

## Duke Employees' Retirement Plan



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The Employees' Retirement Plan (ERP) is a traditional defined benefit pension plan offered by Duke. The plan plays an important role in your future by working with Social Security and your personal savings (including your contributions to the Duke Savings for Retirement Plan) to help provide you with a lifetime income once you retire. The cost of the plan is paid entirely by Duke.

On the following pages, you will find valuable information describing the features of the plan, including:

- When you qualify for retirement,
- How your benefit is calculated and how it can be paid,
- How your spouse or same-sex spousal equivalent is protected in the event of your death, and
- Additional information that will help you plan ahead.

This summary describes the provisions of the Employees' Retirement Plan as they apply to biweekly-paid employees at Duke University or Duke University Health System, Inc., except certain Commissioned Police Officers. These provisions apply to the plan as it existed on July 1, 2008. Please read this summary carefully and share it with your family.

The term "Duke" is used throughout this document. For purposes of this summary plan description, "Duke" refers to the University, Duke University Health System, Inc., and any other entity which is or becomes controlled by Duke University and where, upon appropriate action by the Board of Trustees, the employees of that entity are included in the membership of this plan.

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You are eligible to participate in the Employees' Retirement Plan as a biweekly-paid Duke employee, if you:

- Have reached age 21, and
- Have worked at least 1,000 hours during your first year of employment or in any future fiscal year.

For plan purposes, the fiscal year begins with the first pay date in July and ends with the last pay date in the following June.

You are not eligible to participate in the plan if you are covered by the Duke University Faculty and Staff Retirement Plan.

You are automatically enrolled upon meeting the eligibility requirements.

## Who Pays the Cost

Duke completely funds the plan. You are not required or allowed to contribute to the plan.

# How the Plan Works

The plan offers a variety of retirement dates to give you more flexibility in deciding when to retire.

## Normal Retirement

You will be eligible for a normal retirement pension on the last day of the month of your 65th birthday.

If you retire on your normal retirement date, your benefit payments begin on the first day of the month after your retirement date.

## Early Retirement

You may retire at any time after you reach age 45 and complete 15 years of **credited service**. You may begin receiving your benefit payments on the first day of any month after meeting these requirements. However, your benefits will be reduced to reflect the longer period of time that they will be paid to you.

## Postponed Retirement

You may decide to continue working past your normal retirement date of age 65. During this time, you will continue to earn benefits.

### What is continuous service?

Continuous service is used to determine your right to receive certain benefits under the plan, including a vested benefit if you should leave Duke before you qualify for retirement. You earn a year of continuous service for each fiscal year in which you work at least 1,000 hours. In counting your hours worked, certain paid non-work hours such as for sickness and vacation are included.

### What is credited service?

Credited service is used to determine your eligibility for early retirement and the amount of any plan benefit. Credited service includes all of your continuous service after you become a plan member. If you have fewer than 1,000 hours of service from your membership date to the end of the fiscal year in which you become a member, you will receive partial credited service for that year.

### What is vesting?

Being vested means you own, or have a nonforfeitable right to, the value of your retirement benefit. Participants are vested after five years of continuous service after age 18, or upon retirement at age 65 or older.

### Leaving Duke Before Retirement

If you leave Duke before you are age 65 or before you meet the eligibility requirements for early retirement, you are eligible for a pension benefit if you are vested (see definition on previous page).

You may receive a pension benefit:

- The month after you reach age 65, or
- Any time after age 45 if you have 15 years of credited service when you leave Duke.

If the total lump sum value of your benefit is \$10,000 or less, you may receive a lump sum payment rather than receive your benefit as a monthly pension. However, if the lump sum value of your benefit exceeds \$10,000, the benefit will be paid as a monthly benefit either the month after you reach age 65 or any time after age 45 if you have 15 years of credited service.

### Disability

If you become disabled and qualify for benefits under Duke's Long Term Disability Insurance Program (LTD) or Workers' Compensation, you continue to earn benefits under this plan while disabled. You will receive credited service based on your work schedule prior to becoming disabled and credit for earnings based on your pay rate in effect before LTD or Workers' Compensation payments began.

You can choose to have payments begin at your normal or early retirement date (any time after age 45 with 15 years of credited service). However, this amount will be reduced if you choose to receive payments before your normal retirement date, and you will no longer receive credited service under the plan.

