

**SUMMARY PLAN DESCRIPTION**

**FOR THE**

**HOPE COLLEGE INVEST PLAN**

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## HOPE COLLEGE INVEST PLAN

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We maintain this Plan to provide a retirement savings program for employees. We have maintained the Plan since 1966 and this is a summary of the provisions of the Plan in effect after December 31, 2008. We will refer to the Hope College Invest Plan as the “**Plan**” throughout this summary. The terms “**we**” and the “**Employer**” refer to Hope College.

### *How the Plan Works*

The Plan allows you to contribute part of your compensation called “**elective deferrals**” to various funds through a “**salary reduction agreement**” with us. The amount you contribute will not be counted in your taxable income and will not be reported on your W-2 form (except for social security purposes).

We also contribute “**college contributions**” to the Plan on your behalf. We make these contributions to the accounts of eligible employees on the basis of compensation. The contribution rate has been 10.5% of compensation for several years.

The terms and conditions of the Plan are contained in a written “**plan document.**” The plan document specifies the eligibility requirements for participating in the Plan and receiving benefits. We are responsible for the administration of the Plan in accordance with the plan document.

We appoint “**fund sponsors**” to hold assets for your benefit. Your benefits under the Plan will depend upon the amounts you elect to contribute, the amounts we contribute, and investment performance.

### *Plan Year and Service Records*

Plan records are maintained on a calendar year basis. The “**plan year**” is the same as the calendar year.

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## HOW YOU BECOME A PARTICIPANT

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### *Eligible Employees*

Except as described below, all of our regular employees are eligible to participate in this Plan after they have completed the eligibility and participation requirements.

#### **Elective Deferral Contributions:**

The following employees are not eligible to participate in the elective deferral feature of the Plan:

- Students performing services for the College;

#### **College Contributions:**

The following employees are not eligible for College contributions:

- Employees who perform services for the Employer pursuant to an agreement between the Employer a temporary employment agency or employee leasing organization;
- Employees who perform services for the Employer pursuant to a written agreement with the Employer that does not provide for participation in the Plan.
- Students performing services for the College;
- Lecturers who are not classified as professors, associate professors, assistant professors or adjunct professors;
- Faculty members on sabbatical leave except to the extent they continue to receive compensation from the College while they are on leave;
- Employees in grant-funded positions (unless required by the terms of the grant) and NCAA interns; and

- Visiting faculty members (unless participation is required by contracts between the visiting faculty members and the College).

### *Eligibility Requirements*

- **Elective Deferral Contributions**

You are eligible to make elective deferrals when you begin employment.

- **College Contributions**

- If you are not classified as a full-time employee or adjunct professor, you become eligible for College contributions on the January 1 or July 1 after you complete one (1) year of service and attain age 23. You will be credited with one (1) year of service for participation purposes if you complete 1,000 or more hours of service in your first 12 months of employment with the Employer or in any subsequent employment year. We make discretionary contributions for eligible employees who are not classified as full-time employees at the end of the year.
- If you are classified as a full-time employee or an adjunct professor, you become eligible for College contributions on your first day of employment. We make College contributions for employees classified as full-time employees at the conclusion of each month.

### *Participation Requirement*

You must complete an application for an account with one or more of our fund sponsors as a condition of receiving allocations of College contributions.

### *Participation upon Reemployment*

If you were a participant in the Plan when your employment terminated, you will be eligible to participate as of your reemployment date. You should contact the Human Resources Department for the procedure to resume your participation in the Plan. If you were not a participant in the Plan when your employment terminated, you must meet the eligibility requirements described above.

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## HOW YOUR RETIREMENT BENEFITS ARE DETERMINED

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### *Your Elective Deferrals*

You may contribute to the Plan on a *pre-tax* basis by completing a “**salary reduction agreement.**” You may contribute any amount or whole percentage of your compensation.

You may revise your contribution level, cancel your contributions or elect a different investment fund for your contributions at any time by contacting the Human Resources Department. The change will be implemented for payroll periods beginning after your revision and will be effective as soon as administratively practical.

