

## Duke Faculty and Staff Retirement Plan





## Duke Faculty and Staff Retirement Plan

Duke offers the Faculty and Staff Retirement Plan for eligible faculty and staff members. The program is funded by both your and Duke's contributions. You may make contributions through payroll deduction, and Duke will make a contribution if you are at least age 21 and have completed one year of service. You direct your own investments in this plan, selecting from over 300 mutual funds and annuities.

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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*Note: The abbreviation "HRIC" is used frequently throughout this document and refers to the Human Resource Information Center (684-5600).*

# Eligibility and Participation

## Eligibility

You are eligible to participate in the plan if you are a faculty member or exempt staff member of Duke University.

You are not eligible to participate in the plan if you are classified as: House Staff, Graduate Student, Undergraduate Student, Postdoc, Research Associate, Associate in Research, Postdoctoral Associate, Senior Research Associate or Chaplain (in Job Code 1671).

If you are in an excluded position as of January 1, 2009, but received the Duke contribution in December 2008, you will be “grandfathered” and continue to receive the Duke contribution while in that excluded position.

## Participation

You may participate in the plan upon employment and make contributions on your own behalf by completing and properly executing the investment carrier applications and the enrollment/contribution change form. Enrollment information is included in your new hire packet or you may log on to [www.hr.duke.edu/benefits/retirementmanager](http://www.hr.duke.edu/benefits/retirementmanager). Duke may make contributions on your behalf (subject to the exceptions outlined in the next column) in the month following the month you have completed one full year of service and have attained age 21.

The investment carriers offered under the Faculty and Staff Retirement Plan are:

- AIG Retirement,
- Fidelity,
- DWS Investments,
- TIAA-CREF, and
- Vanguard.

## Exceptions to One Year Wait for Duke Contribution

If you are a professor, associate professor, or in fringe benefit category #1 (or such subsequent designation selected by Duke), you may participate and Duke’s contributions may commence on the first day of the month following your employment date, if age 21 or older at the time of employment.

If your immediate previous employer was an organization described in Section 501(c)(3) of the Internal Revenue Code (the Code) (examples: churches, schools, colleges/universities, hospitals, medical research organizations, some publicly supported/community organizations) or a state educational organization as described in the Code Section 403(b)(1)(A)(ii) and were receiving employer contributions under a Code Section 403(b), 401(k), or 401(a) retirement plan maintained by the prior organization, you may participate and Duke’s contributions may commence upon your employment. **You must provide proof of participation with your previous employer’s plan when you enroll in Duke’s plan.**

In the event you are not currently an eligible employee, you may participate if you become eligible, and Duke’s contribution may commence at that time if you have attained age 21 and met the service requirements.

**PLEASE NOTE:** The timing of your eligibility may result in contributions being made on your behalf in the month following your date of hire.

# How the Duke Faculty and Staff Retirement Plan Works

## Your Contributions

You may make elective (or “voluntary”) contributions from your salary on a before-tax basis by means of a salary reduction agreement. When you contribute to the plan by means of a salary-reduction agreement, under present law you pay no current federal or state income tax on the salary directed into the plan. It is important to understand that you are not avoiding paying taxes on these contributions permanently; instead, you are deferring the payment of taxes until the time you receive a distribution from the plan.

If you are in a lower tax bracket when you receive such a distribution, you will, of course, pay less tax on your contributions than you would have had to pay if such contributions were taxed when earned.

Your voluntary contribution is limited by Internal Revenue Service (IRS) rules. Your contribution limit for each plan year (January 1 to December 31) can be viewed by clicking on the “Review Limits” link on the Duke Retirement Manager web site. The Duke Retirement Manager is a secure web site that allows you to view information about your retirement plan and to either enroll or make changes to your contributions to the plan.

Please see instructions for accessing the site at [www.hr.duke.edu/benefits/retirementmanager](http://www.hr.duke.edu/benefits/retirementmanager). In addition, the limits contained in Sections 403(b) or 415 of the Code may apply to limit your pre-tax contributions. If you have questions about your contribution limits, contact the Human Resource Information Center (HRIC) at (919) 684-5600.

The minimum voluntary contribution amount is \$25.00 per pay period. The maximum contribution amount is 80% of your salary per pay period.

## Effective Date

Since your contribution is by means of a salary reduction agreement, the Benefits Office needs to receive the salary reduction agreement at least 30 days prior to the pay date.

