

WEST VIRGINIA HIGHER EDUCATION RETIREMENT PLAN
SUMMARY OF PLAN PROVISIONS

TABLE OF CONTENTS

INTRODUCTION TO YOUR PLAN

What kind of Plan is this? 1
What information does this Summary provide? 1

**ARTICLE I
PARTICIPATION IN THE PLAN**

How do I participate in the Plan? 1
How is my service determined for purposes of Plan eligibility? 2
What happens if I'm a participant, terminate employment and then I'm rehired? 2

**ARTICLE II
EMPLOYEE CONTRIBUTIONS**

What are rollover contributions? 2
What are mandatory employee contributions? 3

**ARTICLE III
EMPLOYER CONTRIBUTIONS**

What is the Employer nonelective contribution and how is it allocated? 3

**ARTICLE IV
COMPENSATION AND ACCOUNT BALANCE**

What compensation is used to determine my Plan benefits? 3
Is there a limit on the amount of compensation which can be considered? 3
Is there a limit on how much can be contributed to my account each year? 3
How is the money in the Plan invested? 4
What investments are permitted? 4
Who is responsible for selecting the investments for my contributions under the Plan? 4
How frequently can I change my investment elections? 4
Will Plan expenses be deducted from my account balance? 4

**ARTICLE V
VESTING**

What is my vested interest in my account? 4

**ARTICLE VI
DISTRIBUTIONS PRIOR TO TERMINATION**

Can I withdraw money from my account while working? 5

**ARTICLE VII
BENEFITS AND DISTRIBUTIONS UPON TERMINATION OF EMPLOYMENT**

When can I get money out of the Plan? 5
What happens if I terminate employment before death, disability or retirement? 5
What happens if I terminate employment at Normal Retirement Date? 5
What happens if I terminate employment due to disability? 6
How will my benefits be paid to me? 6

**ARTICLE VIII
BENEFITS AND DISTRIBUTIONS UPON DEATH**

What happens if I die while working for the Employer?	6
Who is the beneficiary of my death benefit?	6
How will the death benefit be paid to my beneficiary?	7
When must the last payment be made to my beneficiary?	7
What happens if I'm a participant, terminate employment and die before receiving all my benefits?	7

**ARTICLE IX
TAX TREATMENT OF DISTRIBUTIONS**

What are my tax consequences when I receive a distribution from the Plan?	7
Can I elect a rollover to reduce or defer tax on my distribution?	7

**ARTICLE X
LOANS**

Is it possible to borrow money from the Plan?	8
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**ARTICLE XI
CLAIMS PROCEDURES**

What happens if a domestic relations order is issued with respect to my benefits in the Plan?	8
Can the Plan be amended?	8
What happens if the Plan is discontinued or terminated?	8
How do I submit a claim for Plan benefits?	8
What if my benefits are denied?	8

**ARTICLE XII
GENERAL INFORMATION ABOUT THE PLAN**

Plan Name.....	8
Plan Effective Dates	8
Other Plan Information	8
Employer Information	9
Administrator Information	10
Plan Trustee Information and Plan Funding Medium	11

WEST VIRGINIA HIGHER EDUCATION RETIREMENT PLAN

SUMMARY OF PLAN PROVISIONS

INTRODUCTION TO YOUR PLAN

What kind of Plan is this?

West Virginia Higher Education Retirement Plan ("Plan") has been adopted to provide you with the opportunity to save for retirement on a tax-advantaged basis. This Plan is a type of qualified retirement plan commonly referred to as a Profit Sharing Plan. Generally you are not taxed on the amounts we contribute to the Plan until you withdraw these amounts from the Plan.

What information does this Summary provide?

This Summary of Plan Provisions contains information regarding your Plan benefits, your distribution options, and many other features of the Plan. You should take the time to read this Summary to get a better understanding of your rights and obligations under the Plan.

If you have any questions about the Plan, please contact the Administrator or other plan representative. The Administrator is responsible for responding to questions and making determinations related to the administration, interpretation, and application of the Plan. The name and address of the Administrator can be found at the end of this Summary in the Article entitled "General Information About the Plan."

This Summary describes the Plan's benefits and obligations as contained in the legal Plan document, which governs the operation of the Plan. The Plan document is written in much more technical and precise language and is designed to comply with applicable legal requirements. If the non-technical language in this Summary conflicts with the language of the Plan document, then the Plan document always governs.

All amounts in the Plan will be invested either in annuity contracts or in mutual funds held in a trust account. The agreements constituting or governing the annuity contracts (the "Individual Agreements") explain your rights under the contracts and the unique rules that apply to each Plan investment which may, in some cases, limit your options under the Plan. For example, the Individual Agreement may contain a provision which prohibits loans, even if the Plan generally allows loans. If this is the case, you would not be able to take a loan from the accumulation in an investment arrangement governed by that Individual Agreement. You should review the Individual Agreements along with this Summary to gain a full understanding of your rights and obligations under the Plan. Contact your Employer or the investment vendor to obtain copies of the Individual Agreements or to receive more information regarding the investment arrangements available under the Plan.

