

**UNIVERSITY OF WASHINGTON  
VOLUNTARY INVESTMENT PROGRAM  
(VIP)**

Amended and Restated, Effective January 1, 2026

# Voluntary Investment Program (VIP) Plan Document

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## **1. Establishment of Voluntary Investment Program**

1.1. Establishment of Program. The Board of Regents of the University of Washington established a University of Washington Tax-Deferred Annuity Program as of January 1, 1972, as allowed under State of Washington RCW 28.B.10.480. As of July 1994, the program is named the Voluntary Investment Program.

1.2. Plan Document. This plan document sets forth the provisions of this Program, as in effect on January 1, 2026. This Program is a governmental plan as defined in Internal Revenue Code Section 414(d), and is intended to satisfy the provisions of Section 403(b) of the Internal Revenue Code. Contributions are invested at the direction of the Participant in one or more of the Funding Vehicles available under the Program.

## **2. Definitions**

The words and phrases defined in this Section 2 have the following meanings throughout this plan document:

2.1. Accumulation Account means the account established for each Participant with each Fund Sponsor, consisting of a Pre-Tax Sub-Account to which Pre-Tax Contributions shall be credited, a Roth Sub-Account to which Roth Contributions shall be credited, and a rollover account described in Section 4.3. The current value of a Participant's Accumulation Account with a Fund Sponsor includes all contributions made to Annuity Contract and/or Custodial Account, less expense charges, transfers, and benefit distributions, and reflecting credited investment experience.

2.2. Annuity Contract means a non-transferable group or individual annuity contract or contracts, if any, as defined in Code section 403(b)(1) and the Treasury regulations issued thereunder, selected by UW, to which VIP Contributions under the Program may be made and that is issued by an insurance company qualified to issue annuities in the State of Washington and that includes payment in the form of an annuity. The terms of each Annuity Contract are hereby incorporated by reference into this Program, to the extent consistent with the Program.

2.3. Beneficiary means, subject to Section 6.1(b), (a) such person or entity designated by the Participant (in accordance with the Program's procedures) to receive a benefit from an Annuity Contract or Custodial Account on account of the death of the Participant or (b) if no such person is designated or the Beneficiary predeceases the Participant (and no other default Beneficiary is specified in the Annuity Contract or Custodial Agreement), the Participant's surviving spouse or, if none, the Participant's estate. A new designation may be made at any time before the Participant or Beneficiary has started to receive annuity payments under the Program; any such new designation shall be subject to the conditions of this Section 2.3.

2.4. Board means the Board of Regents of the University of Washington.

2.5. Code means the Internal Revenue Code of 1986, as amended.

2.6. Contribution Agreement means an agreement entered into between an Eligible Employee and UW whereby the Eligible Employee agrees to reduce their Includible

Compensation and UW agrees to contribute the amount of the reduction as a VIP Contribution under this Program, as set forth in Section 3.3.

2.7. Custodial Account means the group or individual custodial account or accounts established pursuant to a Custodial Agreement with a custodian, selected by UW, that qualifies as a custodial account described in Code section 403(b)(7) and the Treasury regulations issued thereunder.

2.8. Custodial Agreement means the agreement between a custodian and UW or a Participant, under which the assets of the Program are held in Custodial Accounts for Participants and invested in shares of regulated investment companies, as defined in Code section 403(b)(7)(C). The terms of each Custodial Agreement are hereby incorporated by reference into this Program, to the extent consistent with the Program.

2.9. Disabled means unable to engage in substantial gainful activity by reason of any medically determinable physical or mental impairment that can be expected to result in death or be of long continued and indefinite duration. The permanence and degree of such impairment shall be supported by medical evidence.

2.10. Elective Deferrals means Pre-Tax Contributions and Roth Contributions made to the Program at the election of the Eligible Employee in lieu of receiving cash compensation.

2.11. Eligible Employee means any employee of the University of Washington, except nonresident aliens who receive no U.S.-source earned income described in Code section 410(b)(3)(C).

2.1. FRC means the Fund Review Committee established as a standing body by the Provost and Executive Vice President pursuant to Article 5.

2.2. Fund Sponsor means an insurance, variable annuity, or investment company that provides Funding Vehicles to Participants under the Program and includes, for the avoidance of doubt, any such company that provides master recordkeeping services.

2.3. Funding Vehicles means the Annuity Contracts and Custodial Accounts available for the purpose of investing VIP Contributions and specifically approved by UW under Article 5.

