SUMMARY PLAN DESCRIPTION
OF THE
LAFAYETTE COLLEGE
RETIREMENT PLAN

Dated as of January 1, 2010
SUMMARY PLAN DESCRIPTION

OF THE

LAFAYETTE COLLEGE

RETIREMENT PLAN

This is a summary of the Lafayette College Retirement Plan (the “Plan”). Lafayette College (the “College”) maintains the Plan for the benefit of its eligible employees.

The purpose of this summary is to give you an understanding of how the Plan works and to demonstrate how the Plan affects you personally. In order to help you understand the main provisions of the Plan, the use of legal and technical terms has been avoided wherever possible.

This summary is not intended to modify or change the complete official text of the Plan document on which it is based. Therefore, in the event of any discrepancy between this summary and the Plan document, the terms of the Plan will govern.

You should keep this summary with your permanent records.
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LAFAYETTE COLLEGE

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A. ABOUT THE PLAN

The Lafayette College Retirement Plan (the “Plan”) and Lafayette College Supplemental Retirement Plan (the “Supplemental Plan”) were established effective September 1, 1946, and have been amended several times since that date. Effective January 1, 2009, Plan was amended and restated to reflect the merger of the Supplemental Plan with and into the Plan and to reflect certain changes in law applicable to the Plan. This summary describes the Plan as amended and restated.

The Plan is designed to give you the opportunity to accumulate funds on a tax-deferred basis for your retirement. The Plan is an Internal Revenue Code (“Code”) section 403(b) plan. Each year, the College contributes a certain amount on behalf certain eligible Plan participants. Certain Plan participants are required to make contributions as well (see Part C, Question 1). You may also make Voluntary Tax-Deferred Contributions to the Plan, if you wish. And, if you have an interest in another retirement plan from another employer, or if you have transferred such an interest to an individual retirement account, you may be allowed to contribute that interest to this Plan through a “rollover.” (See Part C, Question 9).

The Plan is also designed to comply with section 404(c) of the Employee Retirement Income Security Act of 1974, (“ERISA”) which means that you are responsible for the investment choices you make from the available investments offered through the Plan.

If you participate in the Plan, individual annuity contracts through TIAA-CREF or custodial accounts through Fidelity, which we refer to as your “accounts” throughout this Summary, will be set up for you (see Part D, Question 1). The amount of benefit you will receive from the Plan when you retire will depend on the amounts contributed to your accounts while you are a participant in the Plan, increased by earnings and decreased by losses and expenses as well as the benefit option you choose (see Part E).

The books and records of the Plan are maintained on a plan year basis. The Plan uses the calendar year (January 1st to December 31st) as its plan year.

The Plan is administered by the College. However, some administrative functions have been delegated to the Fund Sponsors (see Part D and Part K). The College and its delegates have the discretion to interpret the Plan’s provisions and any use of this discretionary authority will be final and binding. Any questions pertaining to the Plan should be directed to the Office of Human Resources, which may be reached at the offices of the College (see Part L).

B. PARTICIPATION IN THE PLAN

1. Who is eligible to participate in the Plan?

Participation in the Plan depends on whether you are a Category A or Category B Employee.

Category A Employees are persons employed by the College as:

- faculty members (including visiting faculty members);
• administrative staff;
• exempt support staff;
• supervisors designated as exempt under the Fair Labor Standards Act; and
• adjunct faculty members (previously known as part-time officers of instruction) hired on or before February 1, 1994.

For purposes of eligibility to receive College Contributions, **Category B** Employees are persons employed by the College as support staff members who are nonexempt under the Fair Labor Standards Act, including part-time administrators. For purposes of eligibility to make Voluntary Tax-Deferred Contributions to the Plan, **Category B** Employees are Employees of the College who are **not** Category A Employees.

For purposes of the Plan, an “Employee” is any person employed by the College, except any person who is a leased employee or an independent contractor of the College, whether or not such person is later determined to be a common-law employee by the Internal Revenue Service or the courts. Further, the term Employee does not include any student whose income from the College is not subject to employment taxes.

2. **When does my participation in the Plan begin?**

   If you are a Category A Employee, you may begin to participate in the Plan on the first of the month following or coinciding with your first day of employment.

   If you are a Category B Employee, you may begin to make Voluntary Tax-Deferred Contributions to the Plan on the first of the month following or coinciding with your first day of employment. However, if you are a Category B Employee, for purposes of the eligibility to receive College Contributions you may begin to participate in the Plan on the first day of the first full pay period of the month following month in which you complete two years of “eligibility service” without having incurred a “break in service”, but in no event before the second anniversary of your first day of employment with the College. If you are a Category B Employee and you have a fully funded, fully vested retirement plan benefit from any prior employment, you will be credited with one year of eligibility service for each year of service with that employer, up to a maximum of two years. In either case, participation will not begin until after you have completed the necessary application forms.

   For purposes of entry into the Plan, a “year of eligibility service” is a 12-month period, beginning on your date of hire, in which you are credited with at least 900 hours of service. You can also be credited with a year of eligibility service if you are credited with at least 900 hours of service during a Plan year beginning after your date of hire.

   An “hour of service” is each hour for which you are paid for working. It also includes hours during which you are entitled to payment but are not working because you are on a paid leave of absence, unpaid leave under the Family and Medical Leave Act, vacation, sick or on disability leave, or jury or military duty. You will not receive credit for more than 501 hours of service in a Plan year unless you actually worked during the Plan year. In general, you will receive no credit for hours of service when you are receiving workers’ compensation,
unemployment compensation, or disability insurance payments, or when you are being reimbursed for medical expense.

