legal counsel draft any domestic relations order.

## Withdrawals

### May I make a withdrawal while I am employed?

Yes, you may make a withdrawal as follows:

#### **Rollover Contributions.**

You may withdraw all or a portion of your rollover contributions at any time.

#### **Age 59 ½ or Older.**

When you reach age 59 ½, you may withdraw all or a portion of your account balance attributable to your post-1988 salary deferral contributions (salary deferrals contributed to an annuity contract prior to January 1, 1989 are available at any time).

**NOTE:** The conditions for the withdrawal of Roth deferrals while you are still employed are the same as those that apply to in-service withdrawals of pre-tax salary deferral contributions.

### Hardship.

Your Plan allows you to make hardship withdrawals. A "hardship withdrawal" is a withdrawal made for an "immediate and heavy financial need," such as:

- unreimbursed medical expenses for you, a dependent, a properly designated primary beneficiary of your account under the Plan or a non-custodial child;
- purchase of your principal residence, excluding mortgage payments. Funds cannot be withdrawn to purchase a vacation home;
- post-secondary education (e.g., college), tuition and related educational fees and room and board expenses for the next 12 months for you, your spouse, your child, a properly designated primary beneficiary of your account under the Plan or your dependent;
- amounts necessary to prevent foreclosure or eviction from your principal residence (e.g., unpaid rent or mortgage payments);
- unreimbursed burial or funeral expenses for your deceased parent, spouse, child, a properly designated primary beneficiary of your account under the Plan or dependent;
- unreimbursed expenses for the repair of damage to your principal residence that qualifies for the casualty loss deduction under Code Section 165 (without regard to whether the loss exceeds 10% of adjusted gross income); or
- amounts for other expenses which the IRS may later define as a hardship withdrawal.

The amount of the hardship withdrawal cannot exceed the exact amount needed to cover your financial need, plus any income taxes or penalties reasonably anticipated to result from the hardship withdrawal. In addition, in order to receive approval for a hardship withdrawal, you must certify that your need for the withdrawal cannot reasonably be relieved by:

- stopping of salary deferral contributions under the Plan; or
- other distributions or nontaxable loans from plans maintained by the University or any other employer.

Relying on your certification, Diversified will determine whether you qualify for a hardship withdrawal using uniform and nondiscriminatory standards.

If Diversified determines that you qualify for a hardship withdrawal, you may withdraw the following contributions and earnings:

- rollover contributions and earnings;
- salary deferral contributions (and any earnings credited as of December 31, 1988 (or, if later, the end of the last Plan Year ending before July 1, 1989));
- Roth deferral contributions.

### **Are there any restrictions relating to hardship withdrawals?**

Yes. If you take a hardship withdrawal, you may not make any voluntary after-tax, pre-tax or Roth salary deferral contributions for six months from the date of your hardship withdrawal.

### **How do I apply for a withdrawal?**

You can apply for a withdrawal by calling Diversified Direct at 800-755-5801 and requesting a withdrawal form. Diversified will process your withdrawal request within five business days (or as soon as administratively possible) after it receives your properly completed request.

### **If I make a withdrawal, may I repay it?**

No, amounts withdrawn from the Plan may not be repaid.

### **What are the tax effects of making a withdrawal?**

If you make a withdrawal from the Plan, you generally will have to pay income taxes on the money you withdraw. Unless you are withdrawing the money to make a direct rollover contribution to another 403(b) plan, governmental 457(b) plan, qualified plan, or traditional IRA, your withdrawal is generally subject to the mandatory 20% federal income tax withholding. Since hardship withdrawals are not eligible to be rolled over to another plan, they are subject to optional 10% federal income tax withholding. Also, if you are under age 59 ½ when you make your withdrawal, an additional 10% penalty tax may apply (unless you are a military reservist called into active duty and you receive a qualified reservist distribution).