## Excess Contributions

If you have made voluntary before-tax contributions in excess of the limit for a plan year, you must notify the HRIC of the excess amount. If notification occurs on or before March 1 following the plan year in which the excess contribution was made, the excess amount is adjusted to reflect any associated investment gains or losses up to the date of distribution and will be distributed no later than April 15.

You are responsible for determining whether your contributions are within the dollar limitations and for payment of any tax or penalty if the dollar limitations are exceeded.

## Employee Contributory Account

All of your contributions to the plan are allocated to an employee contributory account maintained on your behalf by the plan investment carriers.

## How the Duke Faculty and Staff Retirement Plan Works

### Duke's Contributions

Duke's contribution is determined each year and published prior to the beginning of the plan year (January 1 to December 31). You can obtain the University Contribution for the current plan year at [www.hr.duke.edu/benefits](http://www.hr.duke.edu/benefits).

For information regarding the amount of Duke's contribution for prior plan years, contact the HRIC.

### Employer's Contributory Account

All of Duke's contributions to the plan on your behalf are allocated to an employer contributory account maintained on your behalf by the investment carrier that you designate.

In the event that you do not designate an investment carrier for your plan contributions, those contributions will be invested with the designated default vendor, as determined by the Plan Administrator.

### Changes to or Termination of Agreements

Either you or Duke may terminate or change a salary-reduction agreement by giving at least 30 days written notice of the date of termination. If you terminate your employment, any salary-reduction agreement will automatically terminate.

### Discontinuance of Contributions Upon Termination of Employment

If you terminate your employment, Duke will discontinue making contributions as of your date of termination.

### Plan Contributions After Normal Retirement Date

If you are employed by Duke after the Normal Retirement Date (age 65), Duke will continue to make contributions until the end of the month in which you retire and terminate employment.

### Plan Contributions During Leaves of Absence

If you are on a leave of absence with pay, Duke will continue to make contributions.

If you are on a leave of absence without pay, Duke will discontinue making contributions and you may not make any contributions to the plan.

### Plan Contributions During Sabbatical

If you are granted sabbatical leave, Duke will continue to make contributions on the basis of your full appointment salary.

### **Plan Contributions During Disability Leave**

If you are on approved disability leave and receiving disability payments, Duke will continue to make contributions and will make an additional contributions of 3% (based on your salary earned at the time of disability) to the extent permitted under the tax laws.

### **Vesting of Plan Contributions**

All plan contributions, including any associated gains or losses, allocated to your employee contributory account and employer contributory account, are fully and immediately “vested”. That is, you have an irrevocable right to these contributions subject to the terms of the plan.

### **Rollover Contributions**

The investment carriers at their discretion may accept rollover contributions but only to the extent that they constitute eligible rollover distributions (as defined in the Internal Revenue Code) from an eligible retirement plan (as defined in the Internal Revenue Code) and are directly rolled over from an eligible retirement plan or accepted by an investment carrier from you within 60 days of your receipt of such contributions from an eligible retirement plan.

# Investment Options

You are solely responsible for making the decisions regarding the investment of your employee contributory account and employer contributory account. It is your responsibility to initiate and complete any procedure required by an investment carrier to enroll in or maintain an investment option.

Your employee contributory account and employer contributory account may be divided among investment carriers and their investment options in any whole percentages (but not fractions of a percent) that you select, except that you may not direct any portion of your employer contributory account to a TIAA-CREF Group Supplemental Retirement Annuity. You do not need to allocate your employee contributory account among the same investment options or in the same percentages among investment options as your employer contributory account.

**If you fail to select an investment carrier for your employer contributory account, that account will be automatically invested with the investment carrier or carriers in the same proportions as your employee contributory account until changed by you.**

**If you fail to select an investment carrier for your employer contributory account and you do not make voluntary contributions, those employer contributions will be automatically invested with the default vendor, as designated by the Plan Administrator.**

You may change the investment of your future plan contributions (subject to certain restrictions and/or fees imposed by the investment carriers) by completing the appropriate forms available at the investment carrier.

You may transfer, in whole or in part, existing contributions in either your employee or employer contributory account from one investment carrier to another. The transfer is effected by completing the appropriate forms available from the investment carrier and is subject to the restrictions and fees contained in the agreements with the applicable investment carriers. Neither the investment carriers nor Duke can guarantee the

tax results upon any transfer. You should consult your own tax adviser prior to making any such transfer.