The Plan and your rights under the Plan are subject to various laws, including the Internal Revenue Code. The provisions of the Plan are subject to revision due to a change in laws. Your Employer may also amend or terminate this Plan.

NOTE: This Plan has been adopted by other Employers. However, each employer may have plan provisions that differ from those explained in this summary. Your Administrator will inform you if there are any differences.

Types of Contributions. The Plan includes provisions for the following types of contributions:

- Employer nonelective contributions
- Mandatory employee contributions
- Employee rollover contributions
- Other contributions described later in this summary

ARTICLE I PARTICIPATION IN THE PLAN

How do I participate in the Plan?

Provided you are not an Excluded Employee, you may begin participating under the Plan once you have satisfied the eligibility requirements and reached your "Entry Date." The following describes the eligibility requirements and Entry Dates that apply. You should contact the Administrator if you have questions about the timing of your Plan participation.

Excluded Employees. If you are a member of a class of employees identified below, you are an Excluded Employee and you are not entitled to participate in the Plan. The Excluded Employees are:

- leased employees
- part-time employees (employees whose regularly scheduled service is less than 1040 hours of service per computation period).

- temporary employees.
- seasonal employees.
- Employee employed on part-time basis or Employee who is not a categorized "Benefit Eligible Employee". Benefit Eligible Employee means a Classified, Non-Classified, Faculty, or Faculty Equivalents/Academic Professional (FE/AP) Employee that is either classified as Classified, Non-Classified, or Faculty Equivalents/Academic Professional (FE/AP) and the position was created to last at least nine (9) months of a twelve (12) month period and be scheduled to work a minimum of 1040 hours during a twelve (12) month period OR a Faculty Employee employed for a full academic year, with a minimum of nine (9) month contract with at least six (6) credit hours teaching per semester or its equivalent. For Classified, Non-Classified, Faculty and Faculty Equivalents/Academic Professionals (FE/AP); Full time equivalency is the percentage of time (hours) for which a position is established, in a twelve (12) month period, based on a 1950 hours per year being a 1.00 FTE. Full-time Faculty means employment as a faculty member for a full academic year (at least a nine-month contract basis) for at least six (6) semester credit hours teaching per semester or the equivalent in teaching, research, public service, and/or administrative responsibilities. Full-Time Regular Classified Employee means any employee in a regular classified position created to last a minimum of nine (9) months in a twelve (12) month period and working a minimum of 1040 hours during this period of time is considered full-time regular for benefits purposes. The FTE (full time equivalent) of such an appointment must be reported at no less than .53 FTE. A full-time regular Classified Employee, as defined above, is benefits eligible, provided the Employee meets the qualifying standards or conditions for each benefit

Eligibility Conditions. You will be eligible to participate in the Plan on your date of hire. However, you will actually become a Participant in the Plan once you reach the Entry Date as described below.

Entry Date. Your Entry Date will be the date on which you satisfy the eligibility requirements.

How is my service determined for purposes of Plan eligibility?

Year of Service. You will be credited with a Year of Service at the end of the twelve month period beginning on your date of hire if you have been credited with at least 1,000 Hours of Service during such period. If you have not been credited with 1,000 Hours of Service by the end of such period, you will have completed a Year of Service at the end of any following Plan Year during which you were credited with 1,000 Hours of Service.

Hour of Service. You will be credited with your actual Hours of Service for:

- (a) each hour for which you are directly or indirectly compensated by the Employer for the performance of duties during the Plan Year;
- (b) each hour for which you are directly or indirectly compensated by the Employer for reasons other than the performance of duties (such as vacation, holidays, sickness, disability, lay-off, military duty, jury duty or leave of absence during the Plan Year); and
- (c) each hour for back pay awarded or agreed to by the Employer.

You will not be credited for the same Hours of Service both under (a) or (b), as the case may be, and under (c).

What happens if I'm a participant, terminate employment and then I'm rehired?

If you are no longer a participant because you terminated employment, and you are rehired, then you will be able to participate in the Plan on your date of rehire provided you are otherwise eligible to participate in the Plan.

**ARTICLE II
EMPLOYEE CONTRIBUTIONS**

What are rollover contributions?

Rollover contributions. Subject to the provisions of your investment arrangements and at the discretion of the Administrator, if you are a Participant who is currently employed or a Participant who is a former Employee, you may be permitted to deposit into the Plan distributions you have received from other retirement plans and certain IRAs. Such a deposit is called a "rollover" and may result in tax savings to you. You may ask the Administrator or Trustee of the other plan or 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 plan. Alternatively, you may elect to deposit any amount eligible to be rolled over within 60 days of your receipt of the distribution. You should consult qualified counsel to determine if a rollover is in your best interest.