For example, if a Category B Employee begins work at the College on April 1, 2010 this Employee will earn a year of eligibility service on April 1, 2011 provided the Employee has worked at least 900 hours by then. If the same Employee works only 800 hours from April 1, 2010 to April 1, 2011 the Employee will not earn a year of eligibility service over this period of time. However, if this Employee did work 900 hours for the Plan year beginning January 1, 2010 and 900 hours for the Plan year beginning January 1, 2011, then this Employee would earn two years of eligibility service. However, this Employee would not become eligible to participate in the Plan for purposes of College Contributions until April 1, 2012, the second anniversary of the Employee’s first day of employment with the College.

3. When does my participation in the Plan end?

You will continue to be eligible to participate in the Plan until you cease to be an eligible Employee (for example, if you are terminated) or the Plan is terminated. In addition, if you begin your benefits before your employment is terminated, you will cease to be eligible for the Plan.

If your employment terminates after you become a Plan participant, you will be an inactive participant until your benefit is paid to you (see Part E). As an inactive participant, you may not make contributions to the Plan, but your account balances may continue to increase or decrease through investment earnings or losses.

Some special rules apply if you leave the College and then, later, are reemployed.

- If you become a Plan participant, leave the College, and then are reemployed, you will start participating again on the first of the month following your reemployment date.

- If you meet the conditions for Plan participation but leave the College before you actually become a participant, and if you are then reemployed before you have a break in service, you will become a participant on the 1st of the month that is coincident with or next follows your reemployment date. If you are reemployed after you have a break in service, you will be treated as a new employee for purposes of the Plan.

- If you leave the College before meeting the conditions for participation and you are then reemployed, you will be treated as a new employee for purposes of the Plan.

You will be considered to have incurred a “break in service” if you are credited with fewer than 501 hours of service during (a) the 12-month period beginning on your date of hire or (b) any plan year beginning after your date of hire. Most often, breaks in service are triggered by a termination of employment.
Your first break in service will be delayed if you are absent from work due to the following:

- an approved leave of absence for a period of up to one year;
- service with the Armed Forces or Merchant Marine of the United States where reemployment rights are guaranteed by law -- provided that you apply for reemployment within the period of time set by law;
- pregnancy, childbirth, or adoption, or care of your child immediately after childbirth or adoption.

C. CONTRIBUTIONS TO THE PLAN

1. Who Contributes to the Plan?

There are three types of contributions under the plan. Mandatory Employee Contributions, Voluntary Tax-Deferred Contributions and College Contributions.

Mandatory Employee Contributions – Each Plan year Category A Employees are required to make a Mandatory Employee Contribution to the Plan in the amount of 5% of the Employee’s compensation in excess of $15,000. A proportionate amount of such contribution is made each payroll date of the College occurring during the applicable Plan year.

Voluntary Tax-Deferred Contributions – All participants in the Plan are permitted to make Voluntary Tax-Deferred Contributions of compensation up to the limits described below.

College Contributions – For each Plan year in which a Category A Employee is eligible to receive a contribution by the College, the College will contribute 9.5% of that Employee’s compensation to the Plan; for each Plan year in which a Category B Employee is eligible to receive a contribution by the College, the College will contribute 8% of that Employee’s compensation to the Plan.

Voluntary Tax-Deferred Contributions are made through payroll withholding at any amount which you select in your salary reduction agreement. They are called "tax-deferred" contributions because you will not have to pay federal income tax on the money until you get it back from the Plan. (See Part K for more information on the taxation of your contributions and benefits).

2. What must I do to be eligible for a College Contribution?

If you are eligible to participate in the Plan for purposes of College Contributions (see Part B, Question 1), you will be eligible to receive a College Contribution for a given Plan year if you meet one of the following conditions:
you received compensation and were normally scheduled to work at least 900 hours
or were actually credited with at least 900 hours of service (see Part B, Question 2)
during the plan year (or the initial twelve-month period after your date of hire); or,

your employment ends with the College and you received compensation from the
College during the Plan year.

If you are absent from work on unpaid leave under the Family and Medical Leave
Act of 1993, you will not earn any hours of service toward completion of the 900-hour
requirement for purposes of determining eligibility for a College Contribution.

3. **What is my annual compensation for purposes of the Plan?**

For the purposes of the Plan, annual compensation is, in general, your gross base
salary or wages paid to you by the College for that Plan year. Also generally included as annual compensation are (1) any amounts you contribute on a tax-deferred basis to any 403(b) plan or other amounts you contribute to certain other employee benefit plans on a tax-deferred basis, (2) mandatory employee contributions to this Plan, (3) grants received which pay stipends for retirement contributions, and (4) stipends paid to you if you are a faculty member covered under the title “department head.” “Annual compensation” does not include overtime, bonuses, stipends not described above, commissions, the value of any cash or non-cash fringe benefits that you may receive, and payments for business expenses.

Federal law limits the amount of annual compensation that may be taken into
account for Plan purposes. For 2010, this amount is $245,000, which may be adjusted each year by the Internal Revenue Service.

4. **May I make contributions to the Plan?**

Yes. As noted above, all Employees who are eligible to participate in the Plan
may make Voluntary Tax-Deferred Contributions to the Plan. To contribute, you must complete
a salary reduction agreement with the College and the necessary application forms for TIAA-
CREF or Fidelity Investments. You may change the amount of compensation that you are
contributing on a tax-deferred basis by completing a new salary reduction agreement. You may
also stop your Voluntary Tax-Deferred Contributions at any time.