It is intended that the plan constitute a plan described in Section 404(c) of the Employee Retirement Income Security Act of 1974 (ERISA) and that the fiduciaries of the plan, including Duke, shall be relieved of liability for any losses which are the direct and necessary result of investment instructions given by you or your beneficiary. Accordingly, you are encouraged to consult an investment or financial adviser before making investment decisions.

The plan offers a number of investment options in insurance company and mutual fund accounts operated by the following investment carriers:

- Teachers Insurance and Annuity Association and College Retirement Equities Fund (TIAA-CREF),
- AIG Retirement,
- Fidelity Investments (Fidelity),
- DWS Investments (formerly Scudder), and
- The Vanguard Group (Vanguard).

Duke has the right, upon reasonable notice to you, to add or eliminate an investment carrier or investment options.

A listing of the investment options currently offered by the investment carriers and available under the plan can be obtained by contacting the investment carriers at this web site: <http://www.hr.duke.edu/benefits/retirement/carriers.html>.

The prospectus for each investment option is a major source of information and is available from the investment carriers. A prospectus describes the investment option's objectives and policies which are governed solely by the investment carriers' agreements, and contains information required by the Securities and Exchange Commission on subjects such as the investment option's performance, services, restrictions, officers and directors, and expenses. **You are strongly encouraged to read the prospectus and other available literature before investing in a particular fund.**

## Plan Name

The Duke University Faculty and Staff Retirement Plan

## Employer Identification Number Assigned by IRS

56-0532129 (Duke University)  
56-2070036 (Duke University Health System Inc.)

## Plan Number assigned by Plan

001

## Plan Sponsor and Address

Duke University is the Plan Sponsor of Duke's benefit plans. These plans have been extended to or adopted by certain Duke affiliates. A complete list of the Duke affiliates participating in Duke's benefit plans is available upon written request to the Plan Administrator. The address and telephone number of the Plan Sponsor is:

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

## Plan Administrator

Duke University is the Plan Administrator. The Plan Administrator has the exclusive power and discretionary authority to interpret the terms of the Plan and make necessary rules for its administration, including but not limited to, eligibility, participation and contribution provisions. The Plan Administrator also has the exclusive responsibility and complete

discretionary authority to control the operation and administration of the Plan, with all powers necessary to enable it to carry out such responsibility properly. These powers include but are not limited to, the discretionary power and authority to construe the terms of the Plan, to determine all questions relating to eligibility to participate in the Plan, to determine status and eligibility for benefits and to resolve all interpretive, equitable, and other questions that arise in the operation and administration of the Plan. Any determinations made by the Plan Administrator, or its designee, shall be final and binding. The Plan Administrator, acting through Benefits, is responsible for the day-to-day operations of the Plan. However, the Plan Administrator has delegated to the Vendor certain administrative functions such as payment of the benefits from the Plan.

## Plan Administrator Name, Address and Phone Number

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

## Named Fiduciary

Plan Administrator

## Type of Benefit Plan Provided

Defined Contribution Plan. All benefits under the Plan are provided through individually owned, fully funded and vested annuity contracts or custodial accounts as described in Section 403(b) of the Internal Revenue Code.

### Agent for Service of Legal Process

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

### Funding of the Plan

Plan is funded by the employer and the employee with pre-tax contributions. Contributions are transferred to the applicable investment company.

### Assignment of Benefits

The Plan does not give you a right to any benefit or interest in the plan except as specifically provided herein. You may not assign your rights, benefits, or any other interest in the plan to a provider or any other individual or entity.

### No Guarantee of Tax Consequences

Neither Duke nor the Plan Administrator makes any commitment or guarantee that any amounts paid to you or for your benefit under the benefit plan shall be excludable from your gross income for federal or state tax purposes, or that any other federal or state tax treatment shall apply or be available. It shall be your obligation to determine whether each payment under a benefit plan is excludable from your gross income for federal and state income tax purposes and to notify Duke if you have reason to believe that any of the payment is not so excludable.

### Benefit Plan Year

Begins on January 1 and ends on the following December 31.

### ERISA and other Federal Compliance

It is intended that this Plan meet all applicable requirements of ERISA and other Federal regulations. In the event of any conflict between this Plan and ERISA or other federal regulations, the provisions of ERISA and the federal regulations shall be deemed controlling, and any conflicting part of this Plan shall be deemed superseded to the extent of the conflict.