Your contributions will be credited to your “**elective deferral account.**”

*EXAMPLE:* Let’s assume that you earned \$20,000 during the plan year and agreed to contribute 5% of your income to the Plan. Your contribution for the year would be \$1,000.

$$\$20,000 \times 5\% = \$1,000$$

Your taxable income for the plan year would be reduced to \$19,000.

Your elective deferrals cannot exceed a certain dollar limit in any calendar year. The dollar limit is \$16,500 in 2009. The limit will be indexed for cost-of-living after 2009. We may impose other limits on your elective deferrals if necessary to satisfy legal requirements for the Plan.

The annual dollar limit is an aggregated limit that applies to all elective deferrals you may make under this Plan and any other tax-sheltered 403(b) or 401(k) plan in which you may be participating. If your total elective deferrals for a calendar year exceed the annual dollar limit, the excess must be returned to you and included in your income for that year. If you decide that the excess should be returned to you from this Plan, you should write to the Human Resource Department no later than the March 1st following the end of the calendar year in which the excess elective deferrals were made. The vendor will return the excess elective deferrals plus any income to you by April 15.

### *Special Section 403(b) Catch-Up Limit*

If you have at least 15 years of service with us, the limit on your elective deferrals is increased by the least of:

- \$3,000;
- \$15,000, reduced by increases to your general limit that you used in prior years under this rule; or
- \$5,000 times the number of your years of service for the organization, minus the total elective deferrals made to this Plan on your behalf for prior years.

### *Age 50 Catch-Up Contributions*

If you will be age 50 or older before the end of the year, you may make elective deferrals in addition to those allowed in the previous paragraphs. The additional elective deferrals are called “**age 50 catch-up contributions**” and will be allowed in amounts up to the dollar limit, which is \$5,500 for 2009. The \$5,500 limit will be indexed for cost of living after 2009. Your age 50 catch-up contributions will be credited to your elective deferral account, the same as your regular elective deferrals, and will be subject to the withdrawal, payment, and other rules or restrictions that apply to that account.

In the event you are eligible for both the age 50 catch-up and the special Section 403(b) catch-up, any excess amount is treated first as an amount contributed as a special Section 403(b) catch-up to the extent permitted and then as an amount contributed as an age 50 catch-up.

### *College Contributions*

We make contributions to the “**College contribution accounts**” of eligible employees in an amount we set from year-to-year. That amount has been 10.5% of compensation for several years.

- **Eligibility Requirements**

If you are not classified as a full-time employee or adjunct professor and you become a participant, you will be eligible for a share of our College contributions for each plan year in which:

- You are employed by us on the last day of the plan year and complete 1,000 or more hours of service during the plan year; or
- Your employment terminates during the year after age 65 or because of your death or disability.

If you are classified as a full-time employee or adjunct professor, you will be eligible for your share of regular College contributions each pay period.

- **Your Share of College Contributions**

Our regular College contribution for the year will be allocated to your "**College contribution account**" on the basis of your compensation.

EXAMPLE: Let's assume we make a College contribution that is equal to 10.5% of the compensation of eligible employees. You earned \$20,000 for the year. Your account will receive \$2,100, determined as follows:

$10.5\% \times \$20,000$  (Your compensation) = \$2,100 (Your share).

- **Compensation**

For faculty members, "**compensation**" is your salary as stated in your academic year contract or appointment letter that is paid by the College and amounts paid to you originating from external grants that make provisions for retirement plan contributions and amounts paid for overload and teaching during the spring and summer terms. For all other employees, compensation is the basic annual earnings excluding overtime pay and bonuses paid by the College. For all employees, your compensation is determined before your elective deferrals and flexible benefit plan contributions are deducted. Your compensation excludes overtime, premium pay, bonuses, amounts paid for extra duties and amounts paid to faculty members originating from external grants that do not make provisions for retirement plan contributions.