# How Your Benefit Is Calculated

## At Normal Retirement

When you retire at normal retirement age (65), your annual normal retirement benefit is equal to:

- 1.25% of your average final compensation;  
**times**
- Your years of credited service up to 20;  
**plus**
- 1.66% of your average final compensation;  
**times**
- Your years of credited service over 20.

Your benefit is figured on an annual basis. You receive 1/12 of your annual benefit each month. The formula above shows how much you would receive if payments start at your normal retirement date and continue for your lifetime only. If payments start earlier or if you choose a payment option with benefits continuing to someone after your death, your benefit will be reduced.

### What is average final compensation?

Average final compensation is the average of your annual earnings in your highest-paid five consecutive fiscal years during your last 10 years of credited service before retirement.

If you have fewer than five years of credited service, all your years of credited service are counted in determining your average final compensation. Also, if you do not have a full year of credited service in your first year of membership, your earnings for that fiscal year will be counted if this results in a higher average final compensation.

### What are annual earnings?

Annual earnings means your regular earnings, including overtime. Any contributions you make to the Duke Savings for Retirement Plan are included.

### What happens to my unused sick leave or carry-over bank hours?

If you are an active plan member when you leave Duke, your unused sick or carry-over bank hours are converted to a fraction of a year and added to your years of credited service for the purpose of calculating your benefit.

## Example I: John

Age at retirement: 65

Years of credited service: 40

Average final compensation: \$32,000

Here is how John's benefit is calculated:

$$1.25\% \times \$32,000 \times 20 = \$8,000$$

**plus**

$$1.66\% \times \$32,000 \times 20 = \$10,624$$

**Annual benefit: \$18,624**

John would receive \$1,552 per month ( $\$18,624 \div 12$ ) from the plan for the remainder of his life. If he wanted payments to continue to someone else after his death, his benefit would be reduced (see "Optional Forms of Payment" on page 209).

## Example II: Sue

Age at retirement: 65

Years of credited service: 30

Average final compensation: \$36,000

Here is how Sue's benefit is calculated:

$$1.25\% \times \$36,000 \times 20 = \$9,000$$

**plus**

$$1.66\% \times \$36,000 \times 10 = \$5,976$$

**Annual benefit: \$14,976**

Sue would receive \$1,248 per month ( $\$14,976 \div 12$ ) from the plan for the remainder of her life. If she wanted payments to continue to someone else after her death, her benefit would be reduced (see "Optional Forms of Payment" on page 209).

## At Early Retirement

If you retire early (age 45 with 15 years of credited service), your benefit is calculated according to the formula for normal retirement, but is based on service and average final compensation up to your early retirement date. You elect when payments start.

- If payments start *at your normal retirement date*, you'll receive your full benefit as figured under the plan formula.
- If payments start *before your normal retirement date*, your benefit will be reduced by an early retirement reduction factor to reflect the longer period of time that it will be made to you. There are two sets of early retirement reduction factors. Your age and years of credited service at the time of separation determine which set applies to you. Refer to the table below and examples on the following page for details.

Early Retirement Factor at Age	With 20 Years of Service	With Fewer Than 20 Years of Service
45	.237	.237
46	.251	.251
47	.267	.267
48	.284	.284
49	.303	.303
50	.323	.323
51	.344	.344
52	.368	.368
53	.394	.394
54	.421	.421
55	.700	.452
56	.730	.485
57	.760	.522
58	.790	.562
59	.820	.607
60	.850	.656
61	.880	.711
62	.910	.910
63	.940	.940
64	.970	.970
65	1.000	1.000

## How Your Benefit Is Calculated

### Example III: Catherine

Age at termination: 55

Years of credited service: 20

Average final compensation: \$36,000

Here is how Catherine's benefit is calculated:

$$1.25\% \times \$36,000 \times 20 = \$9,000$$

This is the annual amount payable at Catherine's normal retirement date (age 65). If she wanted to begin payments immediately, her benefit would be reduced using the factor in the table:  $\$9,000 \times .700 = \$6,300$ .

Catherine would receive \$525 per month ( $\$6,300 \div 12$ ) from the plan for the remainder of her life. If she wanted payments to continue to someone else after her death, her benefit would be reduced (see "Optional Forms of Payment" on page 209).

