

Summary Plan Description

Cornell University Tax-Deferred Annuity Plan

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I. SUMMARY PLAN DESCRIPTION OVERVIEW

The Cornell University Tax-Deferred Annuity Plan (the “Plan”) was originally established effective July 1, 1976, and has been amended from time to time. The Plan was most recently restated on March 24, 2020. The Plan may be further amended from time to time. This Plan is intended to meet the requirements of section 403(b) of the Internal Revenue Code.

The purpose of the Plan is to enable eligible employees to save for retirement. As well as retirement benefits, the Plan provides certain benefits in the event of death or other termination of employment.

This booklet is called a Summary Plan Description (“SPD”) and it contains a summary in understandable language of your rights and benefits under the Plan. If you have difficulty understanding any part of this SPD, you should contact the Plan Administrator identified in the Basic Plan Information section of this document during normal business hours for assistance.

Este folleto se llama el Sumario Del Plan (Summary Plan Description) y contiene, en ingles, el sumario de sus derechos y beneficios del plan. Si usted tiene dificultades en entender cualquiera parte de este sumario, se puede poner en contacto con el Administrador del Plan, identificado en la segunda pagina de este folleto, durante horas de oficina.

This SPD is a brief description of the principal features of the Plan document and is not meant to interpret, extend or change these provisions in any way. A copy of the Plan document is on file with the Plan Administrator and will be provided to any employee upon request. The Plan document can also be accessed online at <https://hr.cornell.edu/understand-your-benefits/finances/retirement-savings/cornell-university-tax-deferred-annuity-plan>. The Plan document shall govern if there is a discrepancy between this SPD and the actual provisions of the Plan. The terms “Plan” and “Plan document” include the terms of the investment arrangements under the Plan or other documents incorporated by reference.

II. BASIC PLAN INFORMATION

The information in this section contains general Plan information and definitions for some of the terms that may be used in this SPD.

A. Plan Name

The Plan's name is the Cornell University Tax-Deferred Annuity Plan. The Plan is commonly referred to as the "TDA Plan."

B. Employer and Plan Sponsor

Cornell University
395 Pine Tree Road, East Hill Office Building, Suite 130
Ithaca, NY 14850
607-255-3936

The Employer's federal tax identification number is: 15-0532082C.

Recordkeeper Contact Information

The Plan has two recordkeepers: Fidelity Workplace Services LLC ("Fidelity") and Teachers Insurance and Annuity Association of America ("TIAA").

Fidelity:

To view the portion of your account invested through Fidelity, make changes to investments, or perform transactions, please use the following contact information:

Phone number: 1-800-343-0860

Website: <https://nb.fidelity.com/public/nb/cornell/home>

TIAA:

To view the portion of your account invested through TIAA, make changes to investments, or perform transactions, please use the following contact information:

Phone number: 1-800-842-2776

Website: https://www.tiaa.org/public/land/cornell_retirement_plans

C. Plan Type and Plan Year

This Plan is a type of retirement plan known as a 403(b) plan. More information about the contributions made to the Plan can be found in Section IV, Compensation and Contributions.

The Plan Year is the twelve-month period ending on December 31.

D. Plan Administrator

The Plan Administrator is Cornell University. If you have any questions about the Plan or need assistance with respect to your participation in the Plan, please contact the Plan Administrator at the address or phone number listed above.

The Plan Administrator is responsible for the administration and operation of the Plan and its duties are identified in the Plan document. In general, the Plan Administrator is responsible for providing you and your Beneficiaries with information about your rights and benefits under the Plan. The Plan Administrator maintains the Plan records, including your account information, provides you with the forms you need to complete for Plan participation, and directs the payment of your account at the appropriate time. The Plan Administrator also maintains the formal Plan document and certain other materials related to the Plan.

The Plan Administrator may delegate some of its duties. Certain duties have been delegated to the Plan Recordkeepers, such as processing distributions and providing certain participant notices.

The Plan Administrator has the complete power, in its sole discretion, to determine all questions arising in connection with the administration, interpretation, and application of the Plan (and any related documents and underlying policies). Any such determination by the Plan Administrator is conclusive and binding upon all persons.

E. Plan Number

The three digit IRS number for the Plan is 003.

F. Service of Process

Service of legal process may be made upon the Employer or Plan Administrator at the Employer's address above.

III. PARTICIPATION

A. Participants

A Participant is an Employee who has satisfied the eligibility and entry date requirements described in more detail below and has begun participation in the Plan. Once an eligible Employee becomes a Participant, he or she will remain a Participant so long as he or she has an account in the Plan.

B. Employees

An Employee is any common law employee of Cornell University.

C. Excluded Employees

The following employees are Excluded Employees not eligible to become Participants¹:

- 1) All Weill Cornell Medical College employees, who are eligible to participate in another Employer 403(b) plan;
- 2) Teaching Assistants, Research Assistants, and Graduate Research Assistants; and
- 3) Students.

You are not eligible to participate if you are a leased employee or an individual who is employed under a contract, letter of agreement, or other document that acknowledges your status as an independent contractor not entitled to benefits under the Plan and you are not otherwise classified by the Employer as a common law employee. You are not eligible to participate if the Employer does not withhold income taxes, file Form W-2 (or any replacement form), or remit Social Security payments to the federal government for you, even if you are later adjudicated to be a common law employee.

D. Eligibility Requirements and Entry Dates

The Plan has no age or service requirements you may begin participating immediately once employed. Your entry date is generally immediate upon your employment.