## *Your Rollover Contributions*

If you are eligible for or have received a distribution from a retirement plan of a previous employer, you may establish a “**rollover account**” in the Plan and transfer all or part of the distribution as a “**tax-free rollover**” contribution. You may have the funds transferred directly to your rollover contribution account from the previous plan, or you may have the distribution paid to you and then deposit all or part of the distribution in your rollover contribution account within 60 days of the date on which you received the distribution from the previous plan. If you elect to have any of the distribution paid to you, it will be subject to a 20% federal income tax withholding requirement. You should, therefore, arrange for a direct transfer of the amount you wish to roll over into this Plan.

A separate account will be established by the fund sponsor to record your rollover contribution. Your rollover contribution will be invested along with the other assets of the fund. Your interest in the rollover contribution account will be 100% vested at all times, and you may withdraw the rollover contribution account plus income as part of your retirement or termination benefits under the Plan.

Your rollover account will be invested in the manner you direct. (See the Section entitled **YOUR INVESTMENT OPTIONS**). Your interest in the rollover account is fully vested at all times.

There are some other technical legal requirements that must be satisfied before a rollover contribution will qualify for a deferral of taxation. If you are interested in making a rollover contribution, you should contact us as early as possible so that the matter can be reviewed within the 60-day time limit.

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## **YOUR ACCOUNTS AND VESTING**

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### *Your Accounts*

You will have the following accounts under the Plan:

- Your "**elective deferral account**" is credited with your elective deferral contributions, plus income.

- Your "**College contribution account**" is credited with our College contributions, plus income.
- Your "**rollover account**" is credited with any rollover contribution you make to the Plan, plus income.

### *Vesting in Your Accounts*

You are 100% vested in amounts in your accounts at all times.

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## **YOUR INVESTMENT OPTIONS**

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### *Investment Responsibility*

We intend for this Plan to qualify for the transfer of liability allowed by Section 404(c) of the Employee Retirement Income Security Act of 1974 ("ERISA"). This provision of ERISA allows us to give you the authority to direct the investment of your accounts among the investment choices offered by the Plan and make you responsible for the investment of your account. We have given you this authority and, as a result, the College and anyone else who may be a fiduciary with respect to the Plan may be relieved of liability for any losses that are the result of your investment choices.

We will provide you with the information that you will need to enable you to make investment choices that are appropriate for you. You should review this information carefully before you make your investment choices.

### *Investment Funds Option*

We have one "fund sponsor" for the Plan. We have chosen a variety of investment funds into which you may invest your accounts. We may change the number and nature of the funds in the future. You may direct the investment of your accounts into one or more of these funds.

We will provide you with information on these investment funds including the historical investment performance of each fund. The "**prospectus**" for each fund contains additional information such as any restrictions on voting rights and tender rights.

Each prospectus also contains information about transaction fees and expenses (e.g., commissions, sales loads, deferred sales charges, redemption or exchange fees) in connection with purchases or sales of investment funds. You may also request the following information:

- A description of the annual operating expenses of each fund (e.g., investment management fees, administrative fees, transaction costs) that reduce the rate of return and the aggregate amount of these expenses expressed as a percentage of average net assets of the investment fund;
- Copies of any prospectuses, financial statements and reports, and other materials relating to the investment funds, to the extent the information is provided to the Plan;
- A list of the assets comprising the portfolio of each investment fund, the value of each such asset (or the proportion of the investment alternative it comprises), and, with respect to each such asset that is a fixed rate investment contract issued by a bank, savings and loan association or insurance company, the name of the issuer of the contract, the term of the contract and the rate of return on the contract;
- Information concerning the value of shares or units in the investment funds available, as well as the past and current investment performance of such alternatives, determined on a reasonable and consistent basis; and
- Information concerning the value of shares or units in the investment funds.

These investment funds should be prudent investments if held over a reasonable investment cycle. We hope that each investment fund will show a positive return every year, but there is no guarantee that one or more of the funds will not suffer a loss in any year.

### *Income*

The income earned by each separate investment fund will be allocated to the accounts that are invested in the fund. The “**income**” of an investment fund is the interest and dividends, and the gains or losses from the fund’s investments minus expenses of administration.