The Employee Retirement Income Security Act of 1974 (“ERISA”) created the Pension Benefit Guaranty Corporation (“PBGC”), which provides federal insurance for certain retirement benefits. The benefits under this Plan are NOT insured by the PBGC. The PBGC insures only pension plans that promise a fixed level of benefits without regard to whether sufficient contributions have actually been made. Under this Plan, the benefits promised are exactly equal to contributions actually made (adjusted for investment experience), so no insurance is provided.

### Plan Amendment or Termination

Duke intends to continue this plan indefinitely. However, Duke reserves the right, in its sole discretion under circumstances that it deems advisable (including, but not limited to, a need to address law changes, cost, or plan design considerations), to terminate or amend any benefit plan or underlying benefit program (including reducing or changing contribution rates) for all participants or for a specific class of participants, including current employees, at any time and for any reason, without notice. In the event of termination or amendment or elimination of benefits, the rights and obligations of participants prior to the date of such event shall remain in effect, and changes shall be prospective, except to the extent that Duke or applicable law provides otherwise.

## Controlling Effect of Plan Documents, Governance, and Interpretation

The plan document for the Duke University Faculty & Staff Retirement Plan is a separate legal document and governs the plan's operation and administration. To the extent there is conflict between the Summary Plan Description and the actual terms and conditions as described in the plan document, the plan document will govern. If you would like to review the plan document, need more information, or have any questions please contact Benefits.

All legal questions pertaining to the plan shall be determined in accordance with the provisions of the Internal Revenue Code, the laws of the State of North Carolina, and to the extent required, the provisions of ERISA.

The provisions of the plan shall in all cases be interpreted in a manner that is consistent with (i) a single "retirement plan" within the meaning of ERISA, and (ii) the exclusion from gross income of benefits provided hereunder in accordance with Internal Revenue Code Section 403(b) and other Internal Revenue Codes that may apply.

## Your Rights Under ERISA

You are entitled to certain rights and protections under the Employee Retirement Income Security Act of 1974 (ERISA). ERISA provides that all participants of plans subject to ERISA are entitled to the following:

- Receive Information About Your Plan and Benefits
- You may 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.

- You may obtain, upon written request to the Plan Administrator, copies of documents governing the operation of the plan, collective bargaining agreements, and copies of the latest annual reports (Form 5500 Series) and updated summary plan descriptions. The Plan Administrator may make a reasonable charge for the copies.
- You may receive a summary of a plan's annual financial report. The Plan Administrator is required by law to furnish each participant with a copy of this summary annual report if an annual financial report is required to be filed with the U.S. Department of Labor.
- 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 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.

## Plan Information

If you have a claim for benefits that 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 a 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 a 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 about your rights under ERISA, or if you need assistance in obtaining documents from the Plan Administrator, you should contact the nearest office of the Employee Benefits Security Administration, U.S. Department of Labor, listed in your telephone directory. Or 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.

### Your Rights Under USERRA

Under the Uniformed Services Employment and Re-employment Rights Act of 1994 (USERRA), eligible staff may make up missed contributions to the Plan and receive the University Contribution after re-employment with Duke following a leave from Duke to enter the U.S. Armed Forces or other eligible service as defined by USERRA. Timeframes for returning to Duke following service and the required type of discharge (e.g. honorable) are defined in USERRA. Make-up contributions to the plan by you or Duke described in this paragraph must be made within the timeframes established under USERRA. Contact Benefits at the time of your leave to see if Duke is offering a more favorable option.

### Your Rights Under FMLA

The Family and Medical Leave Act of 1993 (FMLA) allows eligible employees to take up to 12 weeks of unpaid leave time for the following family or medical reasons:

- Care of your child after birth, or placement for adoption or foster care,
- Care of your spouse, son, daughter, or parent who has a serious health condition, or
- Your own serious health condition, which causes you to be unable to perform your job.

To be eligible for FMLA leave, you must be a part- or full-time employee who has:

- Been employed by Duke for at least one year (12 continuous months), and
- Worked at least 1,250 hours in the previous 12 months.

This plan is intended to comply with the FMLA.

The plan is designed to provide you with a retirement income. Plan contributions (yours and Duke's), plus interest, earnings, and capital appreciation on the contributions will be used to provide your retirement benefits.