2.4. Hardship means any of the following, which are deemed to be an immediate and heavy financial need: (a) medical expenses described in Code section 213(d) incurred by the Participant or the Participant's spouse, dependents, or primary beneficiary as defined in Q&A 5 of IRS Notice 2007-7; (b) purchase (excluding mortgage payments) of a principal residence for the Participant; (c) payment of tuition, room and board for the next 12 months of post-secondary education for the Participant or the Participant's spouse, children, dependents, or primary beneficiary; (d) the payment of amounts necessary to prevent the eviction of the Participant from their principal residence or the foreclosure on the mortgage of their principal residence; (e) burial or funeral expenses for the Participant's deceased parent, spouse, children, dependents, or primary beneficiary; (f) expenses to repair damage to the Participant's principal residence that would qualify for the casualty deduction under Code section 165 (determined without regard to whether the loss exceeds 10% of adjusted gross income and determined without regard to Code

section 165(h)(5)); or (g) expenses and losses (including loss of income) incurred by the Participant on account of a disaster declared by the Federal Emergency Management Agency (“FEMA”) under the Robert T. Stafford Disaster Relief and Emergency Assistance Act, provided that the Participant’s principal residence or principal place of employment at the time of the disaster was located in an area designated by FEMA for individual assistance with respect to the disaster.

2.5. Includible Compensation means an Eligible Employee’s compensation received from UW that is includible in the Eligible Employee’s gross income for Federal income tax purposes (computed without regard to Code section 911, relating to United States citizens or residents living abroad). Includible Compensation also includes any Elective Deferral or other amount contributed or deferred by UW at the election of the Eligible Employee that would be includible in gross income but for the rules of Code section 125, 132(f)(4), 401(k), 4029e)(3), 402(h)(1)(B), 402(k), or 457(b). Includible Compensation is increased by differential wage payments under Code section 3401(h), for the most recent period that is a year of service, as determined under Code section 403(b)(3) and the Treasury regulations issued thereunder and difficulty of care payments under Code section 131(c)(1)(A) that are otherwise excludible from income. The amount of Includible Compensation is determined without regard to any community property laws. Except as provided in Code section 1.401(a)(17)-1(d)(4)(ii) of the Treasury Regulations with respect to eligible participants in governmental plans, the amount of Includible Compensation of each Eligible Employee taken into account in determining contributions for any year shall not exceed \$350,000, which is the annual compensation limit established under Code section 401(a)(17) in effect for 2025 and which shall be adjusted for cost-of-living increases to the extent provided under Code section 401(a)(17)(B) for periods after 2025.

2.6. Participant means any Eligible Employee who becomes a Participant as provided in Section 3.2, provided that the Participant has not received a distribution of their entire Accumulation Account under the Program.

2.7. Pre-Tax Contribution means the amount of an Eligible Employee’s pre-tax Elective Deferral to the Program pursuant to a Contribution Agreement.

2.8. Pre-Tax Sub-Account means the sub-account of an Accumulation Account established for each Participant with each Fund Sponsor to which Pre-Tax Contributions have been made by the Participant. The current value of a Participant’s Sub-Account with a Fund Sponsor includes all Pre-Tax Contributions to the Fund Sponsor, less expense charges, transfers, and benefit distributions, and reflecting credited investment experience.

2.9. Program means the University of Washington Voluntary Investment Program as set forth in this document and as amended from time to time.

2.10. Program Administrator is defined in Article 10.

2.11. Program Year means January 1 through December 31.

2.12. Related Employer means UW and any other entity which is under common control with UW under section 414(b) or (c) of the Code, as applied to a governmental plan in a manner consistent with Notice 89-23.

2.13. Roth Contribution means the amount of an Eligible Employee's Roth 403(b) Elective Deferral to the Program pursuant to a Contribution Agreement that is irrevocably designated by the Eligible Employee at the time of the Contribution Agreement as a Roth Contribution that is being made in lieu of all or a portion of the Pre-Tax Contribution the Eligible Employee is otherwise eligible to make under the Program. The amount of any Roth Contribution shall be treated as includable in the Eligible Employee's income at the time the Eligible Employee would have received that amount in cash if the Eligible Employee had not made an election to make the Roth Contribution to the Program.

2.14. Roth Sub-Account means the sub-account of an Accumulation Account established for each Participant with each Fund Sponsor to which Roth Contributions have been made by the Participant. The current value of a Participant's Roth Sub-Account with a Fund Sponsor includes all Roth Contributions to the Fund Sponsor, less expense charges, transfers, and benefit distributions, and reflecting credited investment experience.