The income will be allocated to accounts on a daily basis. The vendors you choose will provide you with a statement of your accounts after each quarterly accounting period showing your opening and closing balances, the contributions and income allocated to your accounts during the quarter, and withdrawals during the quarter.

*EXAMPLE:* Let's assume that you elect to invest your accounts in Fund One. The value of a share of Fund One is \$20 at the beginning of the quarter and the amount in your accounts permits you to purchase 100 shares. The value of your account at the beginning of the quarter is \$2,000 (100 shares x \$20). During the quarter, Fund One has capital gain and dividend distributions that increase the number of shares in your account to 101 and the fund's investment performance increases the value of a fund share to \$22. At the end of the quarter, the value of your account is \$2,222 (101 shares x \$22).

### *Investment Elections*

You direct the investment of your accounts electronically by making an initial "**investment election**" by calling the phone number or going through the website listed under the heading **GENERAL INFORMATION**. The election will govern the investment of your accounts until you change your election. You may change your elections electronically each business day. The accounts of participants who do not file investment election forms will be invested in the "**default**" investment fund for the Plan.

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## **BENEFITS**

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Subject to rules of the fund sponsor, you may withdraw from your accounts as follows:

- You may withdraw from your elective deferral account after termination of employment or reaching age 59-1/2, or upon incurring a hardship as described in the next section. Payment will be made to you as soon as administratively possible after you qualify and apply for payment.

- You may withdraw the amount in your College contribution accounts after your employment terminates. Payment will ordinarily be made to you as soon as administratively possible after your employment terminates and you apply for payment.
- You may withdraw from your rollover account at any time for any reason. Payment will be made to you as soon as administratively possible after you qualify and apply for payment.

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## HOW YOUR BENEFITS ARE PAID

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### *Retirement Benefit*

If your employment terminates after age 65, your benefits will be the total amount in your accounts after crediting your accounts with your share of contributions and income. This amount will be different for each person because of differences in compensation, length of service, amounts contributed under salary reduction agreements, and income.

Subject to rules of the fund sponsor, you may elect to have your benefit paid to you in one of the following optional forms:

- One lump sum payment (payment will be made in this form if your account balance is \$5,000 or less).
- Periodic installments, at least annually, over a period not longer than the joint life expectancy of you and your spouse or your beneficiary.
- By purchase of a single-premium “**annuity**” contract that will pay you monthly amounts for the balance of your life or the period specified in the annuity contract. If you elect this option and you are married, the annuity contract will be in the form of a joint and 50% survivor annuity with your spouse as the beneficiary of the survivor portion *unless* your spouse consents to the election of another form of annuity;

We or the fund sponsor will furnish you with information about the options available before you become eligible for benefits. You may elect the form and commencement date of payment. The fund sponsor may begin paying benefits shortly after your employment terminates and you request payment.

*EXAMPLE:* Let's assume you retire at age 65 and have \$25,000 in your accounts. This represents the amounts that we have contributed for you, your elective deferral and rollover contributions, and income. This amount will be distributed to you as described above.

### *Death Benefit*

Your death benefit will be the total amount in your accounts after crediting your accounts with your share of contributions and income. The death benefit is paid to your “**beneficiary**” in the same manner as a normal retirement benefit.

If you have been married for at least one (1) year at the time of your death, your spouse will be your beneficiary automatically *unless* you and your spouse designate another beneficiary by completing the appropriate beneficiary designation and spouse's consent form. The spouse's consent must be executed in the presence of our representative or notary public.

If you are single, you may designate the beneficiary of your choice by completing the beneficiary designation form we make available. If you get married, your spouse will become your beneficiary automatically after one (1) year of marriage. If you do not designate a beneficiary or your beneficiary dies before you, the death benefit will be paid to your spouse, if surviving, and if not to your estate.

A beneficiary designation becomes effective when it is filed with us and each beneficiary designation form you file with us supersedes all previous forms. You should review your beneficiary designation periodically and file a new form with us whenever your marital status or other circumstances change.

### *Termination Benefit*

If your employment terminates for any reason, you will be entitled to the full amount of your College contribution, elective deferral and rollover accounts. Your termination benefit is paid in the same manner as a retirement benefit.