The normal retirement date under the plan is the end of the month in which you attain age 65. However, you may elect to retire at any age following termination of employment with Duke. Upon separation of service from Duke, you may elect to receive benefits under the plan or may postpone the commencement of your benefits up to any date permitted under the investment carrier's contract or agreement but not beyond April 1 of the calendar year following your attainment of age 70½ or, if later, termination of employment with Duke.

Following your termination of employment from Duke, you may continue to direct the investment of your employee contributory account and employer contributory account among the investment options offered by your investment carrier(s), subject to such investment carrier's restrictions and fees. You also may transfer your employee contributory account and/or employer contributory account to an Individual Retirement Account (IRA), an eligible retirement plan, or from one investment carrier to another subject to tax regulations and the restrictions and fees imposed by the applicable investment carrier.

The investment carrier will assist in arranging for your retirement benefits to begin. Contact your investment carrier for more information.

## Commencement of Benefit Payments

### Employee Contributory Account

Subject to any restriction, limitation, or fee contained in the contract or agreement with any applicable investment carrier, withdrawals and distributions from your employee contributory account may commence upon the occurrence of any one of the following events:

- Your disability, which is defined in Section 72(m)(7) of the Code as the inability to engage in any substantial gainful activity due to any medically determinable physical or mental impairment which can be expected to result in death or to be of long-continued and indefinite duration,
- Your retirement,
- Your death,
- Your attainment of age 59½,
- Your termination of employment with Duke, or
- You encounter a financial hardship as defined in the Internal Revenue Code and relevant regulations, applying applicable "safe harbor" rules, and as determined by the investment carrier holding the amounts requested for distribution, and upon submission to said investment carrier of such determination of hardship. **If you receive a hardship distribution, you will be suspended from participating in the plan for a period of six months and may be subject to other restrictions that are imposed under federal law.** Duke will automatically restart your contributions once your six month suspension has ended.

## Retirement Benefits

If you become an employee of another employer that maintains an eligible retirement plan, you may elect to cause the assets in your employee contributory account to be transferred to the other employer's plan subject to any restrictions, limitations, or fees of the investment carrier or other employer.

You should contact the applicable investment carrier(s) prior to the commencement of benefit payments from your employee contributory account to determine if any restrictions, limitations, or fees apply.

### Loans

The plan permits loans to be taken from your employee contributory account subject to any restrictions, limitations, or fees of the investment carrier. You are solely responsible for complying with the investment carrier's rules. The HRIC maintains a listing of investment carriers who offer loans.

### Employer Contributory Account

Subject to any restriction, limitation, or fee contained in the contract or agreement with any applicable investment carrier, withdrawals and distributions from the vested portion of your employer contributory account may commence only upon your separation from service, retirement, or death.

If you become an employee of another employer that maintains an eligible retirement plan, you may elect to cause the assets of the vested portion in your employer contributory account to be transferred to the other employer's plan subject to any restrictions, limitations, or fees of the investment carrier or other employer.

You should contact the applicable investment carrier(s) prior to the commencement of benefit payments from your employer contributory account to determine if any restrictions, limitations, or fees apply.

You are fully vested in your employer contributions made on or after January 1, 2009 in the event of:

- death,
- disability,
- age 65.

### Taxation of Benefit Payments

Benefit payments (except for the portion allocable to your after-tax contributions) are included in your income in the year of payment. In addition, substantial tax penalties may be imposed on withdrawals prior to attainment of age 59½, or death or disability. You should consult your accountant, tax attorney, or other qualified financial adviser before making a withdrawal from the plan.

In the case of certain benefit payments, you may defer taxation on the payment by electing a direct rollover of all or part of such distributions to an IRA or another employer's eligible retirement plan that accepts rollovers. If a benefit payment is eligible for direct rollover treatment but you do not elect rollover treatment, the investment carrier is required to withhold 20% of the taxable portion of the benefit payment.

For more information about the taxation of benefit payments or whether a benefit payment is eligible for direct rollover treatment, contact your investment carrier.

### Forms of Benefit Payments

Once you are eligible to begin receiving benefit payments, you can elect any of the payment options then made available by the investment carrier(s) you selected.

If you do not elect a payment option, plan contributions will remain invested in the investment options selected until such time as you initiate payment but not beyond April 1 of the calendar year following your attainment of age 70½ or, if later, termination of employment with Duke.