### Example IV: Sam

Age at termination: 58

Years of credited service: 18

Average final compensation: \$32,000

Here is how Sam's benefit is calculated:

$$1.25\% \times \$32,000 \times 18 = \$7,200$$

This is the annual amount payable at Sam's normal retirement date (age 65). If he wanted to begin payments immediately, his benefit would be reduced using the factor in the table:

$$\$7,200 \times .562 = \$4,046.40.$$

Sam would receive \$337.20 per month ( $\$4,046.40 \div 12$ ) from the plan for the remainder of his life. If he wanted payments to continue to someone else after his death, his benefit would be reduced (see "Optional Forms of Payment" on page 209).

## At Postponed Retirement

If you remain employed by Duke beyond your normal retirement date or you return to service after your normal retirement date, your benefit will be increased by your additional credited service worked after your normal retirement date.

The benefit will be calculated in one of two ways, according to whichever method produces the larger benefit for you:

1. Your benefit is calculated according to the normal retirement formula, based on your credited service and average final compensation *up to age 65*. Your benefit is then increased (not less than 10%) each year between the age of 65 and the date payments actually begin to reflect the shorter period during which you are expected to receive payments. Finally, it is adjusted for any optional form of benefit payment you select.
2. Your benefit is calculated under the normal retirement formula, based on your credited service and average final compensation *up to your postponed retirement date* and adjusted for any optional form of benefit payment you select.

# How Your Benefit Is Paid

When it is time to receive your retirement benefit, you can select one of several forms of payment. The options are all actuarially equal even though they provide payment in different amounts and over different time periods.

## Automatic Forms of Payment

### Single at Retirement

If you are single on the date you begin receiving payments, you will receive a Single Life Annuity. This benefit is paid in the form of a monthly annuity for the remainder of your lifetime.

### Married at Retirement

If you are married when you retire, you will receive payment in the form of a 50% Joint and Survivor Annuity. You will receive a reduced monthly benefit during your lifetime. Upon your death, your spouse will receive a benefit of 50% of your reduced monthly benefit for the remainder of his or her lifetime.

In the event that your spouse dies or your marital status changes after you have selected this option but before your payments begin, you will receive the automatic form of payment for single participants unless you make another election.

If you have already started receiving payments when your spouse dies, you will continue receiving the same amount until your death. Your monthly pension will not increase even though there is no longer a beneficiary. Your pension will end at your death, even if you should later remarry.

## Optional Forms of Payment

In addition to the automatic forms of payment, there are five optional forms of payment:

1. Single Life Annuity
2. 100% Joint and Survivor Annuity
3. 75% Joint and Survivor Annuity
4. 50% Joint and Survivor Annuity
5. Lump Sum Payment
6. Level Income Option

### Single Life Annuity

This benefit is paid in the form of a monthly annuity for the remainder of your lifetime. No benefit is paid after your death.

#### If You Are Married

If you are married and wish to designate someone other than your spouse as beneficiary, or to elect a payment option other than one of the joint and survivor annuities, your election will not be valid unless you have your spouse's written, notarized consent. The consent must acknowledge that your spouse is waiving the right to receive survivor benefits from the plan, and acknowledge the form of benefit and/or alternate beneficiary designated.

### 100% Joint and Survivor Annuity

You receive a reduced monthly benefit during your lifetime. Upon your death, your beneficiary receives an equal monthly benefit for the remainder of his or her lifetime.

### 75% Joint and Survivor Annuity

You receive a reduced monthly benefit during your lifetime. Upon your death, your beneficiary receives a benefit of 75% of your reduced monthly benefit for the remainder of his or her lifetime.

## How Your Benefit Is Paid

### 50% Joint and Survivor Annuity

You receive a reduced monthly benefit during your lifetime. Upon your death, your beneficiary receives a benefit of 50% of your reduced monthly benefit for the remainder of his or her lifetime.

### Lump Sum

At retirement, if the lump sum value of your benefit is not greater than \$10,000, you may request that your benefit be paid to you in a single lump sum amount. You can choose either:

- A direct payment to you, in which case federal law requires that 20% of this amount be withheld for income taxes, or
- A direct rollover to another tax-qualified plan, such as an Individual Retirement Account (IRA).

If you receive a direct payment prior to age 59½, you may be subject to an additional tax. You may still roll over all or part of a direct payment to you if you do so within 60 days of receiving the payment. However, to avoid taxes, you will have to contribute an additional amount equal to the 20% that was withheld.

You may wish to consult a tax adviser before you make this choice.