E. Special Eligibility Conditions

Reclassified Employees

Regardless of the above, if it is determined that your Employer erroneously classified you as a non-Employee and you should have been treated as an Employee, you are not entitled to participate in the Plan.

Rehired Employees

If you are no longer a Participant because of a termination of employment, and you are rehired, then you will be able to participate in the Plan on the date on which you are rehired if you are otherwise eligible to participate in the Plan.

Military Service

If you are a veteran and are reemployed under the Uniformed Services Employment and Reemployment Rights Act of 1994, your qualified military service might be considered service with the Employer. If you believe you might be affected by this law, ask the Plan Administrator for further details.

¹ The eligibility and terms of participation of any Employees who are residents of Puerto Rico or who render services in Puerto Rico are governed by the Puerto Rico Addendum, which is maintained by the Employer.

IV. COMPENSATION AND CONTRIBUTIONS

A. Compensation

Generally, your Compensation under the Plan is used to compute the contributions you elect to make to the Plan.² Your Compensation is defined as your base salary plus overtime, summer session salary, and all other forms of compensation included in your gross income.

Compensation in First Year of Participation and Post-Severance Compensation

Compensation for your first year of eligible Plan participation will only include Compensation for that portion of the year for which you are eligible to participate in the Plan .

Compensation received after you have left employment is not considered Compensation for purposes of the Plan. Such compensation includes, among other things, post-severance regular pay, leave cash-outs, and deferred compensation.

B. Contributions

Elective Deferrals

The Plan is an elective deferral plan. This means that you may elect to reduce your compensation by a specific percentage or dollar amount and have that amount contributed to the Plan as an elective deferral. Amounts you defer to the Plan are added to an account in your name. Please see the next section for information on how you direct the investment of the amounts in your Plan account. You may elect to defer a portion of your compensation payable on or after your entry date. Such election will become effective as soon as administratively feasible after it is received by the Plan Administrator. Your election will remain in effect until you modify or terminate it. You may revoke or make modifications to your salary deferral election in accordance with procedures that the Employer provides. Contact the Plan Administrator for further information. Your elective deferrals are always yours and cannot be forfeited for any reason.

Your total elective deferrals in any taxable year cannot exceed a dollar limit which is set by law. This is an aggregate limit that applies to all deferrals you may make under this Plan and any other “cash or deferred arrangements” (including 401(k) plans, simplified employee pensions or other 403(b) plans, but excluding 457 plans) in which you are participating (including previous employer accounts). Generally, if your total deferrals under all “cash or deferred arrangements” for a calendar year exceed the annual dollar limit, then the excess must be returned to you in order to avoid adverse tax consequences.³

Pre-Tax Deferrals

If you elect to make pre-tax deferrals, then your taxable income is reduced by the deferral contributions so you pay less in federal income taxes.⁴ Later, when the Plan distributes the deferrals and earnings, you will pay the taxes on those deferrals and the earnings. Therefore, with a pre-tax deferral, federal income taxes on the elective deferral contributions and on the earnings are only postponed. Eventually, you will have to pay taxes on these amounts.

Age 50 Catch-up Deferrals

If you are at least age 50 or older by the end of the calendar year, you may elect to defer additional amounts. This limit is adjusted by the Secretary of the Treasury over time) as an age 50 catch-up deferral. You can defer the additional amounts regardless of any other limitations on the amount you can defer to the Plan.

Fifteen-Year Catch-Up Deferral

² The Internal Revenue Code limits the amount of compensation that may be taken into account each Plan Year. . Please refer to the TDA webpage for the current the maximum: <https://hr.cornell.edu/understand-your-benefits/finances/retirement-savings/cornell-university-tax-deferred-annuity-plan>

³ If you participate in more than one plan and exceed the annual dollar limit, you must decide from which Plan or arrangement you would like to return the excess. If you decide that the excess should be distributed from this Plan, you must communicate this in writing to the Plan Administrator no later than the March 1st following the close of the calendar year in which such excess deferrals were made.

⁴ The amount you defer is treated as compensation for purposes of Social Security taxes.

If you have completed at least fifteen (15) years of service with the Employer, you may elect to defer additional amounts (called fifteen-year catch-up deferrals) to the Plan which exceed the elective deferral limit. A fifteen-year catch-up deferrals increases the elective deferral limit by the lesser of: (1) \$3,000; (2) \$15,000 reduced by all of your prior fifteen-year catch-up deferrals; or (3) \$5,000 multiplied by your years of service with the Employer, minus your elective deferrals⁵ made for prior calendar years. This means that the maximum fifteen-year catch-up deferral you can contribute is \$3,000 in any calendar year. If you qualify for both age 50 catch-up deferrals and fifteen-year catch-up deferral, you may contribute both types of catch-up deferrals; however, your contributions must be applied to the fifteen-year catch-up deferral before they are applied to the age 50 catch-up deferrals.

Rollover Contributions

You are generally permitted to roll into the Plan distributions you have received from other plans and certain IRAs. You may ask the Plan Administrator of the other plan or the trustee or custodian of the IRA to directly transfer (a "direct rollover") to this Plan all or a portion of any amount that you are entitled to receive as a distribution from such other plan. Alternatively, you may elect to deposit any amount eligible to be rolled over within 60 days of your receipt of the distribution. Your rollover contribution will be accounted for in a "rollover account" and will always be 100% vested. Rollover contributions will be affected by any investment gains or losses in your account.