**NOTE:** You will not pay income taxes on any Roth deferral or voluntary after-tax contributions you withdraw from the Plan since these contributions were taxed before being contributed to the Plan. The earnings on your voluntary after tax contributions will be taxable. However, the earnings in your Roth deferral account may qualify for federal tax-free treatment if such a distribution is a “qualified distribution” from your Roth deferral account. See the question “**What is a ‘qualified distribution’ from a Roth deferral account?**” in the “**Taxes on Distributions**” section of this SPD.

# Benefits

## When may I retire under the Plan?

Your normal retirement date is your 65th birthday.

Your early retirement date is the first day of the month coinciding with or next following your 55th birthday.

## When will I begin to receive benefits from the Plan?

If you terminate service, you have the option to receive the total vested value of your account at any time. The Plan is required by law to distribute your benefits no later than April 1st of the calendar year following the year in which you reach age 70 ½. If you had an account balance as of December 31, 1986, you may delay distribution of that amount until you reach age 75.

However, if you are still working for the University at the time you reach age 70 ½ you may:

- delay payment of your benefits until the April 1st of the calendar year following the year you retire; or
- choose to delay the rest of your benefit payments until the April 1st of the calendar year following the year you retire, if you had already begun to receive payment of your benefits.

**NOTE:** You may not take a distribution from University contributions until termination from employment and the attainment of age 55. Salary deferral contributions and Roth deferral contributions are available for distribution upon termination.

## How will my account be paid to me?

Your account will be paid to you in one lump sum payment.

## May I elect a different payment option?

Yes, other payment options are available. *(Note, however, that if you elect any of the annuity options below, other than the joint and survivor annuity, spousal consent is required.)*

### Life Annuity

This annuity provides a monthly payment to you for your lifetime. No payments will be made after your death.

**Life Annuity with a 5-Year Period Certain**

This annuity provides a monthly payment to you for your lifetime. If you die before receiving 5 years of payments (60 months), the remaining payments will be made to your beneficiary. Your beneficiary can choose to have the remaining payments made in one lump sum.

**Life Annuity with a 10-Year Period Certain**

This annuity is the same as a life annuity for a 5-year period certain (see above). However, payments will be made to your beneficiary for the remainder of 10 years (120 months), not 5.

**Life Annuity with a 15-Year Period Certain**

This annuity is also the same as the 5- and 10-year life annuities explained above. However, payments will be made to your beneficiary for the remainder of 15 years (180 months).

**Life Annuity with a 20-Year Period Certain**

This annuity is also the same as the 5-, 10- and 15-year life annuities explained above. However, payments will be made to your beneficiary for the remainder of 20 years (240 months).

**Term Certain Annuity guaranteed for 5-Years**

This annuity provides a monthly payment to you for a guaranteed period of 5 years. If you die before receiving 5 years of payments (60 months), the remaining payments will be made to your beneficiary. Your beneficiary can choose to have the remaining payments made in one lump sum.

**Term Certain Annuity guaranteed for 10-Years**

This annuity is also the same as a term certain annuity for 5 years (explained above). However, payments will be made to your beneficiary for the remainder of 10 years (120 months).

**Term Certain Annuity guaranteed for 15-Years**

This annuity is also the same as the 5 and 10 year term certain annuity (explained above). However, payments will be made to your beneficiary for the remainder of 15 years (180 months).

**Term Certain Annuity guaranteed for 20-Years**

This annuity is also the same as the 5, 10 and 15 year term certain annuity (explained above). However, payments will be made to your beneficiary for the remainder of 20 years (240 months).

## **Joint and Survivor Annuity**

This annuity pays a monthly lifetime benefit to you and, upon your death, to your spouse. You may elect to have your spouse receive another amount (such as 50%, 66 2/3%, 75% or 100% of your payment). No payment will be made after your death if your spouse does not survive you.

## **Installment Payments**

You may also elect to receive payments on a monthly, quarterly, semi-annual (twice a year) or annual basis. If you die before receiving all of the payments, the balance in your account will be paid to your beneficiary in one lump sum payment. Your beneficiary may elect another form of benefit.