Rollover account. Your rollover will be accounted for in a "rollover account." You will always be 100% vested in your "rollover account" (see the Article in this Summary entitled "Vesting"). This means that you will always be entitled to all amounts in your rollover account. Rollover contributions will be affected by any investment gains or losses.

Withdrawal of rollover contributions. You may withdraw the amounts in your "rollover account" at any time.

What are mandatory employee contributions?

Mandatory contributions. As a condition of employment, you must agree to contribute 6% of your compensation to the Plan. You will always be 100% vested (your ownership rights) in any required amounts you elect to contribute to the Plan.

Treatment as Employer contributions. The mandatory contribution you make is considered, for purposes of federal taxes, to be an Employer contribution (many people refer to these as pick-up contributions because the Employer is picking up the contribution as though it were making the contribution). This means that the mandatory contribution is not subject to federal income taxes, and in most cases, will not be subject to Social Security and Medicare taxes. This summary still refers to these contributions as mandatory employee contributions in order to avoid confusion with respect to other Employer contributions that may be made under the Plan.

ARTICLE III EMPLOYER CONTRIBUTIONS

This Article describes Employer contributions that will be made to the Plan.

What is the Employer nonelective contribution and how is it allocated?

Nonelective contribution. Your Employer will make a nonelective contribution equal to 6% of your Compensation for each Plan Year.

Nonelective contribution. Your Employer will contribute: Participants with a Total and Permanent Disability may receive an Annuity Premium Benefit plan contribution.

Allocation conditions. You will always share in the nonelective contribution regardless of the amount of service you complete during the Plan Year.

ARTICLE IV COMPENSATION AND ACCOUNT BALANCE

What compensation is used to determine my Plan benefits?

Definition of compensation. For the purposes of the Plan, compensation has a special meaning. Compensation is generally defined as your total compensation that is subject to income tax and paid to you by your Employer during the Plan Year.

Adjustments to compensation. The following adjustments to compensation will be made:

- reimbursements or other expense allowances, fringe benefits, moving expenses, deferred compensation, and welfare benefits will be excluded.
- compensation paid after you terminate is generally excluded for Plan purposes. However, the following amounts will be included in compensation even though they are paid after you terminate employment, provided these amounts would otherwise have been considered compensation as described above and provided they are paid within 2 1/2 months after you terminate employment, or if later, the last day of the Plan Year in which you terminate employment:
 - compensation for services performed during your regular working hours, or for services outside your regular working hours (such as overtime or shift differential) or other similar payments that would have been made to you had you continued employment
 - compensation paid for unused accrued bona fide sick, vacation or other leave, if such amounts would have been included in compensation if paid prior to your termination of employment and you would have been able to use the leave if employment had continued
 - nonqualified unfunded deferred compensation if the payment is includible in gross income and would have been paid to you had you continued employment
 - compensation paid after you terminate employment if you are permanently and totally disabled which will continue for as set forth in the Employer's disability policy.

Is there a limit on the amount of compensation which can be considered?

The Plan, by law, cannot recognize annual compensation in excess of a certain dollar limit. The limit for the Plan Year beginning in 2022 is \$305,000. After 2022, the dollar limit may increase for cost-of-living adjustments.

Is there a limit on how much can be contributed to my account each year?

Generally, the law imposes a maximum limit on the amount of contributions that may be made to your account and any other amounts allocated to any of your accounts during the Plan Year, excluding earnings. Beginning in 2022, this total cannot exceed the lesser of \$61,000 or 100% of your annual compensation. After 2022, the dollar limit may increase for cost-of-living adjustments.

How is the money in the Plan invested?

All money that is contributed to the Plan is either held in a Trust Fund or is used to purchase annuities. The Trustee is responsible for the safekeeping of the Trust Fund and must hold and invest Plan assets in a prudent manner and in the best interest of you and your beneficiaries. The Trust Fund and the annuity contracts are the funding medium used for the accumulation of assets from which benefits will be distributed.

What investments are permitted?

Your Employer (or someone appointed by your Employer) will select the investment vendors and investment options that will be available under the Plan. The investment options will be limited to annuity contracts and/or mutual funds purchased through a trust account. The list of approved investment options and vendors may change from time to time as your Employer considers appropriate. Your Employer may restrict the list of vendors who may accept new contributions to the Plan and it may be different from the list of vendors and investment options available once the contributions have been made to the Plan through a contract exchange. You should carefully review the Individual Agreements governing the annuity contracts and trust account, the prospectus, or other available information before making investment decisions.

Who is responsible for selecting the investments for my contributions under the Plan?