⁵ This includes Fifteen-Year Catch-Up Deferrals, but excludes Age 50 Catch-Up Deferrals, if applicable.

V. INVESTMENTS, STATEMENTS, AND EXPENSES

A. Investment arrangements

The elective deferral contributions you make to the Plan are placed in an account for you with your choice of one or both of the Plan Recordkeepers.

You direct the investment of your Plan account in mutual funds and/or annuity contracts. The Plan Administrator will provide you with information on the investment choices available to you, the frequency with which you can change your investment choices and other information. The earnings or losses on the investments that you choose will determine the balance of your account. Your account does not share in the investment performance of other Participants who have directed their own investments. You should remember that the amount of your benefits under the Plan will depend in part upon your choice of investments. Gains as well as losses can occur and your Employer and the Plan Administrator will not provide investment advice or guarantee the performance of any investment you choose. If you do not direct the investment of your Plan account, then your account will be invested in accordance with the default investment alternatives the Employer establishes under the Plan.

The Plan is intended to comply with Section 404(c) of the Employee Retirement Income Security Act of 1974 (ERISA). Under Section 404(c), the fiduciaries of the Plan, including your Employer and the Plan Administrator, will be relieved of any legal liability for any losses which are the result of the investment directions that you give. You must follow Plan procedures in giving investment directions. If you fail to do so, then your investment directions may not be followed.

The investment products you select (known as investment arrangements) may also affect the provisions of the Plan. In some cases the investment arrangements may limit your options under the Plan. This SPD does not address the provisions of the various investment arrangements. The Plan assets may be invested in mutual funds and Annuity Contracts. You should contact the Plan Administrator or the investment provider if you have questions about the provisions of your specific investment arrangements.

B. Statements

Periodically, you will receive a benefit statement that provides information on your account balance and your investment returns. It is your responsibility to notify the Plan Administrator of any errors you see on any statements within 30 days after the statement is provided or made available to you. You may also access information about your investments and account balance(s) at any time on the Recordkeeper websites, which can be accessed at:

Fidelity: <https://nb.fidelity.com/public/nb/cornell/home>

TIAA: https://www.tiaa.org/public/land/cornell_retirement_plans

C. Plan expenses

Subject to the terms of the investment arrangements funding the Plan, the Plan might pay some or all Plan-related expenses except for a limited category of expenses which the law requires your Employer to pay. The expenses charged to the Plan might be charged pro rata to each Participant in relation to the size of each Participant's account balance or might be charged equally to each Participant. Your Employer might, from time to time, change the manner in which expenses are allocated.

Terminated employees. After you terminate employment, subject to the terms of the investment arrangements funding the Plan, your Employer reserves the right to charge your account for your pro rata share of the Plan's administration expenses, regardless of whether your Employer pays some of these expenses on behalf of current employees.

Expenses allocated to individual accounts. There are certain expenses that might be paid just from your account. These are expenses that are specifically incurred by, or attributable to, you. For example, if you are married and get divorced, the Plan might incur additional expenses if a court mandates that a portion of your account be paid to your ex-spouse. These additional expenses might be paid directly from your account (and not the accounts of other Participants) because they are directly attributable to you under the Plan. The Plan Administrator will inform you when there will be a charge (or charges) directly to your account.

VI. VESTING

The term “vesting” refers to your nonforfeitable right to the money in your accounts.

You are always 100% vested in all of your Plan accounts. However, the money in your Plan accounts may be withdrawn only at the times and in the manner described in the next two sections of this SPD.

VII. IN-SERVICE DISTRIBUTIONS

A. In-Service Distributions

An in-service distribution means a distribution prior to your termination of employment. An in-service distribution, if available to you, is made from your account balance and will therefore reduce the value of the benefits you will receive at retirement.

The terms of the investment arrangements that you selected for your Plan contributions might contain additional limits on when you can take an in-service distribution, the form of distribution that is available, as well as your right to transfer among approved investment options. Please review both this SPD and the terms of your investment arrangements before requesting an in-service distribution.

You should be aware that if you wish to receive any in-service distribution from the Plan in a single payment from your account, you (and your spouse, if married) must first waive the annuity form of payment. If you are married, you must get written consent from your spouse to take a distribution from the Plan in any form other than a qualified joint and survivor annuity. To document your spouse's consent to waive the annuity and take the payment in a lump sum contact Fidelity and/or TIAA as noted in Basic Plan Information above.

Rollover Contributions

You may take distributions of amounts in your rollover contribution account at any time.

B. Restricted In-Service Distributions

Age 59 ½ In-Service Distributions

You may take an in-service distribution from any of your Plan accounts once you reach the age of 59 ½.

Disability In-Service Distributions

If you become disabled, you may take an in-service distribution from any of your Plan accounts, up to 99% of your vested Plan balance, once per calendar year. Disabled means unable to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment that can be expected to result in death or to be of long continued and indefinite duration, as supported by medical evidence. Your date of disablement is the date on which the Plan Administrator determines that you satisfy the definition of Disabled.

Phased Retirement Program In-Service Distributions

If you are participating in one of the Employer's phased retirement programs, you may elect unlimited distributions from your Plan accounts, to the extent permitted by the terms of the applicable phased retirement program, the terms of the applicable investment arrangement(s) in which your accounts are invested at the time of the withdrawal, and the Internal Revenue Code.