## **Partial Cash Payments**

You may elect to receive partial cash payments. This means that you may receive part of your account balance while leaving the remainder of your account in the Plan. You may receive partial cash payments from your account at any time, and as often as you like. If you die before receiving all of your account, the balance in your account will be paid to your beneficiary in one lump sum payment.

## **What happens if I become disabled?**

If you become disabled, your disability retirement date will be the first day of the month following the date that you become disabled. Your account will be paid to you in one lump sum payment. You may, however, choose any other payment option listed above.

You will be considered disabled if you furnish proof of the existence of a disability in the form and manner consistent with the requirements of the Social Security Administration to receive benefits. In other words, if you are not able to work in any substantially gainful activity because of any physical or mental impairment(s) that can be shown medically and those impairments are expected to result in death or to be of long-continued and indefinite duration, you may be considered disabled under the Social Security Administration's guidelines. Furnishing a letter from the Social Security Administration stating that you are entitled to disability benefits would be sufficient proof of your disability.

## **Does the Plan provide for death benefits?**

Yes. If you die before your benefits begin under the Plan, your account will be paid to your beneficiary. Your beneficiary may choose any payment option listed above (except a joint and survivor annuity).

### **Who will be the beneficiary of my death benefits?**

You have the right to designate your beneficiary or beneficiaries at any time. However, if you are married, you may not designate a beneficiary other than your spouse for more than 50% of your account without your spouse's written consent. A notary public or Plan representative must witness your spouse's signature on the consent form. If you fail to designate a beneficiary, if your beneficiary designation is not valid, or if your beneficiary fails to survive you, then your benefits will be paid in the following order to: (1) your spouse; then (2) your estate. You can designate your beneficiary by completing a beneficiary form that is in your enrollment kit. You may also visit Diversified Direct Online at [www.divinvest.com](http://www.divinvest.com) or call Diversified Direct at 800-755-5801 to make or change a beneficiary designation.

**IMPORTANT NOTE:** If you have designated your spouse as your beneficiary and you then get legally divorced, your designation of your spouse will be considered **not** valid unless you complete a new beneficiary form after the divorce redesignating your spouse as beneficiary.

### **May a nonspouse beneficiary roll over a death benefit?**

Yes, effective January 1, 2007, a nonspouse designated beneficiary of a deceased participant may request a direct rollover to an "inherited IRA". An inherited IRA means that the title of the IRA account must identify it as an IRA with respect to a deceased individual and also identify the deceased individual and the beneficiary. The rules for determining the required minimum distributions under the Plan with respect to a nonspouse beneficiary also apply under the inherited IRA.

### **If I terminate employment with the University for any reason, do I need to take my money immediately?**

No, you may leave your money in the Plan.

# Taxes on Distributions

## What are the tax effects of taking my taxable monies?

If you withdraw money from the Plan and you do not directly roll it over into another 403(b) plan, governmental 457(b) plan, qualified plan or eligible IRA, you generally will have to pay income taxes on the money. The amount you withdraw is generally subject to a mandatory 20% federal income tax. Note: Since hardship withdrawals are not eligible to be rolled over to another plan, they are subject to an optional 10% federal income tax withholding. In addition, if you separate from service and are under age 55 in the year when you make the withdrawal, an additional 10% IRS penalty tax may apply (unless you are a military reservist called into active duty and you receive a qualified reservist distribution).

**NOTE:** In general, you will not pay income taxes on any Roth deferral or voluntary after-tax contributions you withdraw from the Plan since these contributions were taxed before being contributed to the Plan. The earnings on your voluntary after tax contributions will be taxable. However, the earnings in your Roth deferral account may qualify for federal tax-free treatment if such a distribution is a "qualified distribution" from your Roth deferral account. See the question "**What is a 'qualified distribution' from a Roth deferral account?**" in the "**Taxes on Distributions**" section of this SPD.