You have the right to decide how your Plan balance will be invested. Your Employer will establish administrative procedures that you must follow to select your investments. Your Employer will designate a list of vendors and investment options that you may select for new contributions to the Plan. You will have the ability to transfer your Plan balance among these vendors and investment options to the extent permitted by the Individual Agreements. Contact your Employer if you are not certain whether a particular vendor or investment option is permitted under the Plan. If you do not select investments for your Plan account, the Employer will determine how your account will be invested.

How frequently can I change my investment elections?

You may change your initial investment selections as frequently as permitted under the Individual Agreements.

Earnings or losses. When you direct investments, your accounts are segregated for purposes of determining the earnings or losses on these investments. 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, the Administrator, and the Trustee will not provide investment advice or guarantee the performance of any investment you choose.

Will Plan expenses be deducted from my account balance?

Expenses allocated to all accounts. The Plan permits the payment of Plan expenses to be made from the Plan's assets, to the extent permitted under the contracts in which the Plan assets are invested. The method of allocating the expenses depends on the nature of the expense itself. For example, certain administrative (or recordkeeping) expenses would typically be allocated proportionately to each participant. If the Plan pays \$1,000 in expenses and there are 100 participants, your account balance would be charged \$10 (\$1,000/100) of the expense.

Terminated employee. After you terminate employment, 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, to the extent permitted under the contracts in which the Plan assets are invested.

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

Your Employer may, from time to time, change the manner in which expenses are allocated.

ARTICLE V VESTING

What is my vested interest in my account?

In order to reward employees who remain employed with the Employer for a long period of time, the law permits a "vesting schedule" to be applied to certain contributions that your Employer makes to the Plan. This means that you will not be entitled ("vested") in all of the contributions until you have been employed with the Employer for a specified period of time.

100% vested contributions. You are always 100% vested (which means that you are entitled to all of the amounts) in your accounts attributable to the following contributions:

- nonelective contributions

- mandatory employee contributions
- rollover contributions

ARTICLE VI DISTRIBUTIONS PRIOR TO TERMINATION

Can I withdraw money from my account while working?

In-service distributions. You may be entitled to receive an in-service distribution. However, this distribution is not in addition to your other benefits and will therefore reduce the value of the benefits you will receive at retirement. This distribution is made at your election and will be made in accordance with the forms of distributions available under the Plan and under the contracts in which the Plan assets are invested.

Conditions and Limitations. Generally you may receive a distribution from the Plan from certain accounts prior to your termination of employment provided you satisfy the condition described below:

- a Participant who is a faculty or staff member who enters a formal Phased Retirement agreement may begin annuity income benefits as full or phase retirement on a permanent basis

ARTICLE VII BENEFITS AND DISTRIBUTIONS UPON TERMINATION OF EMPLOYMENT

When can I get money out of the Plan?

You may receive a distribution of the vested portion of some or all of your accounts in the Plan for the following reasons, provided the distribution is also permitted under the term of the contracts in which the Plan assets are invested:

- termination of employment for reasons other than death or retirement
- normal retirement
- disability
- death

This Plan is designed to provide you with retirement benefits. However, distributions are permitted if you die or become disabled. In addition, certain payments are permitted when you terminate employment for any other reason. The rules under which you can receive a distribution are described in this Article. The rules regarding the payment of death benefits to your beneficiary are described in "Benefits and Distributions Upon Death."

You may also receive distributions while you are still employed with the Employer. (See the Article entitled "Distributions Prior to Termination" for a further explanation.)

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 may be considered service with the Employer. There may also be benefits for employees who 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 Administrator for further details.

Distributions for deemed severance of employment. If you are on active duty for more than 30 days, then the Plan generally treats you as having severed employment for distribution purposes. This means that you may request a distribution from the Plan.

What happens if I terminate employment before death, disability or retirement?

You may elect to have your vested account balance distributed to you as soon as administratively feasible following your termination of employment. However, if the value of your vested account balance does not exceed \$1,000, then a distribution will be made to you regardless of whether you consent to receive it. (See the question entitled "How will my benefits be paid to me?" for additional information.)

Regardless of the preceding, the distribution provisions described above only apply if they are permitted by the contracts in which the Plan assets are invested.

Treatment of rollovers for consent to distribution. In determining if the value of your vested account balance exceeds the \$1,000 threshold described above used to determine whether you must consent to a distribution, your rollover account will be considered as part of your benefit.

What happens if I terminate employment at Normal Retirement Date?

Normal Retirement Date. Benefits under this retirement plan may begin at any time following termination of employment from a public institution of higher education. For a participant in this plan to be eligible for retiree benefits, such as retiree healthcare coverage through the West Virginia Public Employees Insurance Agency, they must have 30 years of service in a benefits eligible position or be age 60 with at least five years of service in a benefits eligible position.