Hardship Distributions

Under the Plan, hardship distributions may be made from your elective deferrals account under certain conditions.⁶ A hardship distribution may be made if you have certain immediate and heavy financial needs. Generally, hardship distribution may only be made for payment of the following:

- Expenses for medical care (described in Section 213(d) of the Internal Revenue Code) for you, your spouse, your dependents or your primary beneficiary⁷ under the Plan;
- Costs directly related to the purchase of your principal residence (excluding mortgage payments).
- Tuition, related educational fees, and room and board expenses for the next twelve (12) months of post-secondary education for you, your spouse, your children, your dependents (as defined in Section 152 of the Internal Revenue Code) or your primary beneficiary under the Plan;

⁶ The investment arrangements held in your Plan account may have additional restrictions on hardship distributions.

⁷ Your "primary beneficiary under the Plan" is the individual who is named as your beneficiary under the Plan and has an unconditional right, upon your death, to all or a portion of your account balance under the Plan.

- Amounts necessary to prevent your eviction from your principal residence or foreclosure on the mortgage of your principal residence.
- Payments for burial or funeral expenses for your deceased parent, spouse, children, your dependents (as defined in Section 152 of the Internal Revenue Code) or a deceased primary beneficiary under the Plan;
- Expenses for the repair of damage to your principal residence that would qualify for the casualty loss deduction under Internal Revenue Code Section 165 (determined without regard to whether your residence is located in a Federal Emergency Management Agency (FEMA) declared disaster area as described in section 165(h)(5) and whether the loss exceeds 10% of adjusted gross income);
- Expenses and losses (including loss of income) you incurred on account of a disaster declared by FEMA, provided that your principal residence or principal place of employment at the time of the disaster was located in an area designated by FEMA for individual assistance with respect to the disaster.

If you have any of the above expenses, a hardship distribution can only be made if you certify and agree that all of the following conditions are satisfied:

- The distribution is not in excess of the amount required to satisfy your immediate and heavy financial need. The amount of your immediate and heavy financial need may include any amounts necessary to pay any federal, state, or local income taxes or penalties reasonably anticipated to result from the distribution;
- You have obtained all distributions, other than hardship distributions, and all nontaxable loans currently available under all plans that your Employer maintains (including distributions of ESOP dividends under Internal Revenue Code section 404(k), but not hardship distributions) and loans under this Plan and all other plans of deferred compensation, whether qualified or nonqualified, maintained by the employer;
- You have insufficient cash or other liquid assets reasonably available to satisfy the financial need;
- If the request is for expenses and losses (including loss of income) that you incurred on account of a FEMA declared disaster, that your principal residence or principal place of employment at the time of the disaster was located in an area designated by FEMA for individual assistance with respect to the disaster;
- All information you have provided, including all documentation, is authentic and correct to the best of your knowledge; and
- You have not previously requested and received a hardship withdrawal for the expense(s) submitted as part of this request.

VIII. DISTRIBUTIONS

A. In General

This Section describes the terms of the Plan with respect to when and how you may receive a distribution of your account. The terms of the investment arrangements that you selected for your Plan contributions might contain additional limits on when you can take a distribution, the form of distribution that is available, as well as your right to transfer among approved investment options. Please review both this SPD and the terms of your investment arrangements before requesting a distribution.

Beneficiaries. Your Beneficiary is the person or persons (including a trust) whom you designate who will receive your benefits in the event of your death. If you fail to designate or improperly designate a Beneficiary, your Beneficiary will be determined under the terms of the Plan and/ or the relevant investment arrangements. If you are married and wish to designate a Beneficiary other than your spouse, then your spouse must authorize that designation. Contact Fidelity and TIAA to designate a Beneficiary for your account:

Fidelity:

Phone number: 1-800-343-0860

Website: <https://nb.fidelity.com/public/nb/cornell/home>

TIAA:

Phone number: 1-800-842-2776

Website: https://www.tiaa.org/public/land/cornell_retirement_plans

A. Distributions upon Termination of Employment.

When you terminate employment, you will be entitled to a distribution from the Plan. The distribution will be made to you as soon as administratively possible after you complete an application for a distribution as directed by the Plan Administrator. You will not be required to take a distribution, except as further described below.

B. Payment of Benefits

The form of payment of your benefits under the Plan may be limited by the terms of the investment arrangements you have selected. You should review the terms of your investment arrangements before requesting a distribution. The following provisions apply to the extent permitted under the investment arrangements in which the Plan assets are invested.

1. Distribution methods

If you terminate employment, you may elect distribution of your account balance under the following forms:

- a single lump-sum payment;
- installments over a period of not more than your assumed life expectancy (or the assumed life expectancies of you and your Beneficiary);
- an annuity contract purchased with your account balance;
- ad-hoc distributions of some or all of your Plan account, subject to any reasonable limits regarding timing and amounts as the Plan Administrator or your investment arrangements may impose; or
- Any other distribution option permitted by the investment arrangement and Code Section 403(b).

2. Required beginning date

There are rules that require that certain minimum distributions be made from the Plan. Distributions are required to begin no later than the April 1st following the end of the year in which you reach age 72 or terminate employment, whichever is later⁸. Contact the Plan Administrator if you think you might be affected by these rules.

⁸ If you were born before July 1, 1949, the required beginning date rules apply to you at age 70 ½.

3. Mandatory annuity distribution (subject to waiver)

Subject to the provisions of your investment arrangements, if you are married on the date your benefits are to begin, you will automatically receive a standard joint and 50% survivor annuity, unless you and your spouse waive the annuity and elect an alternative form of payment. This means that you will receive payments for your life, and after your death, your surviving spouse will receive a monthly benefit for the remainder of his or her life equal to 50% of the benefit you were receiving at the time of your death. You may elect a joint and 75% survivor annuity instead of the standard joint and survivor annuity.