## Is there a way to reduce or defer the taxes due on my distribution?

Yes, there are ways to either reduce or defer the income taxes due on your distribution. For example:

(1) If you receive a taxable distribution from the Plan, you generally have 60 days from the date of the distribution to roll over all or a portion of that amount to an eligible IRA, another 403(b) plan, a governmental 457(b) plan, or to a qualified plan. If you roll over your account in any of these ways, you will not pay taxes on the money. You will, however, have to pay taxes when you begin to withdraw money from a traditional IRA or new employer's plan.

Under certain circumstances, all or a portion of your distribution may not qualify as a rollover contribution to an eligible IRA or another employer's 403(b) plan, governmental 457(b) plan, or qualified plan. In addition, most distributions will be subject to a mandatory 20% federal income tax withholding. This tax will reduce the actual amount you receive in your distribution. For this reason, if you wish to roll over all or a portion of your distribution, you may want to take advantage of the direct rollover option described in (2) below.

(2) If you roll over your distribution directly to an eligible IRA or another employer's 403(b) plan, governmental 457(b) plan, or qualified plan, no taxes will be taken out. Taxes will be payable, however, when you begin to receive payments.

Like the rollover (described in (1) above), all or a portion of your distribution may not qualify for a direct rollover to an eligible IRA, other 403(b) plan, governmental 457(b) plan, or qualified plan. If you request a direct rollover, you and your spouse must consent in writing to waive the annuity payments described in the previous sections.

You will receive additional information regarding the special tax rules, rollover distributions and direct rollovers when you request a distribution.

### **Are there any special rules regarding direct rollovers of Roth deferrals?**

Yes, there are some special rules that apply to direct rollovers of Roth deferrals. A direct rollover of a distribution from a Roth deferral account under this Plan can only be made to a Roth deferral account under another 403(b) plan that accepts rollovers from a Roth deferral account, or to a Roth IRA.

The Plan does not provide for a direct rollover (including any automatic rollover) of distributions from your Roth deferral account if the amount of those distributions that are “eligible rollover distributions” is less than \$200 during a year. Additionally, any distribution from your Roth deferral account will not be taken into consideration when determining whether distributions from your other accounts are reasonably expected to total less than \$200 during a year. (See the “**Benefits**” section of this SPD for the full explanation of “eligible rollover distributions”.)

If you were a participant in another 403(b) plan and you receive a distribution from that plan which includes monies in a Roth deferral account, you may be able to roll over those amounts to this Plan through a direct rollover (see the section “**Contributions to the Plan**” in this SPD to verify that direct rollovers are accepted by this Plan). All Roth deferral account amounts will be accounted for separately from any other contribution accounts you have under this Plan. The 403(b) plan from which you wish to transfer your Roth deferral account from over to this Plan must first report to this Plan the amount of your Roth deferrals, as well as associated earnings, and the first year of the five taxable year period applicable to that Roth deferral account. When counting the five consecutive tax years of Plan participation in this Plan (as the recipient Plan), year one is calculated as starting on the first day of the first taxable year in which you make a Roth deferral to any designated Roth deferral account established for you under the transferor plan or the recipient plan, whichever Roth contribution date is earlier.

### **What is a “qualified distribution” from a Roth deferral account?**

A distribution from a Roth deferral account in the Plan is considered a “qualified distribution” if certain conditions are met. First, such distribution is made on or after the date on which you attain age 59½, or is made to your beneficiary (or to your estate) on or after your death, or is distributed to you due to your becoming disabled (as defined in this SPD). Second, any amounts distributed or paid from a Roth deferral account must have been held in your Roth deferral account for five taxable years for the distribution to be qualified. When counting the five taxable years, year number one is calculated as starting on the first day of the first taxable year in which you make a Roth deferral to the Plan, or if earlier, the first taxable year in which you made a direct rollover of your Roth deferral account under another employer’s plan to your Roth deferral account under this Plan. If a distribution is a qualified

distribution, neither your contributions nor the earnings will be includible in your gross income.

## Distribution Claim Procedures

### How do I apply for benefits?

You (“you” includes your beneficiary throughout this section) may apply for benefits by submitting a request as previously described. Your request for benefits must be made at least 30 days before you want to receive your distribution.

