

Washington and Lee University
Retiree Health Plan
Summary Plan Description

Employer/Sponsor: Washington and Lee University, 204 W. Washington St.,
Lexington, VA 24450. (540) 458 - 8920

Employer Identification Number (“EIN”): 54-0505977

Plan Number: R90025

Funding Vehicle: Washington and Lee University VEBA Trust, dated April 1, 2013

Plan Administrator: Washington and Lee University

Agent for Service of Legal Process: James D. Farrar, Registered Agent

I. Introduction

The Washington and Lee University Retiree Health Plan (the “Plan”) is established to provide Qualified Medical Care benefits to certain Employees and/or Retirees of Employer. This Summary Plan Description (“SPD”) is intended to provide you with a general description of the material terms of the Plan written in non-technical terms. It does not describe in detail every aspect of the Plan and is not the official Plan. The Plan, which consists of the Plan Document and the Adoption Agreement, is the only official statement of the benefits, rights, and features provided by this Plan. You may obtain a copy of the Plan Document and the Adoption Agreement if you request it from the Office of Human Resources. If there is any conflict between the terms of this SPD and those of the Plan, the Plan will control.

II. Am I Eligible to Participate in the Plan?

A. VOLUNTARY AFTER-TAX EMPLOYEE CONTRIBUTIONS:

1. The following Employees are eligible to make employee contributions to the Plan:
Employees classified by the Employer as full-time, benefits eligible.
2. The money in your Account that comes from your contributions will be vested immediately, but will not become available to you until you are entitled to Benefits under the rules of the Plan (see Section V below).

B. EMPLOYER CONTRIBUTIONS:

1. In order to have Employer Contributions made to your Account, you must meet the following eligibility requirements of the Plan:
 - a. Classified by the Employer as full-time benefit eligible,
 - b. have at least 2 Year(s) of Service with the Employer,
 - c. hired on or after April 1, 2003; and
 - d. have attained age 40 or older before you are eligible to have Employer Contributions made to your Account.

2. **Are there any Subsequent Conditions to Eligibility for Employer Contributions?** Once you become eligible to receive Employer Contributions, you are not required to work a minimum number of hours in order to be eligible to receive Employer Contributions in each subsequent Plan Year. Once you become eligible to receive Employer Contributions, you are not required to be employed as of the last day of the Plan Year in order to be eligible to receive Employer Contributions in each subsequent Plan Year.
3. **How your length of Service is calculated:**
 - (a) A Year of Service is calculated in the following way: The 12-month period during which an Employee has actually worked at least 1,365 Hours of Service or is entitled to be compensated for such hours for authorized paid leave of absence or other paid absences.
 - (b) An Hour of Service is one hour of actual service for the Employer for which the Employee is compensated or entitled to be compensated for authorized paid leave of absence or other paid absences.
 - (c) In addition to Years of Service following adoption of the Plan, the following Years of Service shall be counted: All years of service.
4. **What are the Employer Contributions under the Plan?** Annual flat dollar Employer contribution per eligible employee participant will equal .50% of the aggregate payroll (gross base wages) of the eligible employee participants divided by the number of participants.
5. **When are Employer Contributions vested?** The money in your Account that comes from Employer Contributions will not vest until after you are at least 40 years of age and have completed 10 years of service with Employer; except that if the member was hired at age 55 or later, the years of service requirement for entitlement to benefits is reduced to five(5) years after eligibility.

III. When Will I Begin Participating in the Plan?

- A. The date that you will actually begin participation is the Entry Date. The Entry Date will be the first administratively practicable day of the month after the later of (1) your date of employment; or (2) the date on which you become eligible to participate in the plan.
- B. If you are a Member and have incurred a Break in Service during which you terminated employment, you will be eligible to participate in the Plan on the first Entry Date following your reemployment for Employer contributions. If you had not yet become eligible to receive Employer Contributions when you terminated employment, you will become eligible after satisfying the age and service requirement following your return to employment.

IV. What Rules Govern the Contributions Under the Plan?

- A. **Employee Contributions:** Subject to any minimum requirements that are in effect under the administrative rules of the Trust, which may change from time to time, there is no limit to the amount you may contribute to your Account. You must complete a salary deduction agreement in order to have Employee Contributions made on your behalf.
- B. You can advise the trustee of the VEBA to invest your Employee Contributions, and any Employer Contributions to your Account in one or more of the underlying investment options in

accordance with the administrative rules of the Trust. The trustee will endeavor to follow your instructions but is not legally bound to do so.