#### Normal Form of Benefit Payment

If you are invested in an annuity product and you are not married on the date benefit payments commence, benefits will be paid in the form of a single life annuity unless you elect an optional form of payment. Under a single life annuity, monthly benefit payments are made for your lifetime, and at your death, all benefit payments will stop.

If you are invested in an annuity product and you are married on the date benefit payments commence, benefits will automatically be paid in the form of a joint and survivor annuity, unless you and your spouse elect an optional form of payment. Under a joint and survivor annuity, monthly benefit payments are made for your lifetime and, at your death, your surviving spouse will receive monthly benefit payments equal to 50% or more (depending on your election) of your monthly benefit. After the surviving spouse dies, all benefit payments will stop.

If you are invested in mutual funds, benefits will be paid in the form of a lump sum distribution unless you elect an optional form of payment.

### Optional Forms of Benefit Payment

If you do not wish to receive benefit payments under the normal forms of payment, you can elect any one of the optional forms of payment to the extent offered by the investment carrier(s), which may include: 1) lump sum payment, 2) installment payments, 3) annuity with period certain, or 4) eligible rollover. The election of an optional form of payment must be made during the 90-day period before benefit payments begin. In addition, if you are married when benefit payments begin, your spouse must give written, notarized consent to the optional form of payment within the same 90-day period.

For more information about the optional forms of payments available, contact your investment carrier.

### Qualified Domestic Relations Orders

The plan will comply with the terms of a qualified domestic relations order to the extent that the order is consistent with the terms of the plan as determined by the Plan Administrator or applicable investment carrier that has responsibility for qualified domestic relations orders.

# Designation of Beneficiaries and Death Benefits

## Designating a Beneficiary

A beneficiary or beneficiaries are individuals you designate to receive benefits from the plan in the event of your death. It is important for you to designate one or more beneficiaries on the beneficiary designation form that is filed with the investment carrier.

If you are not married, you can name anyone as a beneficiary. If you are married, your surviving spouse must be the beneficiary to at least 50% of your plan benefits unless your spouse provides written, notarized consent to the designation of a different beneficiary or beneficiaries.

You may change your beneficiary at any time (subject to the spousal consent requirement) by submitting a revised beneficiary designation form to the investment carrier. If your marital status changes, you should review your beneficiary designation. For example, your marriage will automatically revoke and revise a designation of a non-spouse beneficiary to 50% of your plan benefits, however, your divorce will not automatically revoke a beneficiary designation.

## Survivor Benefits

If you die before your benefit payments begin, the full value of your plan benefits will be paid to your designated beneficiary(ies). If you are married and die before your benefit payments begin, your spouse, unless you elected otherwise and your spouse consented, is entitled to receive 50% of your plan benefits in the form of an actuarially equivalent life annuity or other option permitted by the investment carrier. The remaining 50% will be payable to your designated beneficiary, which may be your spouse or other beneficiary. If you wish to leave more than 50% of your plan benefits to a beneficiary other than your spouse, you and your spouse must waive the survivor life annuity and the waiver of the spouse must be notarized. You generally must be at least 35 years old to waive the survivor life annuity benefit.

If you die without having named a beneficiary, all plan benefits shall be distributed in accordance with the terms of the applicable investment carrier's agreement except as otherwise described in the preceding paragraph regarding a surviving spouse's interest.

Your beneficiary may elect to withdraw the assets, in whole or in part, in any manner acceptable to the investment carrier and beneficiary which may include lump sum, installment, and annuity payments.

In the event you die after your benefit payments have commenced, then depending on the form of payment elected before death, your beneficiary will receive either nothing (if a single life annuity or a lump sum payment was elected) or the balance of your benefits (if your beneficiary is also your co-annuitant) in the form of a survivor annuity or in installments for the duration of the payment period you elected.

# Claims and Appeals Procedures

If your application for benefits is denied in whole or in part by an investment carrier or if you believe that you are being denied any rights under the plan, such as eligibility, participation, and contribution rights, you (or your beneficiary, if applicable) may file a claim with the Plan Administrator under the following claims and appeals procedures.

To file a claim under the plan, you or your authorized representative must submit a written statement that includes the basis of your claim. The statement must be dated and signed by you or your authorized representative and must include an address and telephone number.