### What if my claim is denied?

Your application for benefits is also known as your “claim for benefits”. If your claim for benefits is wholly or partially denied, you will receive written notice of this decision no later than 90 days after the date you submitted your claim. This written notice will explain:

- why your claim was denied;
- the Plan provisions which led to your claim being denied;
- the additional information needed to process your request for benefits; and
- the Plan’s review procedures and applicable time limits, including a statement of your right to bring a civil action in accordance with Section 502(a) of the Employee Retirement Income Security Act of 1974, as amended (“ERISA”).

### How may I appeal a claim denial?

If your claim for benefits is denied, you may appeal the decision. However, you must do so within 60 days of receiving the denial notice from your Plan Administrator. You and your representative (such as your attorney) are entitled to review any of the appropriate documents involved in the denial of your claim. All comments must be submitted in writing.

A final decision on your appeal will be made in writing no later than 60 days after receipt of the appeal. The Plan Administrator may request an extension of time to review your appeal, if there are special circumstances (e.g., a need to hold a hearing concerning the appeal). Such an extension will not be longer than 120 days counting from the date your appeal was received.

## Legal Rights

As a participant in the Plan, you are entitled to certain rights and protections under the Employee Retirement Income Security Act of 1974, as amended (“ERISA”). ERISA provides that all Plan participants are entitled to:

### Receive Information About Your Plan and Benefits

- Examine, without charge, at the Plan Administrator’s office and at other specified locations, such as work sites and union halls, all documents governing the Plan, including any collective bargaining agreements, if applicable, and a copy of the latest annual report (Form 5500 Series) filed by the Plan with the U.S. Department of Labor and available at the Public Disclosure Room of the Employee Benefits Security Administration.
- Obtain, upon written request to the Plan Administrator, copies of documents governing the operation of the Plan, including any insurance contracts and collective bargaining agreements, if applicable, and copies of the latest annual report (Form 5500 Series) and an updated summary plan description. The Plan Administrator may charge a reasonable amount for the copies.
- 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.
- Obtain a statement telling you whether you have a right to retirement benefits from your Plan at normal retirement age (age 65) and if so, what your benefits would be at normal retirement age if you stop working now. If you do not have a right to retirement benefits, the statement will tell you how many more years you have to work to get a right to your retirement benefits. This statement must be requested in writing and is not required to be given more than once every 12 months. The Plan 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 the University, your union, or any other person, may fire you or otherwise discriminate against you in any way to prevent you from obtaining a retirement benefit or exercising your rights under ERISA.

### Enforce Your Rights

If your claim for a retirement 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 a copy of Plan documents or the latest annual report from the Plan and do not receive them within 30 days, you may file suit in a federal court. In such a case, the court may require the 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 that 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 the court costs and legal fees. If you are successful, the court may order the person you sued to pay these 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 your 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.

## **Additional Information**

### **Who handles the administration of the Plan?**

The Plan is administered by the University. As Plan Administrator the University is generally responsible for Plan operations and has sole discretion to interpret Plan provisions. Note that Diversified has agreed to assume certain fiduciary responsibilities of the Plan Administrator in accordance with certain agreed upon administrative procedures between Diversified and the University.

Diversified performs some, but not all, of the recordkeeping services for your Plan. Diversified performs these functions at the direction of the Plan Administrator in accordance with the provisions of the Plan and the Plan funding documents. Diversified:

- receives the Plan contributions;
- credits your account for those contributions; and
- pays benefits to you and/or your beneficiaries.

### **Who pays the costs of administering the Plan?**

The Schwab Personal Choice Retirement Account charge, if any, is deducted from your account. All other costs of administering the Plan will be paid by the University or from Plan assets.

### **Can my Employer amend and/or terminate the Plan?**

The Plan is purely voluntary on the part of the University, which reserves the right to terminate the Plan and to discontinue contributions completely at any time. In the event the Plan is terminated for any reason, the rights of all Participants to their accounts shall be nonforfeitable. This means that you would have full ownership of the money in your account. If the University decides to amend the Plan, your vested benefit in the account cannot be reduced by this action.