V. When May I Begin to Receive Benefits and When Will My Benefits End?

Your Account will become available to you, according to the rules described below:

- A. Entitlement to Receive Benefits.** As long as the following conditions are true, your claim for payment of a Qualified Medical Expense will be considered:
1. You or your Dependent (“Dependent” includes your spouse) has incurred a Qualified Medical Care expense, **and**
 2. You are at least 59 ½ years of age **and**
 3. You must have at least 10 years of Service; except if you were hired at age 55 or later, then the years of service requirement is reduced to five (5) years after eligibility **and**
 4. You are a Retiree or are no longer an Employee of Employer.
- B. Plan Rules.** The Plan requires you to follow the rules of the Plan Administrator when submitting a request for Benefits; otherwise, your request may be denied.
- C. Court Orders.** The Plan authorizes the Plan Administrator to make disbursements from a Member’s Account pursuant to a court order in marital separation or dissolution or child custody proceedings to the extent the disbursements under the order are consistent with the terms of the Plan.
- D. Benefits paid to a Domestic Partner.** Benefits under this Plan will be available to Domestic Partners to the same extent available under Employer’s basic medical plan, in which case the term “Domestic Partner” shall have the same definition as under the basic medical plan. A Domestic Partner covered under this Plan shall have the same rights to payments as a Dependent. See Article VI paragraphs D and E below for information about the tax treatment of Benefits paid to Domestic Partners.
- E. Loss of Dependent Status.** It is your duty to notify the Plan Administrator (by notice to the Office of Human Resources) of any loss of qualifying dependent status of any person classified as your Dependent under the Plan.
- F. Forfeiture of your Account.** The money in your Account may be forfeited if any of the following occurs:
- a. You die before becoming entitled to receive Benefits or you die without Dependents (see subsection G. below) ; or
 - b. You cannot be located (*keep your address current with the Plan Administrator at all times*); or
 - c. Your Account balance becomes a Small Account Balance, which means that your Account contains less than \$2,500 and there has been no Account activity in one year.
- G. In the event of your death—**

1. If you died without Dependents, Benefits would be payable only for claims arising on or before the date of your death. After those claims were paid, your remaining Account balance would be forfeited.
2. If you had Dependents and died before you were entitled to receive Benefits, the funds in your Account attributable to Employee Contributions would become immediately available to your estate (for payments of Qualified Medical Expenses incurred by you on or before your date of death) and to your Dependents; but the funds in your Account attributable to Employer Contributions would be forfeited.
3. If you had Dependents and died after you were entitled to receive Benefits, all of the money in Account would continue to be available for payment of Benefits according to the rules of the Plan.

VI. What Are the Federal Tax Consequences of Contributions and Payments Under the Plan?

- A. Your Employee Contributions are made on an after-tax basis only.
- B. Employer Contributions paid to your Account on your behalf are not taxable.
- C. Any growth in your accumulation attributable to investment earnings or credited interest is not subject to taxation.
- D. Generally, all amounts paid to you for Qualified Medical Expenses from the Plan will not be taxed to you. However, payments made to reimburse or pay for the Qualified Medical Expense of your Domestic Partner, if any, will be taxable to the Domestic Partner. Consult with your Employer's payroll department to find out how they inform a Domestic Partner of his/her tax liability for payments received from the Plan.
- E. You should consult your tax advisor for further information about the federal and state tax treatment of the contributions and payments under the Plan.

VII. How Do I File a Claim When Benefits are Denied?

- A. If a request for a benefit is denied, you or your Beneficiary can file a claim in writing with the Plan Administrator. The claim should explain the reasons that you are entitled to the benefit. The Plan Administrator has the unfettered discretionary authority to conduct an investigation and to determine the merits of the claim.
- B. If the claim is fully or partially denied, the Plan Administrator will provide you or your Beneficiary with a written explanation within 90 days stating:
 1. the reason for the denial;
 2. the Plan provisions upon which the denial is based;
 3. any additional information that would be needed to grant the claim and why it is needed; and
 4. the procedure for appealing the denial.
- C. If the claim is denied, you or your Beneficiary may request a review by the Plan Administrator within 60 days.
- D. Within 60 days following your request for review, the Plan Administrator will render its final decision in writing to you stating specific reasons for its decision. If special circumstances require an extension of the review period, the Plan Administrator's decision will be rendered as soon as possible but in no event later than 120 days after receipt of the request for review.
- E. If the claim is denied on appeal, you have the ERISA rights set out below.