*EXAMPLE 1:* Let's assume your employment terminated and that your account balances at the time total \$12,000. This amount will be paid to you in the manner you elect from the options listed under "*Retirement Benefits.*"

### *Pre-Retirement Withdrawals*

You may withdraw all or any part of the amounts credited to your elective deferral accounts even though your employment has not terminated after you reach age 59 1/2, subject to rules of the fund sponsor. Once you reach age 70-1/2, you may withdraw all or any part of the amounts credited to any of your accounts even though your employment has not terminated. If you elect a pre-retirement withdrawal, you will continue to participate in the Plan and may elect up to one (1) pre-retirement withdrawal per plan year.

You may withdraw amounts from your rollover account at any time, subject to the rules of the fund sponsor.

### *Hardship Withdrawals*

You may, with the consent of your spouse, withdraw part of your elective deferral account if the withdrawal is reasonably necessary to enable you to meet an immediate and heavy financial need. The amount of the withdrawal cannot exceed the amount which, considering your other financial resources, is required to correct the financial need or the amount of your elective deferral account. Hardship distributions will also be subject to rules of the fund sponsor.

Hardship withdrawals will be permitted for the purchase of your principal residence, payment of educational expenses for you or your dependent for the next academic period, or financial emergencies such as uninsured medical expenses, funeral expenses for members of your immediate family, including your parents, or repairs to your principal residence that qualify as a "casualty loss." The amount of the hardship withdrawal will, in most cases, be included in your income for tax purposes and subject to an additional 10% excise tax.

You should consider all other optional forms of financing your hardship before requesting a hardship withdrawal. If you receive a hardship withdrawal, you will not be eligible to make any further contributions to the Plan for six (6) months after the date of the withdrawal.

*You may be eligible for a loan from the Plan as explained below. If you are, you must take a loan before receiving a hardship withdrawal.*

### *Loans To Participants*

You may borrow up to the lesser of 50% of your elective deferral and rollover accounts or \$50,000. The minimum amount of any loan will be set by the fund sponsor and you may borrow additional amounts in multiples determined by the fund sponsor. Loans will be secured by an assignment of 50% of your accounts. You must submit a loan application, which you can obtain by calling the phone number or by going through the website listed under the heading **GENERAL INFORMATION**. Your spouse must consent to the loan. You may not have more than two (2) loans outstanding at any time. You must also satisfy the rules of your fund sponsor.

- **Interest**

Loans will bear interest at a rate comparable to the rates charged by local banks for comparable loans. The money you borrow from the investment fund will be treated as having been withdrawn from your account and, therefore, you will not share in the income of the investment fund on the amount of the loan. Your account will be credited with the interest you pay on the loan.

- **Loan Repayment**

Loans must be repaid within a specified period which cannot exceed five (5) years. You must repay your loan through payroll deductions.

- **Loan Requests**

You must submit a written loan application, which you can obtain from the fund sponsor. You must submit a loan application, which you can obtain by calling the phone number or by going through the website listed under the heading **GENERAL INFORMATION**.

- **Default**

Your loan will be in "**default**" when a payment due in any calendar quarter has not been made within 90 days after the end of the quarter. If any payment has not been received within 45 days of the end of the calendar quarter, we will notify you in writing that payment must be received within 45 days from the date of the notice. If you do not pay the amount past due within the 45 days, the loan will be

in default as of the date the last payment was due and the loan balance, including interest, will be come due and payable as of that date.

Once your loan is in default, the fund sponsor will report the balance of the loan as a taxable payment and issue you an IRS form 1099-R. The defaulted loan will continue to be outstanding until it is repaid.

- **Benefit Payments**

You must repay the loans before you will be eligible to receive any payment of benefits from your account, other than hardship and pre-retirement withdrawals. When you are eligible for benefits under the Plan, you may repay an outstanding loan or the promissory note will be included as part of your payment of benefits.