Any change will go into effect as soon as administratively possible after you
notify the Office of Human Resources of the change you wish to make.

If you choose not to contribute to the Plan when you first become a participant,
you may start making contributions at any later time. Payroll withholding will begin with the
first payroll period that begins after you turn in your enrollment form.

5. **Are there dollar limitations on my contributions?**

The College permits you to contribute funds on a tax-deferred basis up to the
maximum allowed by law. Federal law sets a dollar limit on tax-deferred contributions. For
2010, you are allowed to contribute no more than $16,500 in Voluntary Tax-Deferred
Contributions to this Plan and any other similar plan you have participated in during the applicable year, including other 403(b) or 401(k) plans you participated in during the applicable year, unless an exception applies. (See Part C, Question 6). After 2010, cost-of-living adjustments to the dollar limit may be made annually by the Internal Revenue Service.

If you contribute more than the legal amount in one year, you should let the College know by March 1st following the year in which the “excess deferral” was made. The excess amount (and any earnings on it) will then be returned to you. These amounts must be included in your taxable income.

Under this Plan, when you reach the applicable limit, any Voluntary Tax-Deferred Contributions you are making to the Plan will stop, and the amounts that would otherwise have been contributed to the Plan will be paid to you and subject to federal income tax.

6. What exceptions apply to this dollar limit?

There are two exceptions to this dollar limit on Voluntary Tax-Deferred Contributions. The first exception applies to you if you have been continuously employed full-time at the College for at least 15 years. The amount you can contribute is generally $3,000 per year, but is subject to a $15,000 lifetime limit. You should contact the Office of Human Resources to have this calculated. The second exception applies to you if you are age 50 or older. If you are at least age 50, you are eligible to contribute amounts over the $16,500 limit called “catch-up contributions”. During 2010 eligible participants may contribute up to an additional $5,500 in catch-up contributions (this limit may be adjusted annually by the Internal Revenue Service).

7. Are there other Federal limits on additions to my account in any year?

Yes. In addition to the limits discussed above, the total amount contributed to your accounts in a given year (whether by the College or by you) may not be more than the lesser of (a) 100% of your compensation for that year, or (b) $49,000 (in 2010). The $49,000 “ceiling” may be adjusted annually by the Internal Revenue Service.

Amounts you transferred or rolled over to the Plan are not subject to this limit. Excess tax-deferred contributions will be returned to you by the fund sponsors, if necessary, to avoid a violation of the limit.

Since Fidelity Investments are offered through custodial accounts under Code section 403(b)(7), contributions in excess of these limits to Fidelity Investments (but not TIAA-CREF) may result in a 6% excise tax.

8. May I also make after-tax contributions?

No. You may be permitted to do a "rollover" to the Plan (See Part C, Question 9) but the only kind of contributions you may make by payroll withholding are tax-deferred contributions.
9. **What about rollovers into the Plan?**

In general, if you have an interest in another 403(b) plan, a tax-qualified retirement plan (e.g., a 401(k) plan) of a former employer, or an individual retirement account, you may be allowed to transfer or "rollover" all or a portion of that interest to this Plan. The Plan Administrator must give you permission to do a rollover.

After you terminate employment with the College, you may also transfer your benefit out of the Plan to another employer’s retirement plan instead of having it paid to you. For information on this kind of "rollover," (see Part E, Question 8).

10. **What happens to my contributions once they are withheld from my paycheck?**

Individual accounts for the different kinds of contributions to the Plan will be set up for you with respect to the investments which you have selected which are offered by the fund sponsors, currently, a TIAA-CREF annuity or a Fidelity Custodial Account (see Part D). Amounts withheld from your paycheck as contributions to the Plan will be paid to the fund sponsors for allocation to those accounts as soon as is practical. Such amounts will never be paid to the fund sponsors later than 15 business days after the end of the month in which they were withheld.

11. **What are my rights if my employment is interrupted by military service?**

The Uniformed Services Employment and Reemployment Rights Act of 1994 protects the retirement benefits of individuals who leave their jobs to serve in the armed forces. If you have been absent from work due to military service and you return to work, you will be entitled to make contributions for the time you were gone. If you are a Category A employee, you will be required to make the mandatory (5% above $15,000 of salary) contribution for the time you were on active duty.

### D. ABOUT THE FUND SPONSORS

1. **Who holds contributions to the Plan?**

TIAA-CREF and Fidelity Investments, the fund sponsors selected by the College, hold all Plan assets in annuity contracts or mutual funds. The assets are invested by the fund sponsors in the investment funds that you choose from those made available by the College from TIAA-CREF and Fidelity.

The Plan is designed to comply with section “404(c)” of the Employee Retirement Income Security Act of 1974, (“ERISA”), which means that you are responsible for the investment choices you make from the available investments offered through the Plan.

2. **How do I choose investment funds?**

Under this Plan, you may choose the investment funds in which the money in your accounts will be invested. (This money must be invested in multiples of 1% of the total.) The investments available to you under the Plan are:
A. Teachers Insurance and Annuity Association (TIAA):

TIAA Traditional Annuity  
Real Estate Account  

B. College Retirement Equities Fund (CREF):

CREF Group Supplemental Retirement Unit Annuity  
Stock Account  
Money Market Account  
Bond Market Account  
Social Choice Account  
Global Equities Account  
Growth Account  
Equity Index Account  
Inflation-Indexed Bond Account  

C. Fidelity Investments

Currently, you are permitted to choose any fund offered by Fidelity Investments. You should contact Fidelity at (800) 343-0860 or log in to your account at fidelity.com/atwork for information concerning the available choices.