### Level Income Option

If you retire before you reach age 65, you receive larger benefit payments from the plan before Social Security benefits start, and smaller benefit payments after Social Security benefits start. Your combined income from the plan and Social Security will be as level as possible throughout your retirement. No benefit is paid after your death.

### If the Value of Your Benefits Is \$5,000 or Less

If the lump sum value of your benefits is \$5,000 or less, your benefit will automatically be paid to you in a single lump sum amount instead of a monthly annuity. You can choose either:

- A direct payment to you, in which case federal law requires that 20% of this amount be withheld for income taxes, or
- A direct rollover to another tax-qualified plan, such as an IRA.

**See “Tax Regulations” on page 216 for more information about the taxation of a lump sum benefit.**

# Electing a Payment Option

To receive a benefit when you retire, you must complete election forms and other necessary documents. Your application cannot be completed and signed more than 90 days before your benefit is to begin.

You can elect, change, or cancel a payment option any time before your pension payments begin. Your option election becomes effective when your pension begins. After payments start, you cannot change your beneficiary and/or your form of payment in any way, as your choices are then irrevocable. If you die before your payments begin, your election becomes void. See “If You Die Before Your Pension Begins” on the next page for more information.

Benefits must begin no later than the 60th day after the close of the plan year in which the later of the following occurs:

- Your 65th birthday, or
- The tenth anniversary of your separation from service.

# If You Die Before Your Pension Begins

## Protection for Your Spouse or Same-Sex Spousal Equivalent

If you die before beginning to receive your retirement benefit, and are either married throughout the one-year period ending on the date of your death, or have had a same-sex spousal equivalent relationship registered with Duke throughout the one-year period ending on the date of your death, your surviving spouse or same-sex spousal equivalent will receive a benefit from the plan. The benefit will be 50% of the reduced benefit you would have received had you retired under the 50% Joint and Survivor Annuity (see page 210).

Your spouse or same-sex spousal equivalent has this protection if you die:

- In active service after becoming vested (five years of continuous service), or
- After termination of service with a normal, early, or vested retirement benefit, but before payments begin.

If you die after becoming vested, the spouse's or same-sex spousal equivalent's benefit is payable on the first of the month following the month of your death. If he or she chooses, your spouse may elect to postpone the receipt of the benefit. Same-sex spousal equivalents do not have the option to postpone benefits.

# Assignment of Benefits

Your benefits under this plan are solely for you (or your beneficiary). Generally, they cannot be assigned to anyone else. However, the plan will honor qualified domestic relations orders relating to provisions for child support, alimony payments, or marital property rights.

A qualified domestic relations order is a judgment or decree that:

- Provides for child support, alimony, or marital property rights to your spouse, former spouse, child, or other dependent;
- Is made under a state domestic relations law, including community property law;
- Creates or recognizes the right of an “alternate payee” (your spouse, former spouse, child, or other dependent) to receive all or a portion of your benefits;
- Does not change the amount or form of plan benefits; and
- Is not in excess of your vested accrued benefit, determined as of the date of the order.

The Plan Administrator will promptly notify you and your alternate payee upon receipt of a qualified domestic relations order. You will be informed of the plan’s procedures for determining its qualification. Within 18 months, the Plan Administrator must determine if the order is qualified and notify both you and your alternate payee accordingly. If an order is determined to be a qualified domestic relations order, a distribution will be made according to its terms.

# How to File a Claim

You or your beneficiary may claim benefits under the plan by making a written request to the Plan Administrator. The Plan Administrator will decide whether you or your beneficiary is entitled to any benefits and, if so, the amount of the benefit. Send your claim to:

**HRIC  
Duke University  
705 Broad St.  
Box 90502  
Durham, NC 27708**

## If Your Claim Is Denied

If your claim for benefits is denied in part or in full, you will be notified in writing within 90 days after receipt of the claim by the Plan Administrator. If an extension is needed, the Plan Administrator will notify you before the end of the initial 90-day period that an additional 90 days are needed to review your claim. The extension notice will state the special circumstances requiring the additional time and the date the final decision is expected.

The denial notice will:

- State the reason(s) for the denial,
- State the plan provisions on which the denial is based,
- Provide a description of any additional information or material required by the Plan Administrator to reverse the denial and explain the need for such material or information, and
- Describe the procedures you must follow to have your claim reviewed.