*Payments Pursuant to Orders by Divorce Courts*

Payments are also permitted when ordered by a divorce court in a “**qualified domestic relations order.**” A divorce court may order the Plan to pay amounts from your account to your spouse, former spouse, child, or other dependent. These orders may require the Plan to pay the amounts from your accounts at any time after we have determined that the order is qualified.

If we receive a domestic relations order involving your account in the Plan, we will forward it to the fund sponsor. They will then notify you of the receipt of the order and give you the opportunity to comment on the contents and validity of the order. They will then determine whether the order satisfies the requirements for a qualified domestic relations order and notify you accordingly. If the order qualifies, they will comply with the terms of the order.

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## **HOW YOU APPLY FOR BENEFITS**

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*Applying for Benefits*

You should inquire about your benefits under the Plan when your employment terminates. You may obtain application forms from the Human Resources Department the fund sponsor or at the website listed under **GENERAL INFORMATION**. After you file your application, we will review your application and advise you of the amount of

your benefits and the optional methods of payment. Normally, we will process your application within 90 days. If there are special circumstances that require more time, we will notify you about the special circumstances and the date by which we will complete our review. This extension will not be more than 90 days.

If you are not eligible for a benefit, the College or fund sponsor will give you an explanation in writing or electronically of why you are ineligible, whether you can become eligible by supplying additional materials, the reason the additional items are needed, and your right to appeal the decision through the Plan's appeal procedure.

### *Failure to Apply for Payment*

If you do not apply for payment within 90 days after we furnish you with an application, we will administer your account as follows:

- If your account is \$1,000 or less, the fund sponsor may pay you the account balance minus income tax withholding.
- If your account is more than \$1,000, the fund sponsor will continue to maintain your account until you apply for payment or reach age 65 and charge the expenses of administering the account to the account. You may continue to direct the investment of your account. After you reach age 65, the fund sponsor may pay you the amount in your account in a single lump sum payment.
- If you die before your account is paid to you or your IRA, the fund sponsor will administer your account as follows:
  - If your spouse is the beneficiary and if your spouse does not apply, the fund sponsor will maintain the account for your spouse and charge the account with expenses to administer the account. If your spouse has not applied for payment by the time you would have reached age 65, the fund sponsor may pay your spouse the entire account balance in a single lump sum payment.
  - If someone other than your spouse is the beneficiary, the fund sponsor will pay your account to the beneficiary in the manner elected by the beneficiary. If the beneficiary does not apply for payment, payment will be made to the beneficiary in five (5) annual installments with the first installment paid prior to the first anniversary of your death.

## *The Plan's Appeal Procedure*

The Plan's procedure for filing an appeal is:

- At your request, we will provide you or your authorized representative reasonable access to and copies of all documents, records, and other information relating to your application for benefits;
- You must file a **written** notice of appeal with us within 60 days after you receive a notice of denial. You must file **in writing** all the documents, comments, records, and other information relating to your appeal that you wish to have considered in the appeal with your notice of appeal;
- We will review your appeal and take into account all comments, documents, records, and other information that you submit relating to your claim without regard to whether it was submitted or considered in the initial determination.
- Unless there are special circumstances requiring more time, we will advise you of the decision within 60 days after we receive your notice of appeal. If an extension is necessary, we will notify you before the end of the initial 60 day period of the special circumstances requiring the extension and the date by which the determination will be made. The extension will not be for more than 60 days.
- Our decision on your appeal will be delivered to you **in writing**. The decision will be written in a manner that you can understand and will describe the reasons for the decision and refer you to the specific Plan provisions upon which we based the decision. The notice will contain a statement that you may request reasonable access to and copies of all documents, records and other information relevant to your claim.

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## HOW PAYMENTS FROM THE PLAN ARE TAXED

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The amounts contributed to the Plan on your behalf are not included in your income for tax purposes until you begin to receive payments from the Plan. The taxation of your Plan benefits is deferred until you actually receive the money from the Plan. When you begin to receive payments from the Plan, you may be eligible for some special tax provisions that will enable you to defer payment of taxes until a later date or at least minimize the taxes payable for the year of the payments.