If you are not married on the date your benefits are to begin, you will automatically receive a life annuity, unless you waive the qualified annuity and elect an alternative form of payment. This means you will receive payments for as long as you live.

u will automatically receive a life annuity, unless you waive the qualified annuity and elect an alternative form of payment. This means you will receive payments for as long as you live.

4. Waiver of annuity

The Plan Administrator will explain the joint and survivor annuity or the life annuity to you in greater detail. You will be given the option of waiving the joint and survivor annuity or the life annuity form of payment during the 180-day period before the annuity is to begin. **IF YOU ARE MARRIED YOUR SPOUSE MUST IRREVOCABLY CONSENT IN WRITING TO THE WAIVER IN THE PRESENCE OF A NOTARY OR A PLAN REPRESENTATIVE.** You may revoke any waiver. The Plan Administrator will provide you with forms to make these elections. Since your spouse participates in these elections, you must immediately inform the Plan Administrator of any change in your marital status.

Your spouse's consent is also needed if you want to name someone other than your spouse as your beneficiary. The annuity would need to be structured to provide a benefit while both you and your spouse are alive and then to provide a survivor benefit that is equal to 50 percent of the amount you received while you were both living. You can designate a different survivor percentage subject to certain limits under the qualified optional survivor annuity regulations. The Plan Administrator will provide you with more information regarding your annuity options when it comes time for you to make a decision.

C. Distributions upon Death

If you die while still employed by the Employer, then your Plan account balance will be used to provide your Beneficiary with a death benefit.

1. Beneficiary of Death Benefit

- **Married Participant.** If you are married at the time of your death, your spouse will be the beneficiary of 50% of your Plan account distributed as a qualified annuity as required under the terms of the Plan and your investment arrangements. Any remaining amount of your Plan account which is not payable to your spouse as a qualified annuity will be paid to your Beneficiary (which may be your spouse). You may designate a non-spouse Beneficiary as to the portion of your account not payable as a qualified annuity without your spouse's consent. **IF YOU WISH TO WAIVE THE QUALIFIED ANNUITY BENEFIT, YOUR SPOUSE MUST IRREVOCABLY CONSENT TO WAIVE THE ANNUITY AND TO YOUR DESIGNATION OF ANY NON-SPOUSE BENEFICIARY. YOUR SPOUSE'S CONSENT MUST BE IN WRITING, BE WITNESSED BY A NOTARY OR A PLAN REPRESENTATIVE AND ACKNOWLEDGE THE SPECIFIC NON-SPOUSE BENEFICIARY.**
- **Unmarried Participant.** If you are not married, you may designate a Beneficiary of your choosing.
- **No Beneficiary designation.** Subject to the terms of the investment arrangements, at the time of your death, if you are not married and you have not designated a Beneficiary or your Beneficiary is not alive, your Plan account will be paid (in the following order of priority) to Spouse, Descendants, Parents, Estate.

2. Distribution methods upon Death.

- **Mandatory annuity distribution (subject to waiver).** If your Plan account at the time of your death does not exceed \$5,000, then the benefit may only be paid as a lump-sum. If you are married at the time of your death and your Plan account exceeds \$5,000, then your Plan account will be paid to your

spouse in the form of a qualified annuity as described above under the Beneficiary of Death Benefit section, unless you and your spouse waive the qualified annuity. If the qualified annuity applies, the Plan will purchase, using 50% of your account, an annuity contract providing for payments over the life of your spouse. The size of the monthly payments will depend on the value of your vested account at the time of your death.

- **Waiver of annuity.** You and your spouse may waive the qualified annuity form of distribution. Generally, the period during which you and your spouse may waive the annuity begins as of the first day of the Plan Year in which you reach age 35 and ends when you die. The Plan Administrator must provide you with a detailed explanation of the annuity. This explanation must generally be given to you during the period of time beginning on the first day of the Plan Year in which you will reach age 32 and ending on the first day of the Plan Year in which you reach age 35. It is important that you inform the Plan Administrator when you reach age 32 so that you may receive this information.

Under a special rule, you and your spouse may waive the survivor annuity form of payment any time before you turn age 35. However, any waiver will become invalid at the beginning of the Plan Year in which you turn age 35, and you and your spouse will be required to make another waiver.

- **Distribution method/annuity waived.** If you and your spouse waive the qualified annuity, and your Plan account exceeds \$5,000, the benefit may be paid to your spouse using the available distribution methods.

3. Required Minimum Distributions

If your designated Beneficiary is a person (other than your estate or most trusts) then minimum distributions of your Plan account must generally begin within one year of your death and must be paid over a period not extending beyond your Beneficiary's life expectancy. If your spouse is the Beneficiary, the start of payments may be delayed until the year in which you would have attained age 72. Generally, if you die before you are required to begin minimum distributions (which for most people is shortly after the later of age 72 or retirement) and your Beneficiary is not a person, then your entire death benefit must be paid within five years after your death. Some investment products may allow a person to use this five-year rule. Since a spouse has certain rights in the death benefit, you should immediately report any change in your marital status to the Plan Administrator.