Within 60 days of receiving the denial notice, you or your authorized representative may make a written request for a review. The request may ask for an opportunity to review the documents related to the denial and may state issues and comments indicating the reason the denial is being challenged.

The Plan Administrator has 60 days to notify you of the review decision, unless special circumstances require an extension. The notification will cite plan provisions on which the decision is based. If an extension is needed, the Plan Administrator will notify you before the end of the initial 60-day period that an additional 60 days are needed to review your claim. If the decision on review is not furnished within such time, the claim will be deemed denied.

## Your Rights Under USERRA

Under the Uniformed Services Employment and Re-employment Rights Act of 1994 (USERRA), you will continue to accrue continuous and credited service credits if you leave Duke to enter the U.S. Armed Forces, and return to Duke while your re-employment rights are protected. You must give advance notice to Duke of your military leave and satisfy certain other requirements, including timely re-employment with Duke when your military leave ends.

## Return to Work After Retiring

### Work Schedule of 19 Hours or Fewer Per Week

If you retire under the plan and are later re-employed at Duke, your benefit will continue and any optional benefit you elected will remain in effect as long as you are regularly scheduled to work 19 hours or fewer per week. When you retire again, your benefit will be increased by the additional benefit you earned, if any, during your re-employment.

If you were re-employed before your normal retirement date and you are married or have a registered same-sex spousal equivalent relationship, your spouse or same-sex spousal equivalent will be covered for the benefit described in the section “Protection for Your Spouse or Same-Sex Spousal Equivalent” (see page 212), but only with respect to any additional benefit earned after your re-employment.

### Work Schedule of More Than 19 Hours Per Week

If you retire under the plan and are later re-employed by Duke, your payments will stop if you are regularly scheduled to work more than 19 hours per week. If you are re-employed on or after your normal retirement date, any optional form of payment you elected remains in effect unless you elect a different payment option. If you were re-employed before your normal retirement date:

- Any optional benefit you elected will be void, and
- If you are married or have a registered same-sex spousal equivalent relationship, your spouse or same-sex spousal equivalent will be covered for the benefit described in “Protection for Your Spouse or Same-Sex Spousal Equivalent.”

When you retire again, your benefit will be recalculated using the benefit formula then in effect and all of your service and earnings, with an adjustment to recognize the benefits you received before you were re-employed.

### Social Security Benefits

Your retirement benefits from Social Security — for which you and Duke pay taxes — are supplemented by your pension plan income. If you were born before January 1, 1938, full Social Security benefits begin at age 65. If you were born after that date, full benefits begin between ages 65 and 67, depending on your date of birth. Reduced benefits can begin anytime after age 62.

Your spouse also will receive a Social Security benefit at the retirement age explained above or reduced benefits at or after age 62. Your spouse's benefit is based on your compensation — unless a higher benefit is earned based on his or her own compensation.

In addition to retirement benefits, Social Security provides:

- Disability benefits,
- Survivor benefits, and
- Hospital, surgical, and other medical benefits under Medicare.

You must apply for Social Security benefits — they are not paid automatically. You can contact your local Social Security office for details or visit the Social Security Administration's web site at [www.ssa.gov](http://www.ssa.gov).

### Legal Limitations

Government rules limit the total benefits payable under Duke's retirement and savings plans. You will be notified in the unlikely event your benefits would be affected by these rules.

### Tax Regulations

When you receive a distribution from the pension plan, it generally will be subject to federal income tax, and in some cases, state and local taxes.

The following special rules apply if you receive a lump sum payment:

- Generally, the taxable portion of any lump sum payment is subject to 20% automatic federal withholding tax. You may defer income tax and avoid the 20% withholding tax by directing the plan to roll over all or a portion of the taxable part of this payment to an IRA or another qualified plan.
- If you do not directly roll over all or part of your taxable distribution, the taxable portion which is not rolled over will be paid directly to you. That amount will be subject to 20% withholding.
- If any portion of your lump sum distribution is paid directly to you, you have the right to roll over all or any part of it to an IRA or another qualified plan within 60 days after you receive the distribution. When you file your income taxes, you might qualify for a refund up to the amount withheld if you deposit the entire distribution (including an amount equal to the 20% withheld). That means you would need to substitute money from other sources for the 20% withheld.