- **Rollover**

When you are eligible for a payment from the Plan, you may, in most cases, defer the payment of taxes on the payment until a later date if you have the payment transferred directly into your individual retirement account (“IRA”) or the retirement plan of your next employer. This is known as a “**rollover**” of the payment. The IRA may be established with a bank, insurance company, or other financial institution of your choice. You may rollover part of the payment and defer payment of taxes on the amount rolled over.

You may also rollover a payment by having it paid to you and then depositing the payment in your IRA within 60 days after you receive the payment. This option is complicated by the fact that the payment to you will be subject to a 20% withholding requirement for federal income tax purposes and, therefore, you will only receive 80% of the amount eligible for a tax free rollover. Thus, if you are planning to rollover all or part of your payment, you should have the rollover amount transferred directly to your IRA or other qualified retirement plan.

You will not be eligible for a tax-free rollover of any payment if the payment is:

- one of a series of installment payments made over a specified period of 10 or more years, or over the life expectancy of you and your spouse or other beneficiary; or
- a mandatory payment payable to you after age 70-1/2; or

- a hardship withdrawal.

These payments must be included in your taxable income for the year in which you receive the payment.

- **Income Averaging**

If you receive payment of the entire amount in your account in a single calendar year, you may be eligible for “**income averaging**” that may enable you to pay taxes on the payment at a lower rate. Under current law, income averaging is available only for persons born before 1936. You should check the status of the income averaging rules at the time you are eligible for payment.

- **Additional Taxes**

If you receive payments from the Plan prior to reaching age 59-1/2 and do not rollover the payment into an IRA, you may be subject to an *additional* 10% tax on the amount of the payment. There are a host of exceptions to the 10% penalty tax. The penalty tax does not apply, for example, if the payment was made on account of death or disability retirement, or as part of a series of substantially equal payments over your life expectancy, or on account of termination of employment after age 55, or pursuant to qualified domestic relations orders, or to cover medical expenses.

*The rules on the taxation of payments from this Plan are complex and contain a variety of exceptions and special provisions. The explanation in this section does not include all of the exceptions and special provisions. You should contact your own tax adviser to discuss the tax consequences of your payments and the techniques you may employ to defer or minimize the taxes.*

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## YOUR RIGHTS AS A PARTICIPANT

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### *Your “ERISA” Rights and Protections*

As a participant in the Plan, you are entitled to certain rights and protection under the Employee Retirement Income Security Act of 1974 (“ERISA”). You are entitled to:

- ***Receive Information about the Plan and Your Benefits.***

You may:

- Examine, without charge, at our office and other specified locations all documents governing the Plan, including insurance contracts, and a copy of the latest annual report (Form 5500 Series) filed by the Plan with the U.S. Department of Labor and available at the Public Disclosure Room of the Employee Benefits Security Administration.
  - Obtain, upon written request to us, copies of documents governing the operation of the Plan, including insurance contracts and collective bargaining agreements, and copies of the latest annual report (Form 5500 Series) and updated summary plan description. We will charge you a reasonable amount for the copies.
  - Receive a summary of the Plan’s annual financial report. We are required to furnish you with a copy of this summary annual report (SAR).
  - Obtain a statement of your account at least annually free of charge.
- ***Prudent Actions by Plan Fiduciaries.***

In addition to creating rights for participants, ERISA imposes duties on the people who are responsible for the operation of the Plan. These people are called “**fiduciaries**” and they have a duty to administer the Plan prudently and in the interest of you and other participants and beneficiaries. No one, including your employer, union or any other person, may fire you

or otherwise discriminate against you in any way to prevent you from obtaining a benefit from the Plan or exercising your rights under ERISA.

- ***Enforce your Rights.***

If your application for a benefit is denied or ignored, in whole or in part, you have a right to know why this was done, to obtain copies of documents relating to the decision without charge, and to appeal any denial, all within certain time schedules. See the section entitled **HOW YOU APPLY FOR BENEFITS** for the schedules that apply to an appeal of a claim for benefits.