Payment of benefits. You will become 100% vested in all of your accounts under the Plan if you retire on or after your Normal Retirement Age. However, the actual payment of benefits generally will not begin until you have terminated employment and reached your Normal Retirement Date. In such event, a distribution will be made, at your election, as soon as administratively feasible. If you remain employed past your Normal Retirement Date, you may generally defer the receipt of benefits until you actually terminate employment. (See the question entitled "How will my benefits be paid to me?" for an explanation of how these benefits will be paid.)

What happens if I terminate employment due to disability?

Definition of disability. Under the Plan, disability is defined as as defined in the Employer sponsored employee-paid long-term disability policy.

Payment of benefits. If you become disabled while an employee, you will be entitled to your vested account balance under the Plan. Payment of your disability benefits will be made to you as if you had retired. However, if the value of your vested account balance does not exceed \$1,000, then a distribution of your vested account balance will be made to you, regardless of whether you consent to receive it. (See the question entitled "How will my benefits be paid to me?" for an explanation of how these benefits will be paid.)

How will my benefits be paid to me?

The following provisions apply to the extent permitted under the contracts in which the Plan assets are invested.

Forms of distribution. If your vested account balance does not exceed \$5,000, then your vested account balance may only be distributed to you in a single lump-sum payment. In determining whether your vested account balance exceeds the \$5,000 threshold, "rollovers" (and any earnings allocable to "rollover" contributions) will be taken into account.

In addition, if your vested account balance exceeds \$1,000, you must consent to any distribution before it may be made. In determining whether your vested account balance exceeds this dollar threshold, "rollover" contributions (and any earnings allocable to "rollover" contributions) will be taken into account. You may elect to receive a distribution of your vested account balance in:

- 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)
- partial withdrawals
- annuities
- any other form of payment permitted by Contracts

Delaying distributions. You may delay the distribution of your vested account balance unless a distribution is required to be made, as explained earlier, because your vested account balance does not exceed \$1,000. However, if you elect to delay the distribution of your vested account balance, there are rules that require that certain minimum distributions be made from the Plan. Distributions are required to begin not later than the April 1st following the later of the end of the year in which you reach age 70 1/2 or retire.

ARTICLE VIII BENEFITS AND DISTRIBUTIONS UPON DEATH

What happens if I die while working for the Employer?

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

Who is the beneficiary of my death benefit?

Beneficiary designation. You may designate a beneficiary for your death benefit. The designation must be made in accordance with the procedures set forth by the Administrator. You should periodically review your designation to ensure it continues to meet your goals.

Divorce. If you have designated your spouse as your beneficiary for all or a part of your death benefit, then upon your divorce, the designation is no longer valid. This means that if you do not select a new beneficiary after your divorce, then you are treated as not having a beneficiary for that portion of the death benefit (unless you have remarried).

No beneficiary designation. At the time of your death, if you have not designated a beneficiary or the individual named as your beneficiary is not alive, then unless stated otherwise in the contracts in which the Plan assets are invested, the death benefit will be paid in the following order of priority to: 1) to your widow or widower 2) if none, to your child or children in equal shares, with the share

of any deceased child distributed among that child's descendants 3) if none, to your parents in equal shares or the entire amount to your surviving parent 4) if none, to the executor or administrator of your estate 5) if none, to your next of kin under the laws of the State where you lived at the time of your death.

How will the death benefit be paid to my beneficiary?

The following provisions apply to the extent permitted under the contracts in which the Plan assets are invested.

Form of distribution. If the death benefit payable to a beneficiary does not exceed \$5,000, then the benefit may only be paid as a lump-sum. If the death benefit exceeds \$5,000, your beneficiary may elect to have the death benefit paid in:

- a single lump-sum payment
- installments over a period of not more than the assumed life expectancy of your beneficiary
- partial withdrawals
- annuities
- any other form of payment permitted by Contracts

When must the last payment be made to my beneficiary?

The law generally restricts the ability of a retirement plan to be used as a method of retaining money for purposes of your death estate. Thus, there are rules that are designed to ensure that death benefits are distributable to beneficiaries within certain time periods.

Regardless of the method of distribution selected, if your designated beneficiary is a person (rather than your estate or some trusts) then minimum distributions of your death benefit will begin by the end of the year following the year of your death ("1-year rule") and must be paid over a period not extending beyond your beneficiary's life expectancy. If your spouse is the beneficiary, then under the "1-year rule," the start of payments will be delayed until the year in which you would have attained age 70 1/2 unless your spouse elects to begin distributions over his or her life expectancy before then. However, instead of the "1-year rule" your beneficiary may elect to have the entire death benefit paid by the end of the fifth year following the year of your death (the "5-year rule"). Generally, if your beneficiary is not a person, your entire death benefit must be paid under the "5-year rule."

What happens if I'm a participant, terminate employment and die before receiving all my benefits?