### Future of the Plan

While Duke expects to continue the plan indefinitely, it reserves the right by written action of its Board of Trustees, or an authorized officer of Duke acting on behalf of the Board of Trustees, to amend or terminate the plan at any time. However, federal law guarantees that you will be fully vested in the benefits you earned up to the date of termination. The following additional guarantees apply:

- If there is enough money in the plan to provide retirement benefits earned to the date of the plan's termination, plan assets would be used to buy annuities, payable at retirement,

for each participant. Small benefits may be cashed out in a lump sum if annuities are not otherwise payable. Only then would any residual assets revert to Duke, and

- If the assets are not sufficient to provide these annuities and cashouts, plan assets would be used, as provided by law, first to pay expenses, then to provide for the benefits of retired participants and beneficiaries, vested active participants and terminated vested former participants, and other participants, in that order. If the assets are not sufficient to provide all these benefits, certain benefits may be paid by the Pension Benefit Guaranty Corporation (see below).

### Pension Benefit Guaranty Corporation

Your pension benefits under this plan are insured by the Pension Benefit Guaranty Corporation (PBGC), a federal insurance agency. If the plan terminates (ends) without enough money to pay all benefits, the PBGC will step in to pay pension benefits. Most people receive all of the pension benefits they would have received under their plan, but some people may lose certain benefits.

The PBGC guarantee generally covers:

- Normal and early retirement benefits,
- Disability benefits, if you become disabled before the plan terminates, and
- Certain benefits for your survivors.

The PBGC guarantee generally does not cover:

- Benefits greater than the maximum guaranteed amount set by law for the year in which the plan terminates,
- Some or all of the benefit increases and new benefits based on plan provisions that have been in place for fewer than five years at the time the plan terminates,

- Benefits that are not vested because you have not worked long enough for Duke,
- Benefits for which you have not met all of the requirements at the time the plan terminates,
- Certain early retirement payments (such as supplemental benefits that stop when you become eligible for Social Security) that result in an early retirement monthly benefit greater than your monthly benefit at the plan's normal retirement age, and
- Non-pension benefits such as health insurance, life insurance, certain death benefits, vacation pay, and severance pay.

Even if certain of your benefits are not guaranteed, you still may receive some of those benefits from the PBGC depending on how much money the plan has and on how much the PBGC collects from employers.

For more information about the PBGC and the benefits it guarantees, ask the Plan Administrator or contact:

**Pension Benefit Guaranty Corporation  
Technical Assistance Division  
1200 K Street, N.W.  
Suite 930  
Washington, DC 20005-4026  
(202) 326-4000**

TTY/TDD users may call the federal relay service toll-free at (800) 877-8339 and ask to be connected to (202) 326-4000.

Additional information about the PBGC's pension insurance program is available through the PBGC's web site on the Internet at [www.pbgc.gov](http://www.pbgc.gov).

# Your Rights Under ERISA

## Receive Information About Your Plan and Benefits

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

- Examine, without charge, at the Plan Administrator's office and at other specified locations, such as work sites and union halls, all documents governing the plan, including insurance contracts and collective bargaining agreements, and a copy of the latest annual report (Form 5500 Series) filed by the plan with the U.S. Department of Labor and available at the Public Disclosure Room of the Employee Benefits Security Administration.
- Obtain, upon written request to the Plan Administrator, copies of documents governing the operation of the plan, including insurance contracts and collective bargaining agreements, and copies of the latest annual report (Form 5500 Series), and updated summary plan descriptions.
- Receive a summary of the plan's annual financial report. The Plan Administrator is required by law to furnish each participant with a copy of this summary annual report.
- Obtain a statement telling you whether you have a right to receive a benefit at normal retirement age (age 65) and if so, what your benefits would be at normal retirement age if you stop working under the plan now. If you do not have a right to a benefit, the statement will tell you how many more years you have to work to get a right to a benefit. This statement must be requested in writing and is not required to be given more than once every 12 months. The plan must provide the statement free of charge.

### Prudent Actions by Plan Fiduciaries

In addition to creating rights for plan participants, ERISA imposes duties on 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, your union, or any other person, may fire you or otherwise discriminate against you in any way to prevent you from obtaining a benefit or exercising your rights under ERISA.

### Enforce Your Rights

If your claim 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.

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 or a medical child support order, you may file suit in a federal court. If it should happen that plan fiduciaries misuse the plan’s money, or if you are discriminated against for asserting your rights, you may seek assistance from the U.S. Department of Labor, or you may file suit in a federal court. The court will decide who should pay court costs and legal fees. If you are successful, the court may order the person you have sued to pay these costs and fees. If you lose, the court may order you to pay these costs and fees, for example, if it finds your claim is frivolous.