2.15. VIP Contributions means all contributions made on behalf of a Participant under this Program.

2.16. UW means the University of Washington.

### **3. Eligibility and Participation**

3.1. Eligibility. Every Eligible Employee may elect to have Elective Deferrals made on their behalf hereunder immediately upon becoming employed by UW.

3.2. Participation. In order to make Elective Deferrals, a Participant must complete a Contribution Agreement in accordance with procedures established by the Program Administrator. The first Contribution Agreement shall be effective for the first pay period administratively practicable following the date the Contribution Agreement is received by the Program Administrator. Any Contribution Agreements submitted after the initial Contribution Agreement in accordance with procedures established by the Program Administrator shall be effective not later than the first payroll period that begins following the receipt by the Program Administrator. An Eligible Employee may change a Contribution Agreement (including to cease making Elective Deferrals) at any time with respect to Includible Compensation not yet payable by entering into a new Contribution Agreement. Any Eligible Employee may resume Elective Deferrals at a later date as long as the employee is eligible to participate under Section 3.1 at that later date, provided the employee satisfies the requirements of Section 3.2 and 3.3. Unless a Contribution Agreement is otherwise revised by a Participant, if an Eligible Employee is absent from work or account of a leave of absence, Elective Deferrals shall continue to the extent that Includible Compensation continues. Each Participant shall provide to the Program Administrator at the time of initial participation, and later if there are any changes, any information necessary or advisable for the Program Administrator to administer the Program.

3.3. Contribution Agreements. Each Contribution Agreement shall:

- (a) be in writing, in a form prescribed by the Program Administrator, and executed by the Participant;
- (b) provide for a reduction in the Includible Compensation paid to the Participant by UW in exchange for the contribution of a like amount by UW under the Program on behalf of the Participant;
- (c) specify the amount of Pre-Tax Contributions and Roth Contributions to be made on behalf of the Participant, expressed as a flat dollar amount or a percentage of Includible Compensation, in either case up to the amount of Includible Compensation remaining after payroll deductions with a higher priority, as recorded in UW's payroll system.
- (d) be binding upon the Participant with respect to Includible Compensation payable while it is in effect;
- (e) apply only to Includible Compensation paid after the Contribution Agreement is in effect;
- (f) except as permitted by paragraph 4.1(b) below, not provide for an aggregate amount of contributions under Section 4.1 which, when added to elective deferrals made on the Participant's behalf under any other Code section 403(b) program of UW for a Participant's taxable year, exceeds the limits in effect for the year under Code section 402(g); and
- (g) except as permitted by Section 4.1(b) below, not result in an aggregate amount of contributions which would exceed the limitation on "annual additions" under Code section 415.

3.4. Duration of Participation. An individual who becomes a Participant under the Program shall remain a Participant for as long as a Funding Vehicle is maintained under the Program for the Participant's benefit, but not beyond the Participant's death or termination of the Program.

**4. Contributions**

4.1. Limitations on Elective Deferrals under Code section 402(g).

- (a) Except as provided in Section 4.1(b), the maximum amount of the Elective Deferral under the Program for any Program Year shall not exceed \$23,500, which is the applicable dollar amount established under Code section 402(g)(1)(B) in effect for 2025, which shall be adjusted for cost-of-living to the extent provided under Code section 402(g)(4) for periods after 2025.

(b) Catch-Up Contributions.

(1) Subject to 4.1(b)(2) below, an Eligible Employee who is a Participant who will attain age 50 or more by the end of the Program Year is permitted to elect an additional amount of Elective Deferrals, up to the maximum amount of the age 50 age catch-up dollar amount limit for the Program Year. The maximum amount of the age 50 catch-up Elective Deferrals under the Program for any Program Year shall not exceed \$7,500, which is the applicable dollar amount established under Code section 414(v)(2) in effect for 2025 and which shall be adjusted for cost-of-living increases to the extent provided under Code section 414(v)(2)(C) for periods after 2025.