If you terminate employment with the Employer and subsequently die, your beneficiary will be entitled to your remaining interest in the Plan at the time of your death.

ARTICLE IX TAX TREATMENT OF DISTRIBUTIONS

What are my tax consequences when I receive a distribution from the Plan?

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 10% tax.

Can I elect a rollover to reduce or defer tax on my distribution?

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

(a) **60-day rollover.** The rollover of 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 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 rollover all or a portion of your distribution amount, then the direct transfer option described in paragraph (b) below would be the better choice.

(b) **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 (IRA) 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 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.

Tax Notice. WHENEVER YOU RECEIVE A DISTRIBUTION THAT IS AN ELIGIBLE ROLLOVER DISTRIBUTION, THE 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. YOU SHOULD CONSULT WITH QUALIFIED TAX COUNSEL BEFORE MAKING A CHOICE.

ARTICLE X LOANS

Is it possible to borrow money from the Plan?

Yes, it is possible to borrow money from the Plan. Loans are permitted in accordance with the Plan Loan Policy attached to this Summary and subject to the limitations of your investment arrangements.

ARTICLE XI CLAIMS PROCEDURES

What happens if a domestic relations order is issued with respect to my benefits in the Plan?

The Plan Administrator must honor a domestic relations order (DRO). A DRO 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 (referred to as alternate payees). If a DRO 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.

Can the Plan be amended?

Your Employer has the right to amend the Plan at any time. 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.

What happens if the Plan is discontinued or terminated?

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 continue to be 100% vested. Your Employer will direct the distribution of your accounts in a manner permitted by the Plan as soon as practicable. (See the question entitled "How will my benefits be paid to me?" for a further explanation.) You will be notified if the Plan is terminated.

How do I submit a claim for Plan benefits?

Benefits will generally be paid to you and your beneficiaries without the necessity for formal claims. Contact the Administrator 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 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.

What if my benefits are denied?

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 Administrator will provide you with notification of the Plan's adverse determination. This written or electronic notification will be provided to you within a reasonable period of time.

ARTICLE XII GENERAL INFORMATION ABOUT THE PLAN

There is certain general information which you may need to know about the Plan. This information has been summarized for you in this Article.

Plan Name

The full name of the Plan is West Virginia Higher Education Retirement Plan.

Plan Effective Dates

This Plan was originally effective on July 1, 1994. The amended and restated provisions of the Plan become effective on January 1, 2022. However, this restatement was made to conform the Plan to new tax laws and some provisions may be retroactively effective.

Other Plan Information

Valuations of the Plan assets are generally made every business day. Certain distributions are based on the Anniversary Date of the Plan. This date is the last day of the Plan Year.

The Plan's records are maintained on a twelve-month period of time. This is known as the Plan Year. The Plan Year begins on January 1st and ends on December 31st.

Employer Information

Your Employer's name, address and identification number are:

West Virginia Higher Education Policy Commission
1018 Kanawha Blvd; Suite 700
Charleston, West Virginia 25301
55-0517092

The Plan allows other employers to adopt its provisions. Other Employers who have adopted the provisions of the Plan are:

West Virginia Council for Community and Technical College Education
1018 Kanawha Blvd
Charleston West Virginia 25301
304-558-2104
55-0870739

West Virginia Network for Educational Telecomputing (WVNET)
837 Chestnut Ridge Rd
Morgantown, West Virginia 26505
304-293-5192
55-0571237

West Virginia School of Osteopathic Medicine
400 Lee Street N
Lewisburg, West Virginia 24901
304-647-6279
55-0561541

Bluefield State College
219 Rock St
Bluefield, West Virginia 24701
304-327-4049
55-6000751

Concord University
1000 Vermillion
Athens, West Virginia, 24712
304-384-5276
55-6000761

Fairmont State University
1201 Locust Avenue
Fairmont, West Virginia 26554
304-367-4386
47-2045326

Glenville State College
200 High St
Glenville, West Virginia 26351
304-462-6193
55-6000779

Shepherd University
201 North King Street
Shepherdstown West Virginia 25443
304-876-5288
55-6000799

West Liberty University
208 University Drive
West Liberty, West Virginia 26074
304-336-8139
55-6000822

West Virginia State University
110 Cole Complex
Institute, West Virginia 25112
304-766-5136
47-2045326

Mountwest Community & Technical College
1 Mountwest Way
Huntington, West Virginia 25701
304-710-3501
30-0507067

New River Community and Technical College
280 University Drive
Beaver, West Virginia 25813
304-929-6717
11-3742937

Pierpont Community & Technical College
500 Galliher Drive
Fairmont, West Virginia 26554
304-362-9566
32-0260490

Blue Ridge Community and Technical College
13650 Apple Harvest Drive
Martinsburg, West Virginia 25403
304-260-4380
41-2164984