### Assistance with Your Questions

If you have any questions about your plan, you should contact the Plan Administrator. If you have any questions about this statement or your rights under ERISA, or if you need assistance in obtaining documents from the Plan Administrator, you should contact the nearest office of the Employee Benefits Security Administration, U.S. Department of Labor, listed in your telephone directory. Or you can contact the Department of Labor’s Division of Technical Assistance and Inquiries by writing to:

**Employee Benefits Security Administration  
U.S. Department of Labor  
200 Constitution Avenue, N.W.  
Washington, DC 20210**

You also may obtain certain publications about your rights under ERISA by calling the publications hotline of the Employee Benefits Security Administration at (800) 998-7542.

# Administrative Information

This section provides administrative information about the plan, but is subject to the terms of the legal documents, which may be modified from time to time. Where this description and the official documents vary, the official plan documents or insurance contracts are the final authority. This description of administrative information is not an employment contract or any type of employment guarantee.

The Plan Administrator will help resolve any problem you might have regarding your rights to benefits. The official plan documents, insurance contracts, and related information are available if you want to review these materials. If, for some reason, it becomes necessary to contact the U.S. Labor Management Services Administration, Department of Labor, you will need to provide the information contained in this section to properly identify the applicable plan.

## Plan Name

The plan is named The Employees' Retirement Plan of Duke University.

## Employer and Plan Identification Numbers

The Employer Identification Number (EIN) assigned by the IRS is 56-0532129. The plan number assigned by Duke is 002.

## Plan Type

The plan is a defined benefit pension plan.

## Plan Sponsor

The Plan Sponsor is Duke University. You may contact the Plan Sponsor at the following address:

**Duke Benefits  
705 Broad St.  
Box 90502  
Durham, NC 27708**

## Plan Administrator

The plan's Retirement Board has the exclusive responsibility and complete discretionary authority to control the operation and administration of this plan, with all powers necessary to enable it to carry out such responsibility properly. These powers include, but are not limited to, the power to construe the terms of this plan, to determine status and eligibility for benefits, and to resolve all interpretive, equitable, and other questions that shall arise in the operation and administration of this plan.

The Duke University Director, Benefits Administration has been appointed by the Retirement Board to perform the plan's administrative duties. You can contact the Plan Administrator at:

**Director, Benefits  
Duke University  
Benefits  
705 Broad St.  
Box 90502  
Durham, NC 27708-0502  
(919) 684-5600**

### Plan Funding

This plan is funded by Duke's contributions, which are transferred to a trust. Any dividends or other refunds from a group insurance policy will be returned to the applicable trust. Plan contributions are transferred as follows:

#### Plan Trustee

**The Bank of New York Mellon**  
**One Wall Street**  
**New York, NY 10286**

#### Investment Responsibility

**Duke Management Company**  
**406 Blackwell St.**  
**Suite 300**  
**Durham, NC 27701**

#### Agent for Service of Legal Process

**Pamela Bernard**  
**Office of Counsel**  
**2400 Pratt St.**  
**Suite 4000**  
**DUMC – Box 3024**  
**Durham, NC 27710**

Service of legal process also may be made on the Plan Administrator or the Trustee for the plan.

### Plan Year

The Plan Year is from July 1 to June 30. The year for recordkeeping purposes is essentially the same, although the actual recordkeeping year ends on the last day of the last biweekly pay period in June, and the next year starts on the following day.

### Plan Costs

All costs for general plan administration and investment management are paid from the assets of the plan's trust unless otherwise paid by Duke.

### Plan Sponsor's Authority

Duke will have full discretion and authority to determine questions concerning the interpretation or administration of this plan, including, without limitation, all questions relating to eligibility for plan benefits. Duke has discretionary authority to grant or deny benefits under this plan. Duke's determinations shall be conclusive and binding regarding all persons for all purposes.

**This is a summary plan description of the Duke Employees' Retirement Plan. It highlights the main provisions of the plan, but is subject to the terms of the legal documents, which may be modified from time to time. Where this description and the official documents vary, the official plan documents are the final authority. Duke reserves the right to change or terminate this benefit or your eligibility for benefits under the plan. This description of the Employees' Retirement Plan is not an employment contract or any type of employment guarantee.**

Notes