If your claim is denied, you will normally receive a written or electronic notice of the denial within 90 days (or within 180 days if special circumstances require additional time to process your claim) following the Plan Administrator's receipt of the claim. If additional time is needed, you or your authorized representative will receive, within the first 90 days, a written or electronic notice of extension that will explain what special circumstances make the extension necessary and will indicate the date a final decision is expected to be made. The notice of denial will explain: (i) the specific reasons for the denial, (ii) references to the plan provisions upon which the denial is based, (iii) a description of any additional information or material necessary for perfection of the claim (together with an explanation why such material or information is necessary), (iv) an explanation of the plan's appeals procedures, and (v) a statement of your right to bring a civil action under Section 502(a) of ERISA if your claim is denied upon appeal.

If your claim is denied in whole or in part, you or your authorized representative may appeal the denial to the Staff Fringe Benefits Committee (the Committee). The appeal must be in writing and must be filed with the Committee within 60 days after receiving the notice of denial. You may request that

your appeal be given full and fair review; taking into account all claim related comments, documents, records, and other information you have submitted without regard to whether such information was submitted or considered under the initial decision. You also may submit additional written comments, documents, records, and other information relating to your claim. You may review all pertinent documents and submit issues and comments in writing in connection with the appeal and may request reasonable access to, and copies of, all documents, records, and other information relating to your claim free of charge.

If the Committee denies your claim upon review, you will normally receive a written or electronic notice within 60 days (or within 120 days if special circumstances require additional time to process your claim) following the Committee's receipt of the claim. If additional time is needed, you or your authorized representative will receive, within the first 60 days, a written or electronic notice of extension that will explain what special circumstances make the extension necessary and will indicate the date a final decision is expected to be made. The notice will explain: (i) the specific reasons for the denial, (ii) references to the plan provisions upon which the denial is based, (iii) 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 relating to your claim for benefits, and (iv) a statement of your right to bring a civil action under Section 502(a) of ERISA. The Staff Fringe Benefits Committee's decision will be final and binding.

You may reach the Plan Administrator and the Staff Fringe Benefits Committee at the following address:

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

# Definitions

**ANNUITY:** An amount paid at regular intervals (generally monthly) upon retirement. This amount is guaranteed by an insurance company and is payable for at least one's lifetime and possibly beyond, depending on the option selected.

**BENEFICIARY:** The individual(s), trust(s), or other entity(ies) you designate to receive benefits from the plan in the event of your death.

**EFFECTIVE DATE:** January 1, 2009, the date of the plan as most currently amended and restated.

**EMPLOYEE CONTRIBUTORY ACCOUNT:**

A separate account maintained by each vendor for your contributions (including voluntary contributions and, to the extent permitted by the investment carrier, rollover contributions), and the income, expenses, gains and losses attributable to such contributions.

**EMPLOYER:** Duke University, Duke University Health System, Inc., and any other corporation or entity that adopts this plan with the approval of the University.

**EMPLOYER CONTRIBUTORY ACCOUNT:** A separate account maintained by each investment carrier for contributions made by Duke on your behalf, and the income, expenses, gains and losses attributable to such contributions.

**ERISA:** Employee Retirement Income Security Act of 1974.

**INVESTMENT CARRIER:** One or more of the companies selected by the University to provide investment options.

**NORMAL RETIREMENT DATE:** The last day of the month in which you attain age 65.

**PARTICIPANT:** Every eligible employee enrolled in the plan and every individual who has vested rights to benefits under the plan.

**PLAN:** The Duke University Faculty and Staff Retirement Plan, and all agreements, applications, and designations relating to it.

**PLAN CONTRIBUTIONS:** The money you and Duke contribute to be invested for the purpose of providing retirement benefits.

**PROSPECTUS:** The official document which describes an investment fund and offers its shares for sale. It contains information required by the Securities and Exchange Commission on such subjects as the fund's investment objectives and policies, services, investment restrictions, officers and directors, and expenses. The prospectus is a major source of information on the investment(s) of its fund and should be read carefully.

**UNIVERSITY:** Duke University (also referred to as "Duke" and "the University"). However, the term "Duke" also includes Duke University Health System.

# Your Rights Under ERISA

For a summary of your rights under the Employee Retirement Income Security Act of 1974 (ERISA), please refer to the “General Information” section in this booklet.

**This is a summary plan description of the Duke University Faculty and Staff 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 Duke Faculty and Staff Retirement Plan is not an employment contract or any type of employment guarantee.**

Notes