The College’s current selection of fund sponsors and investments is not intended to limit future additions or deletions of fund sponsors and investments. You will be notified of any additions or deletions.

Of all the investment choices available to you under the Plan, you have only one choice which guarantees your principal and interest – the TIAA Traditional Annuity. Contributions to the TIAA Traditional Annuity are used to purchase a contractual or guaranteed amount of future retirement benefits for you. Once purchased, the guaranteed benefit of principal plus interest cannot be decreased, but it can be increased by dividends. Under all other investment choices (even relatively conservative choices such as bond and money market investments) it is possible to experience investment losses.

3. May I change my investment choices?

You may change your investment choices for future contributions at any time by contacting TIAA-CREF at (800) 842-2776 or Fidelity at (800) 343-0860 / fidelity.com/atwork. Changes may also be requested in writing or over the internet. (See Part L for address and website information). Changes will go into effect with the first contribution made after you notify the appropriate investment company of the change(s) you wish to make. To change fund sponsors you must notify the Office of Human Resources and complete a new salary reduction agreement. If you need to complete a new enrollment form, you may also obtain this from Human Resources. You may change fund sponsors as many as two times each year.
You may also transfer amounts already invested in one investment fund to another investment fund. Transfers among investments within one fund sponsor may generally be made on any business day and may be made in writing, with a telephone call or over the internet. In general, when a transfer request is received by the fund sponsor by 4 p.m. Eastern time on a business day, it will be effective at that day’s closing value. However, this is not the case for all investment funds offered through the Plan and you should check with the fund sponsor regarding the rules pertaining to your investment choices. Transfer requests made after 4 p.m. or on a day other than a business day (such as a Saturday or Sunday) will be made on the next business day after you give the fund sponsor your transfer instructions.

In addition, restrictions may apply to transferring from some investment alternatives, such as from the TIAA Real Estate Account (transfers out of this account are limited to once per calendar quarter). Generally, participants investing with TIAA-CREF under the Plan make Voluntary Tax-Deferred Contributions to a Retirement Annuity (“RA”). If you invest your Voluntary Tax-Deferred savings through this Plan, restrictions may apply to transfers from the TIAA Traditional Annuity.

Transfers between TIAA-CREF and Fidelity Investments may also be made. Transfer requests must be made in writing on forms provided by either fund sponsor. Transfers between TIAA-CREF and Fidelity are limited to two times each year.

4. What happens to investment earnings or losses?

Each business day, investment earnings or losses will be credited based on the performance of the underlying investments you choose.

Your account will continue to participate in the investment experience of the underlying investments you have chosen even if you are an inactive participant (see Part B, Question 3).

Periodically, you will receive an individual statement showing the changes in your account balances. Both TIAA-CREF and Fidelity also provide annual statements.

E. RETIREMENT BENEFITS

1. What is the normal retirement age under the Plan?

You reach normal retirement age under the Plan on your 65th birthday. Your normal retirement date is the first day of the month next following your 65th birthday.

2. What is the early retirement age under the Plan?

You reach early retirement age under the Plan on your 55th birthday. Your early retirement date is the first day of the month next following your 55th birthday.

3. What if I leave before my normal retirement date?
If your employment terminates for a reason other than retirement, you are an inactive participant. As an inactive participant, you are entitled to receive the full amount in your accounts.

Payment of your benefit usually begins at your normal retirement date. However, you may ask to have it paid at any time after your employment terminates even if it is before your early retirement date. Depending upon your age and the benefit option you select, you may be subject to a 10% early distribution tax if your benefit is paid prior to your early or normal retirement date. (See Part K, Question 1). Additionally, not all forms of benefit become available until you have reached age 55. (See Part E, Question 6).

4. What if I work beyond my normal retirement date?

If you work beyond your normal retirement date, you will continue to participate in the Plan until you actually retire. Ordinarily, your retirement benefit will begin when you retire; however, you may continue to defer your benefits until the April 1st following the end of the calendar year in which you reach age 70½ (your required minimum distribution date). If you work beyond age 70½, you may defer benefits until the April 1st following the year you retire.

Note: if you do not commence benefits by your required minimum distribution date, you could be subject to a 50% tax penalty on the amounts you should have received.

5. What will my benefit be?

The size of the payments you will receive under any form of benefit depends on your account balances when benefit payments begin and the options you select. If you receive lifetime annuity payments, your age at benefit commencement also affects the size of your payments. Your account(s) will continue to share in investment earnings or losses until your benefits are paid out to you.

6. How will my benefit be paid to me?

As mentioned in Part E, Question 3, you may ask to have your benefit paid at any time after your employment terminates.

You will receive your retirement benefit in one of the forms of payment described below.

However, if you are married, you may elect to have your benefit paid in a form other than a joint and survivor annuity only if your spouse consents in writing to your choice.