Southern West Virginia Community and Technical College
PO Box 2900, Dempsey Branch Road
Mount Gay, West Virginia 25637
304-896-7408
55-0524702

West Virginia Northern Community College
1704 Market Street
Wheeling, West Virginia 26003
304-214-8901
55-0530182

Eastern West Virginia Community and Technical College
316 Eastern Drive
Moorefield, West Virginia 26838
304-434-8000
55-0773516

BridgeValley Community and Technical College
2001 Union Carbide Drive
South Charleston, West Virginia, 25303
304-205-6640
45-5109796

Marshall University
1 John Marshall Drive
Huntington, West Virginia 25755
304-696-3983
55-6000789

West Virginia University
PO Box 6201
Morgantown, West Virginia 25606
304-239-7919
55-6000842

Administrator Information

The Administrator is responsible for the day-to-day administration and operation of the Plan. For example, the 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 Administrator will also allow you to review the formal Plan document

and certain other materials related to the Plan. If you have any questions about the Plan or your participation, you should contact the Administrator. The Administrator may designate other parties to perform some duties of the Administrator.

The 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 Administrator is conclusive and binding upon all persons.

Your Administrator's name and contact information are:

West Virginia Higher Education Policy Commission
1018 Kanawha Blvd; Suite 700
Charleston, West Virginia 25301
304-558-2104

Plan Trustee Information and Plan Funding Medium

All money that is contributed to the Plan is either held in a trust fund or is used to purchase annuities. The Trustee is responsible for the safekeeping of the trust fund and must hold and invest Plan assets in a prudent manner and in the best interest of you and your beneficiaries. The trust fund established by the Plan's Trustee(s) and the annuity contracts are the funding medium used for the accumulation of assets from which benefits will be distributed.

TIAA, FSB
211 North Broadway Ste. 1000
St. Louis, Missouri 63102
Telephone: 888-842-9001

APPENDIX PLAN LOAN POLICY

To the extent permitted by the investment arrangements in which the Plan assets are invested, West Virginia Higher Education Retirement Plan permits loans to be made to Participants pursuant to a written loan policy. The individual agreements governing the investment arrangements that you selected for your Plan contributions may contain additional limits on when you can take a loan. Please review both the following information in this Loan Policy and your annuity contracts or custodial agreements before requesting a loan. Contact your Employer or the investment vendor if you have questions regarding your loan options.

The Administrator is authorized to administer the Plan's loan policy. All applications for loans will be made by a Participant to the Administrator (or the Administrator's delegate) on forms which the Administrator will make available for such purpose.

1. LOAN APPLICATION/BORROWER QUALIFICATION.

- Loans are available to Participants on a reasonably equivalent basis. However, if you terminate employment, you will generally not be entitled to obtain a loan. A Participant must apply for each loan with an application which specifies the amount of the loan desired and the requested duration for the loan. The Administrator may request additional information before approving a loan.
- All loan applications will be considered by the Administrator within a reasonable time after the Participant applies for the loan.
- The loan will be treated as a directed investment of the borrower's Account.

2. LOAN LIMITATIONS. With regard to any loan made pursuant to this loan policy, the following rule(s) and limitation(s) will apply, in addition to such other requirements set forth in the Plan:

- Loans to a Participant will not be approved in an amount which exceeds 50% of his or her nonforfeitable account balance. The maximum aggregate dollar amount of loans outstanding to any Participant may not exceed \$50,000, reduced by the excess of the Participant's highest outstanding Participant loan balance during the 12-month period ending on the date of the loan over the Participant's current outstanding Participant loan balance on the date of the loan.
- Loans from a TIAA Annuity other than an RPL loan are further limited to:
 - a. 45% of the combined accumulations attributable to the funding vehicle(s) under your retirement plan; or
 - b. 90% of the CREF and TIAA Real Estate accumulation attributable to participation under this Plan for Retirement Loan (RL) loans, or
 - c. 90% of your TIAA Annuity accumulation attributable to participation under this Plan for a Group Supplemental Retirement Annuity (GSRA) loan.
- No loan in an amount less than \$1,000 will be granted to any Participant for any single loan.
- A Participant can have 3 loan(s) currently outstanding from the Plan. However, if this loan limitation exceeds three, and your loan is an RPL loan, you may not have more than three loans at any one time.
- Loan refinancing is not permitted.

3 ACCOUNT RESTRICTIONS. With regard to loans made pursuant to this loan policy (subject to the investment arrangements), the following rules apply:

- Loans may only be made from accounts attributable to:
 - a. Employer contributions
 - b. Rollovers from other plans
 - c. Mandatory contributions

4. EVIDENCE AND TERMS OF LOAN. The Administrator will document every loan in the form of a promissory note, signed by the Participant for the face amount of the loan, according to the following:

- Any loan granted or renewed under this policy will bear a reasonable rate of interest.