4. Death Occurs After Beginning Required Minimum Distributions.

Your Beneficiary will be entitled to your remaining Plan account at the time of your death if you die after your required minimum distributions begin. Payments must generally come out at least as rapidly as the required minimum distributions. Contact the Plan Administrator for more information regarding the timing and method of payments that apply to your Beneficiary.

If you are married at the time of death after your required minimum distributions begin, the form of payment will be a life annuity to your surviving spouse as described above, unless you and your spouse previously waived the qualified annuity. In the event you waived the qualified annuity, your Beneficiary will be entitled to your remaining Plan account at the time of your death. Contact the Plan Administrator for more information regarding the timing and method of payments that apply to your Beneficiary.

D. Special Circumstances

Military Service. If you are a veteran and are re-employed under the Uniformed Services Employment and Reemployment Rights Act of 1994, there might be benefits if you die or become disabled while on active duty. Employees who receive wage continuation payments while in the military may benefit from various changes in the law. If you think you may be affected by these rules, ask the Plan Administrator for further details.

E. Tax Treatment of Distributions

Generally, you must include any Plan distribution in your taxable income in the year in which you receive the distribution. The tax treatment may also depend on your age when you receive the distribution. Certain distributions made to you when you are under age 59 1/2 could be subject to an additional federal 10% penalty tax.

Your after-tax contributions to the Plan will not be taxed when they are distributed from the Plan. You will, however, be taxed on income attributable to those contributions.

1. Rollover or Direct Transfer.

You may reduce, or defer entirely, the tax due on your distribution through use of one of the following methods:

- **60-day rollover.** You may roll over all or a portion of the distribution to an Individual Retirement Account or Annuity (IRA) or another employer retirement plan willing to accept the rollover. This will result in no tax being due until you begin withdrawing funds from the IRA or other qualified employer plan. The rollover of the distribution, however, **MUST** be made within strict time frames (normally, within 60 days after you receive your distribution).

Under certain circumstances, all or a portion of a distribution (such as a hardship distribution) may not qualify for this rollover treatment. In addition, most distributions will be subject to mandatory federal income tax withholding at a rate of 20%. This will reduce the amount you actually receive. For this reason, if you wish to roll over all or a portion of your distribution amount, the direct rollover option described below can be utilized.

- **Direct rollover.** For most distributions, you may request that a direct transfer (sometimes referred to as a direct rollover) of all or a portion of a distribution be made to either an Individual Retirement Account or Annuity or another employer retirement plan willing to accept the transfer. A direct transfer will result in no tax being due until you withdraw funds from the IRA or other employer plan. Like the 60-day rollover, under certain circumstances all or a portion of the amount to be distributed may not qualify for this direct transfer. If you elect to actually receive the distribution rather than request a direct transfer, then in most cases 20% of the distribution amount will be withheld for federal income tax purposes. If you decide to directly transfer all or a portion of a distribution, you (and your spouse, if you are married) must first waive the qualified annuity form of payment.

2. Tax Notice.

WHENEVER YOU RECEIVE A DISTRIBUTION THAT IS AN ELIGIBLE ROLLOVER DISTRIBUTION, THE PLAN ADMINISTRATOR WILL DELIVER TO YOU A MORE DETAILED EXPLANATION OF THESE OPTIONS. HOWEVER, THE RULES WHICH DETERMINE WHETHER YOU QUALIFY FOR FAVORABLE TAX TREATMENT ARE VERY COMPLEX. NOTHING IN THIS SPD SHOULD BE CONSTRUED AS TAX ADVICE. YOU SHOULD CONSULT WITH QUALIFIED TAX COUNSEL BEFORE MAKING ANY DECISIONS WITH RESPECT TO YOUR PARTICIPATION IN THE PLAN.

Additionally, any state tax implications of your participation in the Plan should be determined based on an examination of appropriate state law. Please consult with your tax advisor if you have any questions regarding state tax law.

IX. LOANS

A. In General

In general, you may take loans from the Plan under certain circumstances. The terms of the investment arrangements that you selected for your Plan contributions might contain additional limits on when you can take a loan.

B. Taking a Loan

You must contact the investment provider(s) directly if you wish to take out a loan; approval from Cornell University is not required. Failure to repay a loan may have tax implications; please refer to a tax advisor to discuss the tax implications of failing to repay a loan from your 403(b) account.

Fidelity:

Phone number: 1-800-343-0860

Website: <https://nb.fidelity.com/public/nb/cornell/home>

TIAA:

Phone number: 1-800-842-2776

Website: https://www.tiaa.org/public/land/cornell_retirement_plans

X. PARTICIPANT RIGHTS AND CLAIMS

Are my benefits protected?

As a general rule, your interest in your account, including your "vested interest," may not be alienated. This means that your interest may not be sold, used as collateral for a loan (other than for a Plan loan), given away or otherwise transferred (except at death to your Beneficiary). In addition, your creditors (other than the IRS) may not attach, garnish or otherwise interfere with your benefits under the Plan.

There are three exceptions to this general rule. The Plan Administrator must honor a qualified domestic relations order (QDRO). A QDRO is defined as a decree or order issued by a court that obligates you to pay child support or alimony, or otherwise allocates a portion of your assets in the Plan to your spouse, former spouse, children or other dependents. If a QDRO is received by the Plan Administrator, all or a portion of your benefits may be used to satisfy that obligation. The Plan Administrator will determine the validity of any domestic relations order received. You and your beneficiaries can obtain from the Plan Administrator, without charge, a copy of the procedure used by the Plan Administrator to determine whether a domestic relations order is valid.