Your spouse’s consent must include a statement that he/she understands the effect of giving the consent, and it must be witnessed by a Plan representative or a notary public. If this consent is not obtained, your benefit must be paid under a joint and 50% survivor annuity -- or in one of the other joint and survivor annuity forms with your spouse named as the second annuitant.
Once your spouse has consented to the form of benefit you have chosen, you may 
not make any changes without further consent, unless your spouse’s original consent gives you 
the right to do so.
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<th>Form of Benefit</th>
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<td>Single Life Annuity Option</td>
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<tr>
<td>Joint and Survivor Annuity Option with a 67%, 50% or 100% benefit to the survivor</td>
<td>✔</td>
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<tr>
<td>Any Single Life or Joint and Survivor Annuity Option with a 10, 15, or 20 year guaranteed payment period limited to the joint life expectancy of you and your annuity partner</td>
<td>✔</td>
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<tr>
<td>Periodic Installment Option for a fixed period between 5 and 30 years limited to the longer of your life expectancy or the joint life expectancy of you and your beneficiary</td>
<td>✔</td>
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<tr>
<td>Minimum Distribution Option for participants age 70½ or older which will pay the required minimum distribution required by federal tax law.</td>
<td>✔</td>
<td>✔</td>
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<tr>
<td>Single Sum Distribution (Restricted from TIAA Traditional in an RA contract)</td>
<td>✔</td>
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<tr>
<td>Cash Withdrawal (Restricted from TIAA Traditional in an RA contract) (for more information see below)</td>
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*While, as indicated above, Fidelity does not offer an annuity distribution form of benefit, Fidelity will assist you in obtaining an annuity for your life, your life and your spouse’s life or periodic payments over a certain period of time.

Once you terminate employment with the College, you may receive part of your accumulations in cash as a cash withdrawal, maintaining the remaining balance as tax-deferred
savings, after you terminate employment. (However, if you use an RA for your voluntary tax-
delayed savings, the TIAA Traditional Annuity is not available in a lump sum, just as there are
restrictions on transfers. (See Part D, Question 3).

TIAA-CREF also provides systematic payments using TIAA-CREF’s Systematic
Withdrawal service. This service allows you to specify the amount and frequency of payments.
Currently, the initial amount must be at least $100 per account. Once payments begin, they will
continue for the period you specify. You can change the amount and frequency of payments, as
well as stop and restart payments as your needs dictate. There is no charge for this service.

Fidelity Investments also allows partial cash withdrawals after you terminate
employment with the College.

Instead of having your benefit paid to you, you may be eligible to have it
transferred from this Plan to an IRA or another employer’s retirement plan. (See Part E,
Question 8).

7. How do I choose my form of benefit?

Under federal law, you must receive certain information about your benefit
payment options within the 180-day period before your benefit payments are to begin. Your
personal benefit election period begins when you receive this information.

Your benefit election period will run for at least 30 days. You may turn in your
benefit election form (and your spouse’s signed consent form, if required) at any time during
your benefit election period.

Depending on the form of benefit you choose, you may need to name a
beneficiary or a second annuitant to receive payments after your death. (See Part E, Question 6).

You may change your mind and revoke or modify any benefit election you have
made at any time up to the date on which benefit payments begin. Of course, if you are married,
you may modify your benefit option only with your spouse’s consent. (See Part E, Question 6).

Once the first payment is made, your choice becomes absolutely final.

8. May I roll my benefit over?

If your benefit will be paid in a single sum or a series of installments over a
period of less than 10 years, you may choose to have the benefit transferred to an “eligible
retirement plan” in a transaction called a direct rollover. However, required distributions after
age 70 ½ (see Part E, Question 4) are not eligible for rollover.

If you choose the direct rollover option, your benefit will not be paid to you, but
will go instead to an eligible retirement plan. An eligible retirement plan is an individual
retirement account or individual retirement annuity (“IRA”), another 403(b) plan, an annuity
plan described in Code section 403(a), a retirement plan qualified under Code section 401(a)
such as a 401(k) plan of another employer) or a Code section 457(b) plan sponsored by a
governmental employer.
If you rollover an eligible distribution, you will not owe any tax on the money until later, when it is paid to you from the eligible retirement plan.

It is important to note that if you do not choose the direct rollover option, 20% of your benefit will be withheld for federal income tax.

If you do not choose the direct rollover option, you may still elect to roll over your benefit to an IRA or another plan within 60 days of receiving it. In this case, you will only receive 80% of your benefit, because 20% will be withheld for federal income tax, but you may personally make up the difference and roll over an amount equal to 100% of your benefit. If you roll over 100%, you may be eligible to receive a refund when you file your federal tax return. If you cannot make up the difference, the 20% that was not rolled over will be subject to federal income tax.

Example: If your benefit is $10,000 and you do not elect the direct roll over option, your payment will be $8,000 and $2,000 will be withheld for tax. If, within 60 days, you roll over $10,000 to an IRA or another plan, you will avoid current tax on your entire benefit. If you roll over only $8,000, you will have $2,000 in taxable income.

Part K gives some information on the taxation of your benefit. You should consult with your personal tax adviser for further information.

**F. DEATH AND DISABILITY BENEFITS**

1. **What happens if I die before benefit payments have started?**

If you die while employed or before you have begun to receive a benefit based on all your accounts under the Plan, your beneficiary will receive a death benefit equal to the sum of the balances in all of your accounts as of the date of your death (subject to the gains and losses of the investments you have chosen).

2. **How will the death benefit be paid?**

You may decide the benefit option for your beneficiary or you may leave the choice to your beneficiary. Under the TIAA-CREF annuities, the payment options include:

- Income for the lifetime of the beneficiary with payments ceasing at his or her death.
- Income for the lifetime of the beneficiary, with a minimum period of payments of either 10, 15, or 20 years, as selected.
- Income for a fixed period of not less than five nor more than 30 years, as elected, but not longer than the life expectancy of the beneficiary.
- A single sum payment.
• A minimum distribution option. This option pays the required federal minimum distribution each year.

• The accumulation may be left on deposit, for up to one year, for later payment under any of the options.

If your accounts are invested with Fidelity, your beneficiary’s options may vary depending upon whether the beneficiary is your spouse or not. All beneficiaries may leave funds on deposit and draw benefits as they desire (subject to the federal distribution requirements).