Any termination of the Plan shall be in compliance with Code section 403(b) and any Treasury Regulations or other guidance issued thereunder.

### **Is this Plan insured?**

No, this Plan is not insured. The assets of the Plan are held entirely separate from the assets of the University. All assets of the Plan are dedicated to the exclusive benefit of the Plan's participants. ERISA established a special federal agency, the Pension Benefit Guaranty Corporation (PBGC), to protect employees' benefits in certain pension plans when there is not enough money to cover benefits if a plan should terminate. By definition, benefits under this Plan are always equal to the value of the investments in the Plan. Thus, there is no need for insurance, nor is coverage available, for plans of this type.

**Pepperdine University Retirement Plan**

**SPD APPROVAL FORM**

**Account # TT069312**

In order to comply with the Employee Retirement Income Security Act of 1974 (ERISA), a Summary Plan Description ("SPD") must be furnished to each participant and beneficiary receiving benefits within 90 days after becoming a participant or first receiving benefits, or within 120 days after the plan is established (i.e., the plan's effective date), whichever is later. In addition, when a plan is changed or amended, generally an updated SPD or summary of the change must be furnished to each participant within 210 days after the close of the plan year in which the plan amendment and/or restatement was adopted.

As part of Diversified's plan document services, we have prepared a draft SPD to help you comply with the requirements of ERISA. The attached SPD is based on your Plan's provisions and includes all updates required by law. The SPD draft has been prepared as a guide for your attorney's review. After you have approved the SPD, you may request that Diversified print SPD booklets for distribution to participants (see below).

To ensure that all participants and beneficiaries have the most recent copy of the SPD that includes all changes, and to avoid having to provide new participants with multiple SPDs and/or a SPD with multiple inserts, we are recommending that you approve the SPD by 04/22/2010 so that it may then be distributed to all interested parties. This will allow you time to review the SPD and still be able to provide the SPD to participants within a reasonable timeframe. If we do not receive your approval for the SPD by this date, we will assume that you have approved the SPD in its current form and that you have distributed the SPD to participants.

Note that Diversified is able to accommodate minor changes to the attached SPD. However, if you or your legal counsel want to make significant changes to the text or format, you must elect Diversified's SPD Customization Program and we will provide the SPD to you electronically. You may then customize the SPD. If you choose this option, please note that you are then responsible for maintaining the SPD on an ongoing basis, including any future Summary of Material Modifications and any updates required by law. You will also be responsible for printing the SPD; however, if the format of the SPD has not been altered, Diversified may be able to print the SPD if you so desire. However, we will need to review the SPD once it is finalized to determine if we are able to print the SPD booklet.

If you elect to utilize the attached SPD or you have elected the SPD Customization Program and Diversified has determined that we are able to print your customized SPD, Diversified will print SPD booklets in an amount equal to 110% of the number of eligible employees in the Plan. The initial supply of SPD booklets will be printed at no cost to you, please indicate below the number of SPDs that you would like printed.

In order to confirm how you want to proceed, please select one of the options below:

- I have reviewed the attached SPD and elect to have Diversified print and maintain the SPD for my Plan: please print a total of \_\_\_\_\_ SPD booklets.

\_\_\_\_\_  
Signature of Plan Administrator                      Date

Please indicate address where SPD booklets should be delivered:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
Attn: \_\_\_\_\_

- I have reviewed the attached SPD and elect to have Diversified print and maintain the SPD for my Plan. However, I am requesting minor modifications to the SPD. Please review the attached draft and advise if Diversified is able to accommodate the requested changes.

\_\_\_\_\_  
Signature of Plan Administrator                      Date

- I have reviewed the attached SPD and want to make major modifications to the draft. I understand that Diversified will send me the SPD electronically and will not maintain the SPD, and that I will be responsible for any future updates to the SPD. Once finalized, I will send Diversified a copy of the SPD for their files.

\_\_\_\_\_  
Signature of Plan Administrator                      Date