The interest rate will be fixed for the duration of the loan. However, with respect to amounts invested with TIAA, the interest rate for your loan will vary, as described below, depending upon how your retirement balance is invested.

- Retirement Plan Loans from mutual funds or annuity contract (RPL) - The interest rate will be fixed for the term of the loan and will be equal to the Federal Reserve Board Bank prime loan rate plus 1% at the time of the loan origination.
- Group Supplemental Retirement Unit-Annuity (GSRA) contract - The interest rate is variable and can increase or decrease every three months. The interest rate you pay initially will be the higher of (1) the Moody's Corporate Bond Yield Average for the calendar month ending two months before your loan is issued; or (2) the interest rate credited before your annuity starting date, as stated in the applicable rate schedule, plus 1%. Thereafter, the rate may change quarterly, but only if the new rate differs from your current rate by at least 1/2%.
- Retirement Loan (RL) contract - For all Employers except those located in Arkansas, Hawaii, or New Jersey, the interest rate you pay initially will be the higher of (1) the Moody's Corporate Bond Yield Average for the calendar month ending two months before your loan is issued; or (2) the interest credited before your annuity starting date, as stated in the applicable rate schedule, plus 1%. Thereafter the rate will change annually, but only if the Moody's Corporate Bond Yield Average for the calendar month ending two months before the anniversary of your loan differs from your current rate by at least a 1/2%. If the latest average differs by less, your interest rate will remain the same for the next year. For Employers located in Arkansas, Hawaii, or New Jersey, the interest rate will be a fixed rate of 8%.
- The loan must provide at least quarterly payments under a level amortization schedule. If you are currently employed by the Employer, the Administrator will require you to enter into either a payroll deduction or an ACH agreement or other repayment method agreed to by the investment arrangements to repay the loan.
- The Administrator will fix the term for repayment of any loan, however, in no instance may the term of repayment be greater than five years, unless the loan qualifies as a home loan. A "home loan" is a loan used to acquire a dwelling unit which, within a reasonable time, you will use as a principal residence. The term for a home loan will be no more than 10 years.
- There might be a charge to your Account for expenses, if any, directly related to the loan set up, annual maintenance, administrative charges, and collection of the note.

A loan, if not otherwise due and payable, might be due and payable on your date of termination of employment with the Employer as stated in the promissory note unless directly rolled over (if otherwise permitted) to another employer's plan.

5. **SECURITY FOR LOAN.** The Plan will require that you provide security before a loan is granted. For this purpose, the Plan will consider your interest under the Plan (account balances) to be adequate security. However, in no event will more than 50% of your vested interest in the Plan (determined immediately after origination of the loan) be used as security for the loan. Generally, it will be the policy of the Plan not to make loans which require security other than your vested interest in the Plan. However, if additional security is necessary to adequately secure the loan, then the Administrator will require that such security be provided before the loan will be granted.
6. **FORM OF PLEDGE.** The pledge and assignment of your account balances will be in the form prescribed by the Administrator.
7. **LEAVE OF ABSENCE/SUSPENSION OF PAYMENT.** The Administrator will suspend loan repayments for the period of a military leave of absence.
8. **PAYMENTS AFTER LEAVE OF ABSENCE.** When payments resume following a payment suspension in connection with a leave of absence authorized above, if applicable, you must select one of the following methods to repay the loan, to the extent permitted by the investment provider, plus accumulated interest:
 - a. You will increase the amount of the required installments to an amount sufficient to amortize the remaining balance of the loan, plus accrued interest, over the remaining term of the loan.
 - b. You will pay a balloon payment of the remaining unpaid principal and interest, at the conclusion of the term of the loan as determined in the promissory note.
 - c. You may extend the maturity of the loan and re-amortize the payments over the remaining term of the loan. In no event will the amount of the adjusted installment payment be less than the amount of the installment payment provided under the promissory note. The revised term of the loan will not exceed the maximum term permitted above, augmented by the time you were in United States military service.
9. **DEFAULT.** The Administrator will treat a loan as in default if:
 - a. Any scheduled payment remains unpaid beyond the last day of the calendar quarter following the calendar quarter in which the Participant missed the scheduled payment.

Upon default, you will have the opportunity to repay the loan, resume current status of the loan by paying any missed payment plus interest or, if distribution is available under the Plan and the investment arrangements, request distribution of the note. If the loan remains in default, the Administrator will offset your vested account balances by the outstanding balance of the loan to the extent permitted by law. The Administrator will treat the note as repaid to the extent of any permissible offset. Pending final disposition of the note, you remain obligated for any unpaid principal and accrued interest.
10. **FEES.** If you apply for a loan, you will be charged for Plan expenses associated with the loan. All fees are subject to change.