The second exception applies if you are involved with the Plan's operation. If you are found liable for any action that adversely affects the Plan, the Plan Administrator can offset your benefits by the amount that you are ordered or required by a court to pay the Plan. All or a portion of your benefits may be used to satisfy any such obligation to the Plan.

The last exception applies to federal tax levies and judgments. The federal government is able to use your interest in the Plan to enforce a federal tax levy and to collect a judgment resulting from an unpaid tax assessment.

Plan amendment

Your Employer has the right to amend the Plan at any time in its sole discretion. In no event, however, will any amendment authorize or permit any part of the Plan assets to be used for purposes other than the exclusive benefit of Participants or their beneficiaries. Additionally, no amendment will cause any reduction in the amount credited to your account.

Plan discontinuance or termination

Although your Employer intends to maintain the Plan indefinitely, your Employer reserves the right to terminate the Plan at any time. Upon termination, no further contributions will be made to the Plan and all amounts credited to your accounts will remain 100% vested. Your Employer will direct the distribution of your accounts in a manner permitted by the Plan, your investment arrangements and applicable law as soon as practicable. You will be notified if the Plan is terminated.

Submitting a claim for Plan benefits

Benefits will generally be paid to you and your beneficiaries without the necessity for formal claims. Contact the Plan Administrator or investment provider if you are entitled to benefits or if you think an error has been made in determining your benefits. Any such request should be in writing.

If the Plan Administrator determines the claim is valid, then you will receive a statement describing the amount of benefit, the method or methods of payment, the timing of distributions and other information relevant to the payment of the benefit.

Denial of benefits

Your request for Plan benefits will be considered a claim for Plan benefits, and it will be subject to a full and fair review. If your claim is wholly or partially denied, the Plan Administrator will provide you with a written or electronic notification of the Plan's adverse determination. This written or electronic notification must be provided to you within a reasonable period of time, but not later than 90 days after the receipt of your claim by the Plan Administrator, unless the Plan Administrator determines that special circumstances require an extension of time for processing your claim. If the Plan Administrator determines that an extension of time for processing is required, written notice of the extension will be furnished to you prior to the termination of the initial 90-day period. In no event will such extension exceed a period of 90 days from the end of such initial period. The extension notice will indicate the special circumstances requiring an extension of time and the date by which the Plan expects to render the benefit determination.

In the case of a claim for disability benefits, if disability is determined by a physician (rather than relying upon a determination of disability for Social Security purposes), then instead of the above, the Plan Administrator will provide you with written or electronic notification of the Plan's adverse benefit determination within a reasonable period of time, but not later than 45 days after receipt of the claim by the Plan. This period may be extended by the Plan for up to 30 days, provided that the Plan Administrator both determines that such an extension is necessary due to matters beyond the control of the Plan and notifies you, prior to the expiration of the initial 45-day period, of the circumstances requiring the extension of time and

the date by which the Plan expects to render a decision. If, prior to the end of the first 30-day extension period, the Plan Administrator determines that, due to matters beyond the control of the Plan, a decision cannot be rendered within that extension period, the period for making the determination may be extended for up to an additional 30 days, provided that the Plan Administrator notifies you, prior to the expiration of the first 30-day extension period, of the circumstances requiring the extension and the date as of which the Plan expects to render a decision. In the case of any such extension, the notice of extension will specifically explain the standards on which entitlement to a benefit is based, the unresolved issues that prevent a decision on the claim, and the additional information needed to resolve those issues, and you will be afforded at least 45 days within which to provide the specified information.

The Plan Administrator's written or electronic notification of any adverse benefit determination must contain the following information:

- (a) The specific reason or reasons for the adverse determination.
- (b) Reference to the specific Plan provisions on which the determination is based.
- (c) A description of any additional material or information necessary for you to perfect the claim and an explanation of why such material or information is necessary.
- (d) A description of the Plan's review procedures and the time limits applicable to such procedures, including a statement of your right to bring a civil action under section 502(a) of ERISA following an adverse benefit determination on review.
- (e) In the case of disability benefits:
 - (i) A discussion of the decision, including an explanation of the basis for disagreeing with any view of a healthcare professional who treated or evaluated you or advised the Plan, or a disability determination made by the Social Security Administration.
 - (ii) If an internal rule, guideline, protocol, or other similar criterion (collectively "rule") was relied upon in making the adverse determination, either the specific rule or a statement that such rule was relied upon in making the adverse determination and that a copy of that rule will be provided to you free of charge upon request.
 - (iii) If the adverse benefit determination is based on a medical necessity or experimental treatment or similar exclusion or limit, either an explanation of the scientific or clinical judgment for the determination, applying the terms of the Plan to your medical circumstances, or a statement that such explanation will be provided to you free of charge upon request.
 - (iv) A statement that you are entitled to receive, upon request and free of charge, reasonable access to, and copies of, all documents, records, and other information relevant to your claim for benefits.

If your claim has been denied, and you want to submit your claim for review, you must follow the claims review procedure in the next question.

Claims review procedure

Upon the denial of your claim for benefits, you may file your claim for review, in writing, with the Plan Administrator.

- (a) YOU MUST FILE THE CLAIM FOR REVIEW NO LATER THAN 60 DAYS AFTER YOU HAVE RECEIVED WRITTEN NOTIFICATION OF THE DENIAL OF YOUR CLAIM FOR BENEFITS.