Regardless of which fund sponsor you choose, a beneficiary who is a surviving spouse has the right to have the death benefit transferred directly to an IRA or other eligible retirement plan if the death benefit is an eligible rollover distribution (see Part E, Question 8). If your surviving spouse chooses this direct rollover option, the death benefit will be paid to the eligible retirement plan and will not be taxed until later, when it is paid out.

A beneficiary who is not a surviving spouse has the right to have the death benefit transferred directly to an IRA that is established specifically for the purpose of receiving that rollover if the death benefit is an eligible rollover distribution. If your non-spouse beneficiary chooses this direct rollover option, the death benefit will be paid to the eligible retirement plan and will not be taxed until later, when it is paid out.

3. What happens if I die after benefit payments have started?

Once you retire and are receiving benefit payments from the Plan, a death benefit will be payable only if the form of benefit you chose at the time of your retirement provides for one (see Part E).

4. Who is my “beneficiary”?

The person who will receive the value of your accounts in the event of your death is called your beneficiary.

If you are married, you must name your spouse as your beneficiary unless your spouse consents in writing to your choice of a different beneficiary. TIAA-CREF and Fidelity provide the necessary forms which must be witnessed by a Plan representative or a notary public. Once your spouse has given his or her consent, you may not change your beneficiary without his or her further consent, unless your spouse's original consent gives you the right to do so, or unless your change is to name your spouse as your beneficiary.

If you are not married, you may name anyone you like as your beneficiary.

You may change your beneficiary at any time by filing a new beneficiary designation form with either TIAA-CREF or Fidelity, as applicable.

If you do not designate a beneficiary, if your beneficiary dies before you do or your designation is invalid for any reason, the benefits will be paid to your estate, if you are not married. If you are married at your death and you do not have a valid beneficiary designation in
force, one-half of the death benefit will be paid to your surviving spouse and one-half to your estate.

5. **When must beneficiaries begin benefits?**

Federal law requires that your entire retirement account be distributed within 5 years of your death, with three possible exceptions.

The first exception applies if your beneficiary is your spouse. In this case, your spouse may delay distributions until the year in which you would have turned age 70½.

The second exception applies if your beneficiary is not your spouse. In this case, your beneficiary may choose any distribution option, including those which extend payments for longer than 5 years following your death, provided a benefit option is chosen (and benefits commence) by the end of the calendar year after the year of your death. The required payments must be paid at least over your beneficiary’s life expectancy, as computed by federal mortality tables.

The third exception may apply if you participated in the Plan prior to January 1, 1987. This exception would apply to the amount accumulated in your accounts as of December 31, 1986—your “grandfathered amount.” Your beneficiary should consult with a tax advisor to see if this exception applies and determine how this may affect his or her decisions.

6. **If I am disabled, will I continue to receive contributions by the College?**

If your employment terminates due to a total disability, which means a disability for which you are receiving benefits under a long-term disability plan sponsored by the College, you may continue to receive contributions to the Plan under the College’s long-term disability plan. Since you would no longer be employed, you would also be eligible to receive retirement benefits. However, you should consult with your disability insurance carrier to determine if beginning retirement benefits could result in your forfeiting future contributions by the College to the Plan for you.

7. **Will I receive benefits under the Plan if I am disabled?**

If you suffer a total disability, you will receive your benefits under the Plan when you (i) consent in writing to begin the distribution, (ii) attain normal retirement age, or (iii) die.

G. **WITHDRAWALS**

1. **May I withdraw money from my accounts before I terminate my employment?**

Generally, you are not permitted to make withdrawals or receive benefits while you are employed by the College. The Plan is intended to provide you with a retirement benefit, so you are not permitted to withdraw any money from the Plan until you terminate employment with the College. However, withdrawals on account of financial hardship (see Part G, Questions 2, 3 and 4) or after reaching age 59½ (see Part G, Question 5) are permitted.
2. **What is a “hardship withdrawal”?**

You may take a hardship withdrawal only if the College approves and, if you are married, you receive the consent of your spouse. The College will approve such a withdrawal only if you can show (a) that you have an immediate and heavy financial need and (b) that you do not have any resources reasonably available to meet the need.

3. **What must I do to qualify for a hardship withdrawal?**

Before you may receive a hardship withdrawal from the Plan, you must receive all payments and all nontaxable loans available to you. This means that you must borrow as much as you can from the Plan (see Part H) before you can get a hardship withdrawal.

4. **Do any other rules apply?**

The amount of a hardship withdrawal will always be limited to the amount required to meet your immediate and heavy financial need and to pay the federal, state, and local taxes and penalties that will result from the withdrawal.

Even in the case of hardship, you will not be allowed to withdraw more than the aggregate balances in your rollover account and your Voluntary Tax-Deferred Contributions account, minus investment earnings on the Voluntary Tax-Deferred Contributions that have been credited to your account since December 31, 1988.

If you receive a hardship withdrawal from the Plan, you will not be permitted to make Voluntary Tax-Deferred Contributions to the Plan for a period of six months from the date of the withdrawal.

5. **Can I make a withdrawal after reaching age 59½?**

When you have reached the age of 59½, with the approval of the Plan Administrator and, if you are married, the consent of your spouse, you may elect to withdraw, at any time, any whole percentage up to 100% of the balances in your rollover account and your voluntary tax-deferred contribution account.