Under ERISA, there are steps you can take to enforce your rights:

- You may file a suit in federal court if you request a copy of plan documents or the latest annual report from the plan and do not receive them within 30 days (unless the reason you did not receive them is beyond our control), or you disagree with the Plan's decision (or lack thereof) concerning the qualified status of a domestic relations order.
- You may file suit in a state or federal court, if you followed the Plan's application and appeal procedures and your claim for benefits is denied or ignored, in whole or in part.
- You may seek assistance from the U.S. Department of Labor or file suit in a federal court, if the fiduciaries misuse the Plan's money or you are discriminated against for asserting your rights.

The court will decide who should pay court costs and legal fees and may impose fines on the plan administrator. 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.

- ***Assistance with Your Questions.***

If you have any questions about the Plan, you should contact Human Resources. If you have any questions about this statement or about your rights under ERISA, or if you need assistance in obtaining documents, you may contact the nearest office of the Employee Benefits Security Administration, U.S. department of Labor, which is 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.

### *Rights Upon Return from Military Service*

If you take an authorized leave of absence for military service and apply to return to employment with us during the period in which your reemployment rights are protected by federal law, you will be credited with our regular College contributions that you would have received if your employment had not been interrupted by military service. You may also make up elective deferral contributions that were not made during your military service leave.

### *Limitations*

The Plan is only a retirement plan. It does not constitute a contract of employment between you and us, and does not give you any right to continued employment with us. If your employment with us terminates for any reason, you will be entitled to the benefits you have earned under the Plan in accordance with these terms and conditions. The provisions of the Plan as described in this summary will apply only to persons who are employed by us on or after January 1, 2009.

Federal tax law limits the amount that can be added to your accounts under the Plan each year. For 2009 the total that may be allocated to your employer contribution accounts including your retirement savings contributions is \$49,000 or 100% of your compensation, whichever is less. For 2009, the Plan cannot consider more than \$245,000 of your annual compensation in determining the amount of contributions that may be allocated to your account. These dollar limits apply in 2009 and will be adjusted for inflation in the future.

The Plan may be amended at any time and from time to time. An amendment cannot reduce the benefits that you have earned to the date of the amendment. An amendment will ordinarily be effective on the first day of the plan year in which it is adopted. If the amendment significantly changes the provisions of the Plan outlined in this summary plan description, a new summary plan description or supplement will be furnished to participants and beneficiaries.

### *Plan Administration*

We are the “**plan administrator**” and have the responsibility and discretionary authority for interpreting the terms of the Plan, for determining eligibility for participation, and for making the contributions. We will resolve all disputes with respect to the interpretation of the Plan in accordance with the appeal procedures for the Plan.

The fund sponsor will have the responsibility for determining the amount of a participant’s benefit and for the investment of the funds, except the investments directed by participants.

### *Protection From Creditors*

Your accounts are subject to the “**spendthrift**” provisions of the Plan. The spendthrift provisions protect your interest from garnishment or seizure by your creditors. These provisions also prevent you from assigning or pledging your interest in the Plan as security for a loan or other obligation. These spendthrift provisions do not apply to assignments made in a qualified domestic relations order that is entered by a divorce court or to loans from the Plan.

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## **GENERAL INFORMATION**

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<b>Plan Administrator:</b>	Hope College 256 Columbia Avenue P.O. Box 9000 Holland, MI 49422-9000
<b>Phone:</b>	(616) 395-7811
<b>Name of Plan:</b>	Hope College Invest Plan
<b>Type of Plan:</b>	403(b) Plan
<b>Plan Effective Date:</b>	October 14, 1966

**Plan Year:** January 1 through December 31

**Plan Number:** 001

**Employer ID Number:** 38-1381271

**Agent for Service of Process:** President  
Hope College  
P.O. Box 9000  
Holland, MI 49422-9000

**Fund Sponsors, Phone Numbers and Websites:**

TIAA-CREF  
(800) 842-2776  
[www.TIAA-CREF.com](http://www.TIAA-CREF.com)

Fidelity Investments  
(800) 343-0860  
[www.fidelity.com](http://www.fidelity.com)

Vanguard  
(800) 662-2003  
[www.vanguard.com](http://www.vanguard.com)

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