HOWEVER, IF YOUR CLAIM IS FOR DISABILITY BENEFITS AND DISABILITY IS DETERMINED BY A PHYSICIAN, THEN INSTEAD OF THE ABOVE, YOU MUST FILE THE CLAIM FOR REVIEW NO LATER THAN 180 DAYS FOLLOWING RECEIPT OF NOTIFICATION OF AN ADVERSE BENEFIT DETERMINATION.

- (b) You may submit written comments, documents, records, and other information relating to your claim for benefits.
- (c) You will be provided, upon request and free of charge, reasonable access to, and copies of, all documents, records, and other information relevant to your claim for benefits.
- (d) Your claim for review must be given a full and fair review. This review will take into account all comments, documents, records, and other information submitted by you relating to your claim, without regard to whether such information was submitted or considered in the initial benefit determination.

In addition to the claims review procedure above, if your claim is for disability benefits and disability is determined by a physician, then:

- (a) Your claim will be reviewed without deference to the initial adverse benefit determination and the review will be conducted by an appropriate named fiduciary of the Plan who is neither the individual who made the adverse benefit determination that is the subject of the appeal, nor the subordinate of such individual.
- (b) In deciding an appeal of any adverse benefit determination that is based in whole or part on medical judgment, the appropriate named fiduciary will consult with a health care professional who has appropriate training and experience in the field of medicine involved in the medical judgment.
- (c) Any medical or vocational experts whose advice was obtained on behalf of the Plan in connection with your adverse benefit determination will be identified, without regard to whether the advice was relied upon in making the benefit determination.
- (d) The health care professional engaged for purposes of a consultation under (b) above will be an individual who is neither an individual who was consulted in connection with the adverse benefit determination that is the subject of the appeal, nor the subordinate of any such individual.
- (e) The Plan will provide you, free of charge, any new or additional evidence considered, relied upon, or generated by the Plan or other person making the benefit determination in connection with your claim. This will be provided as soon as possible and sufficiently in advance of the date on which the notice of adverse benefit determination on review is required to give you a reasonable opportunity to respond prior to that date.
- (f) If the determination on your disability claim will be based on a new or additional rationale, you will be provided, free of charge, with the rationale. This will be provided as soon as possible and sufficiently in advance of the date on which the notice of adverse benefit determination on review is required to give you a reasonable opportunity to respond prior to that date.

The Plan Administrator will provide you with written or electronic notification of the Plan's benefit determination on review. The Plan Administrator must provide you with notification of this denial within 60 days after the Plan Administrator's receipt of your written claim for review, unless the Plan Administrator determines that special circumstances require an extension of time for processing your claim. If the Plan Administrator determines that an extension of time for processing is required, written notice of the extension will be furnished to you prior to the termination of the initial 60day period. In no event will such extension exceed a period of 60 days from the end of the initial period. The extension notice will indicate the special circumstances requiring an extension of time and the date by which the Plan expects to render the determination on review. However, if the claim relates to disability benefits and disability is determined by a physician, then 45 days will apply instead of 60 days in the preceding sentences. In the case of an adverse benefit determination, the notification will set forth:

- (a) The specific reason or reasons for the adverse determination.
- (b) Reference to the specific Plan provisions on which the benefit determination is based.
- (c) A statement that you are entitled to receive, upon request and free of charge, reasonable access to, and copies of, all documents, records, and other information relevant to your claim for benefits.
- (d) A statement of your rights to bring an action under Section 502(a) of ERISA.
- (e) In the case of disability benefits:
 - (i) A discussion of the decision, including an explanation for disagreeing with the views or any healthcare professionals who treated or evaluated you or advised the Plan, or a determination made by the Social Security Administration.
 - (ii) The internal rule, guideline, protocol, or other similar criterion that was relied upon in making the adverse determination.
 - (iii) If the adverse benefit determination is based on a medical necessity or experimental treatment or similar exclusion or limit, either an explanation of the scientific or clinical judgment for the determination, applying the terms of the Plan to your medical circumstances, or a statement that such explanation will be provided to you free of charge upon request.

When to Bring an Action in Court

If you have a claim for benefits which is denied after final review by the Plan Administrator, then you may file suit in a state or federal court. However, in order to do so, you must file the suit no later than 12 months after the date of the Plan Administrator's final determination denying your claim (or, in the absence of final decision, within a reasonable period of time following the date the final decision should have been issued). If you do not exhaust, or follow the claims and review levels required the Plan Administrator for a particular claim, you cannot file a suit or legal action based on that claim. f you

fail to file your suit or legal action within the applicable 12 month limitations period, you will lose all rights to bring any such suit or legal action thereafter. Furthermore, if you fail bring any important facts or evidence to the attention of the Plan Administrator during the administrative review process, you cannot later include those facts or evidence in your suit or legal action.

Rights as a Plan Participant

As a Participant in the Plan you are entitled to certain rights and protections under ERISA. ERISA provides that all Plan Participants are entitled to:

- (a) Examine, without charge, at the Plan Administrator's office and at other specified locations, all documents governing the Plan, including collective bargaining agreements and insurance contracts, if any, 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.
- (b) Obtain, upon written request to the Plan Administrator, copies of documents governing the operation of the Plan, including collective bargaining agreements and insurance contracts, if any, 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.
- (c) 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.

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 or any other person, 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. You and your beneficiaries can obtain, without charge, a copy of the Plan's QDRO procedures from the Plan Administrator.

If it should happen that the Plan's 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, it finds your claim is frivolous.

Questions or violation of Participant rights

If you have any questions about the 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 the 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.