**H. LOANS**

1. **May I borrow from my accounts?**

The College permits you to borrow from your TIAA-CREF accounts under a loan program designed and administered by TIAA-CREF. Participants may borrow against amounts in their TIAA-CREF group Supplemental Retirement Annuity (“GSRA”). Currently, you may not borrow from amounts you invest with Fidelity Investments.

2. **How much may I borrow?**

Generally, you may not borrow less than $1,000. The maximum you may borrow is the smaller of the following amounts:
- $50,000 reduced by the excess of (a) the highest outstanding loan balance during the 12 months before a new loan is made over (b) the outstanding loan balance on the date of the new loan;

OR

- 50% of your account balances.

If you have not had a plan loan in the previous year, your maximum loan is the least of: 1) $50,000; or 2) 45 percent of your combined TIAA and CREF GSRA accumulation attributable to participation under this Plan; or 3) 90 percent of your TIAA Traditional Annuity GSRA accumulation attributable to participation under this Plan.

If you had other outstanding loans from the Plan during the last year, the maximum you can borrow will be reduced. Also, if more than one employer contributed to your Annuities, you can only take loans against the amount you accumulated under the College’s Plan. You should check with your past employers for their rules on loans.

3. Must I put up collateral?

You have to set aside an amount equal to 110 percent of your loan in your TIAA Traditional Annuity GSRA accumulation as security for your loan. The security will continue to earn guaranteed interest as well as dividends. You cannot make a cash withdrawal or begin receiving retirement income from the funds that serve as security for your loan. But as you repay your loan, the amount reserved as security decreases, and more of your accumulation becomes available to you for withdrawal and retirement income.

The only collateral the Plan will accept is your account balances. No more than 50% of your account balances, valued at the time you get the loan, can be used as collateral.

4. What other rules apply to loans from the Plan?

You will generally have to repay your loan within five years. However, if the loan proceeds will be used to buy a home that is to be your primary residence, the term of the loan may be as long as ten years. The term of the loan usually cannot extend past April 1st of the year after the year you attain age 70½.

Your first payment will be due the first day of the third month after your loan is issued, and every three months thereafter. You can repay your loan early with no penalties. You can also make partial prepayments any time. If you do, whatever you prepay will be applied directly to the principal amount of your loan.

If you default on your loan, the outstanding balance of the loan, plus accrued interest, will be deducted from your accounts when distributions are permitted under the Plan. However, you may be taxed on your defaulted loan before that time.
TIAA offers a free automatic loan repayment service. Your bank will debit your checking account and send your repayment to TIAA on the date it’s due. If you prefer to repay your loan directly, TIAA will send you a bill every three months before the payment is due.

If you want more information about loans from the Plan, you should contact TIAA-CREF.

I. CIRCUMSTANCES AFFECTING YOUR BENEFIT

1. What if I change my employment status?

If you are eligible to participate in the Plan for purposes of College Contributions but subsequently join a class of Employees which is not eligible to participate in the Plan for purposes of College Contributions (see Part B, Question 1), you will not be eligible to share in future College Contributions to the Plan.

2. May the Plan be amended or terminated?

Although the Plan is intended to be permanent, the College has the right to amend or terminate the Plan at any time.

Since the Plan is a defined contribution plan and does not guarantee a specific benefit amount to participants, benefits are not insured by the Pension Benefit Guaranty Corporation.

J. ERISA RIGHTS

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

- Examine, without charge, at the office of the Plan Administrator and at other specified locations, such as worksites and union halls, all documents governing the Plan, and a copy of the latest annual report (Form 5500 series) filed by the Plan with the U.S. Department of Labor and made 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, and copies of the latest annual report (Form 5500 Series) and updated summary plan description. The Plan Administrator may make a reasonable charge 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 receive a pension at normal retirement age and if so, what your benefits would be at a normal retirement age if you stop working under the Plan now. If you do not have a right to a pension,
the statement will tell you how many more years you have to work to get a right to a pension. This statement must be requested in writing and is not required to be given more than once every twelve (12) months. The Plan must provide the statement free of charge.

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 your employer, may fire you or otherwise discriminate against you in any way to prevent you from obtaining a pension benefit or exercising your rights under ERISA.

If your claim for a pension 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 which is denied or ignored, in whole or in part, you may file suit in a state or Federal court. In addition, if you disagree with the Plan’s decision or lack thereof concerning the qualified status of a domestic relations order, you may file suit in Federal court. If it should happen that Plan fiduciaries misuse the Plan’s money, or if you are discriminated against for asserting your rights, you may seek assistance from the U.S. Department of Labor, or you may file suit in a Federal court. The court will decide who should pay court costs and legal fees. If you are successful, the court may order the person you have sued to pay these costs and fees. If you lose, the court may order you to pay these costs and fees, for example, if it finds your claim is frivolous.

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

K. MISCELLANEOUS

1. How are Plan contributions and benefits taxed?

The income tax rules relating to employee benefit plans are complicated and change frequently. Some of the basic, current rules are as follows:
You will not have to pay federal income tax on the money that you contribute on a tax-deferred basis to the Plan or on the money the College contributes on your behalf to the Plan until you receive your benefit from the Plan. But, if any amounts you contributed or the College contributed on your behalf are returned to you by the fund sponsors after the end of the plan year, you will be subject to federal income tax on those amounts. (See Part C, Question 7).

For federal income tax purposes, the benefit payments that you receive from the Plan are considered taxable income to you for the years in which you receive them. Your benefit payments will usually be taxed at ordinary income rates.

Different states (and cities) have different taxes on amounts paid from retirement plans.