VIII. How is the Plan Administered?

- A. The Plan Administrator has the authority to manage the operation of the Plan. Factual determinations and interpretations of the Plan provisions by the Plan Administrator shall be final and binding on all Members and their Dependents.
- B. The Plan Administrator may delegate responsibilities of managing the Plan to other people or entities. Any such delegation will be in writing.
- C. The Plan Administrator may adopt rules and procedures to administer the Plan.
- D. Plan expenses and fees may be paid from Plan assets subject to the terms of the Trust. Fees that are related to the administration of your individual Account may be assessed against your Account, but will be paid by Employer.
- E. While this Plan was adopted with the expectation that it would continue indefinitely, the Employer has no obligation to maintain it for any length of time and may discontinue contributions, amend, or terminate it at any time.
- F. Your accumulation under the Plan is not subject to the claims of your creditors or your Dependents' creditors. You and your Dependent(s) may not have the right to sell, assign, transfer, or otherwise convey the right to receive any payments or any interest under the Plan.
- G. Nothing in this Plan should be considered as giving you any right to continued employment.
- H. This Plan was drafted to comply with the provisions of the Internal Revenue Code and will be interpreted in a manner consistent with applicable sections of the Internal Revenue Code and ERISA.

IX. Do I Have Rights Under ERISA?

As a Member under the Plan, you are entitled to certain rights and protections under ERISA.

- A. ERISA provides that all Plan Members are entitled to:
 - 1. Examine, without charge, at the Plan Administrator's office, all documents governing the Plan, including the Trust Agreement.
 - 2. Obtain upon written request copies of documents governing the Plan, including the Trust Agreement and an updated SPD. The Plan Administrator may charge a reasonable cost for the copies.
 - 3. Receive a summary of the Plan's annual financial report, which the Plan Administrator will provide to each Member.
- B. ERISA imposes duties upon the people who are responsible for the operation of the Plan. The people who operate the Plan, called fiduciaries of the Plan, have a duty to do so prudently and in the interests of you and other Plan Members and their Beneficiaries. No one, including the Employer or any other person, may fire you or otherwise discriminate against you in any way to prevent you from obtaining a Plan benefit or exercising your rights under ERISA.
- C. If your claim for a benefit under this Plan is denied in whole or in part you have a right to receive an explanation of why and to obtain copies of documents relating to the decision without charge, and to appeal the denial to the Plan Administrator. Under ERISA, there are steps you can take to enforce your rights. For example, if you request a copy of documents 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 them, unless they were not sent because of reasons beyond the Plan Administrator's control. In addition, if you disagree with the Plan's decision on a claim for benefits, you may file

suit in Federal Court. If it should happen that Plan fiduciaries misuse the Plan's money, or 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.

- D. If you have any questions about this Plan, you should contact the Plan Administrator at the following:

Office of Human Resources
Washington and Lee University
204 W. Washington Street
Lexington, VA 24450
Attention: Deborah M. Stoner
Asst. Director for Retirement Benefits & Leaves

You can also contact the nearest office of the Employee Benefits Security Administration, U.S. Department of Labor, or the Division of Technical Assistance and Inquiries, Employee Benefits Security Administration, 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 or going to www.dol.gov.

X. What other Relationships exist between the Parties to this Agreement?

- A. Teachers Insurance and Annuity Association of American ("TIAA") is the third party administrator and record keeper of the Plan.
- B. TIAA has a relationship with ConnectYourCare to administers all claims under this Plan. The fees to ConnectYourCare are paid as described in Section VIII above.

APPENDIX A—INVESTMENT OPTIONS AVAILABLE IN THE TRUST

Investment Name	Share Class	Ticker	CUSIP
Lifecycle 2010 Fund	Retirement	TCLEX	87244W458
Lifecycle 2015 Fund	Retirement	TCLIX	87244W441
Lifecycle 2020 Fund	Retirement	TCLTX	87244W433
Lifecycle 2025 Fund	Retirement	TCLFX	87244W425
Lifecycle 2030 Fund	Retirement	TCLNX	87244W417
Lifecycle 2035 Fund	Retirement	TCLRX	87244W391
Lifecycle 2040 Fund	Retirement	TCLOX	87244W383
Lifecycle 2045 Fund	Retirement	TFRX	886315522
Lifecycle 2050 Fund	Retirement	TLFRX	886315514
Lifecycle 2055 Fund	Retirement	TTRLX	87245M194
Lifecycle Retirement Income Fund	Retirement	TLIRX	886315480
TIAA-CREF Money Market Fund	Retirement	TIEXX	886315688