In general, you must pay an additional 10% federal tax on any benefit payment you receive before you reach age 59½. But payments made on account of death, disability, or early retirement at or after age 55 are not subject to this additional tax. (For purposes of the disability exception, disability means the inability to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment which can be expected to result in death or to be of long-continued and indefinite duration.) Certain annuity or installment payments made before you reach age 59½ are also exempt from the additional 10% tax.

If you are going to receive money from the Plan before you reach age 59½, you should discuss the tax implications of the payment with your personal tax adviser.

2. What about my Social Security benefit?

In addition to any benefit you may receive from the Plan, you may also be entitled to receive a Social Security retirement benefit. Your Social Security benefit is provided through contributions made by you and your employer(s).

3. May I assign my benefit to some other person?

The Plan was designed to help provide financial security for you and your family in your later years. Therefore, you are not permitted to assign your benefit to another person or to use your benefit as collateral for a loan. You may receive your benefit prior to your retirement date only if you have terminated your employment.

Federal law does permit payment of all or a portion of your benefit to an alternate person, provided that such a payment is made in compliance with a “qualified domestic relations order” (“QDRO”) relating to child support, alimony, or marital property rights payments. You may contact the Plan Administrator for the procedures to follow to determine if a domestic relations order constitutes a QDRO.

4. How do I apply for my benefit?

You begin the process of applying for your benefit by contacting TIAA-CREF at (800) 842-2776 or Fidelity at (800) 343-0860.
5. **What if my claim for a benefit is denied?**

In the event the Plan Administrator denies, in whole or in part, an initial claim for benefits by a participant or his beneficiary, the Plan Administrator shall furnish notice of the adverse determination to the claimant.

The notice will be forwarded to the claimant within 90 days of receipt of the claim by the Plan Administrator. However, in special circumstances, the Plan Administrator may extend the response period for up to an additional 90 days, and must notify you in writing of the extension, and shall specify the reasons for the extension. If for any reason you do not receive a response from the Plan Administrator within the time prescribed, the claim shall be deemed denied.

Within 60 days of receipt of a notice of an adverse determination, you or your duly authorized representative may petition the Plan Administrator in writing for a full and fair review of the adverse determination (see Part L for information on how to contact the Plan Administrator). You or your duly authorized representative shall have the opportunity to submit comments in writing, documents, records, and other relevant information to the Plan Administrator. You will also have the right to be furnished, free of charge and upon request, reasonable access to, and copies of, all documents, records and other relevant information. Relevant information includes any information that was submitted, considered or generated in the course of the decision regardless of whether such information was relied upon in making the benefit determination. You may also request any information demonstrating that, where appropriate, the Plan is acting consistently with respect to other participants.

The Plan Administrator will review the denial and take into account all documents, records, and other information submitted regardless of whether such information was submitted or considered in the initial determination. The Plan Administrator will communicate its decision and provide explanation to you in writing within 60 days of receipt of the petition. However, in special circumstances, the Plan Administrator may extend the response period for up to an additional 60 days, in which event it will notify you in writing prior to the commencement of the extension and specify the reasons for the extension. If for any reason, the written decision on review is not furnished within the time prescribed, the claim will be deemed denied on review.

The written notice of a decision by the Plan Administrator shall set forth:

- the specific reasons for the adverse determination;
- specific reference to the pertinent Plan provisions on which the adverse determination is based;
- a description of any additional information necessary for you to perfect the claim and an explanation of why such information is necessary. In the case of a notification of an appealed claim, the notice will also include a statement that you are entitled to receive reasonable access to, and copies of, all documents, records and other relevant information with respect to your claim; and

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a description of the Plan’s review procedures (or, in the case of a notification of an appealed claim, a description of any voluntary appeal procedures) and the time limits applicable to such procedures, including a statement of your right to bring a civil action under section 502 of ERISA following an adverse decision by the Plan Administrator.

L. GENERAL PLAN INFORMATION

Type of Plan

The Plan is a defined contribution plan and a Code Section 403(b) plan. The Plan is also an “ERISA Section 404(c) plan”, which means that you are responsible for the investment choices you make from among the investments offered under the Plan.

Identification Numbers

The employer identification number (EIN) for Lafayette College is 24-0795686. The Plan number is 001.

Plan Sponsor and Plan Administrator

The Plan is sponsored by Lafayette College. You may contact the Plan sponsor through the Office of Human Resources at the address and telephone number below:

Office of Human Resources
Lafayette College
Markle Hall
Easton, Pennsylvania 18042
Telephone: (610) 330-5060

The Plan is administered by the College. However, TIAA-CREF and Fidelity also provide administrative assistance to the Plan, generally relating to providing investment information and processing payments and transfers. The College and its delegates have the discretion to interpret the Plan’s provisions and any use of this discretionary authority will be final and binding. Any questions pertaining to the Plan should be directed to the Office of Human Resources, which may be reached at the above address and telephone number. For those services provided by TIAA-CREF or Fidelity, you may contact these organizations.

Agents for Service of Legal Process

Legal process may be served on the Plan Administrator (see above).

Plan Assets

The assets of the Plan are held by the funding vehicles and are used exclusively to fund benefits for Plan participants and to pay proper administrative expenses.
The address of TIAA-CREF is:

TIAA-CREF
730 3rd Avenue
New York, NY 10017-3206
Website: www.TIAA-CREF.org

The address of Fidelity Investments is:

Fidelity Investments
P.O. Box 770002
Cincinnati, OH 45277-0090
Website: www.fidelity.com/atwork

or

The corporate address of Fidelity Investments is:

Fidelity Investments
82 Devonshire Street
Boston, MA 02109
Website: fidelity.com