(2) Notwithstanding the foregoing, effective January 1, 2025, an Eligible Employee who is a Participant who will attain age 60 but not attain age 64 by the end of the Program Year is permitted to elect an additional amount of Elective Deferrals, up to the maximum amount of the age 60-63 catch-up dollar amount limit for the Program Year. The maximum amount of the age 60-63 catch-up Elective Deferrals under the Program for any Program Year shall not exceed \$11,250, which is the amount set forth in Code section 414(v)(E)(i) in effect for 2025 and which shall be adjusted to the extent provided under such Code section. For any Eligible Employee under this Section 4.1(b)(2), the catch-up amount set forth in this Section 4.1(b)(2) replaces the catch-up amount set forth in Section 4.1(b)(1) and no individual will be eligible for both amounts.

(3) Catch-up contributions shall not be taken into account for purposes of the provisions of the Program implementing the required limitations of Code sections 402(g) and 415.

(c) Special Rule for a Participant Covered by Another Section 403(b) Plan.

For purposes of Section 4.1, if the Participant is or has been a participant in one or more other plans under Code section 403(b) (and any other plan that permits elective deferrals under Code section 402(g) (for the avoidance of doubt, which does not include amounts deferred under Code section 457)), then this Program and all other plans shall be considered as one plan for purposes of applying the foregoing limitation of Section 4.1(a). For this purpose, the Program Administrator shall take into account during a calendar year any other such plan maintained by a Related Employer when applying the limitation described in Section 4.1(a).

(d) Excess Elective Deferrals under Code section 402(g) after the Calendar Year. If, following a calendar year, the Elective Deferrals made to the Program on behalf of a Participant for any calendar year exceed the limitations described in Section 4.1(a), or the Elective Deferrals made to the Program on behalf of a Participant for any calendar year exceed the limitations described in Section 4.1(a), when combined with other amounts deferred by the Participant under another plan of a Related Employer under Code section 403(b) (and any other plan that permits elective deferrals under Code section 402(g) for which the Participant provides information that is accepted by the Program Administrator), then the VIP Contributions, to the extent in excess of the applicable limitation (adjusted for any income or loss in value, if any, allocable thereto through the end of the applicable calendar year), shall be distributed to the Participant.

4.2. Limitations on Annual Additions under Code section 415. Code section 415 and the Treasury regulations issued thereunder, as applied to governmental entities, are hereby incorporated by reference into the Program.

(a) Annual Additions Limit. A Participant's Annual Additions under the Program for a Limitation Year shall not exceed \$70,000 which is the limit in effect for 2025, and shall be adjusted for cost-of-living increases to the extent permitted under Code section 415(d) for periods after 2025.

(b) Aggregation of Section 403(b) Plans of UW. If Annual Additions are credited to a Participant under any Code section 403(b) plans of UW in addition to this Program for a Limitation Year, the sum of the Participant's Annual Additions for the Limitation Year under this Program and such other Code section 403(b) plans may not exceed the limit set forth in Section 4.2(a).

(c) Aggregation Where Participant is in Control of Any Employer. If a Participant is in control of any employer for a Limitation Year, the sum of the Participant's Annual Additions for the Limitation Year under this Program, or any other Code section 403(b) plans of UW, any defined contribution plans maintained by controlled employers, and any Code section 403(b) plans of any other employers may not exceed the limit set forth in Section 4.2(a). For purposes of this Section 4.2(c), a Participant is in control of an employer based upon the rules of Code sections 414(b), 414(c), and 415(h); and a defined contribution plan means a defined contribution plan that is qualified under Code section 401(a) or 403(a), a section 403(b) plan, or a Simplified Employee Pension within the meaning of Code section 408(k).

(d) Annual Notice to Participants. The Program Administrator will provide written or electronic notice to Participants that explains the limitation in Section 4.2(c) in a manner calculated to be understood by the average Participant and informs Participants of their responsibility to provide information to the Program Administrator that is necessary to satisfy Section 4.2(c). The notice will advise Participants that the application of the limitations in Section 4.2(c) will take into account information supplied by the Participant and that failure to provide necessary and correction information to the Program Administrator could result in adverse tax consequences to the Participant, including the inability to exclude contributions to the Program under Code section 403(b). The notice will be provided annually, beginning no later than the year in which the Eligible Employee becomes a Participant.

(e) Definitions. For purposes of this Section 4.2,

(1) **"Annual Additions"** means the amounts credited to a Participant under the Program or any other plan aggregated with the Program under Section 4.2.

(A) Employer contributions, including Elective Deferrals (other than catch-up contributions described in Code section 414(v) and contributions that have been distributed to the Participant as excess Elective Deferrals under Section 4.1(d));

(B) After-tax employee contributions;

(C) Forfeitures allocated to the Participant's account;

(D) If a Participant controls an employer under Section 4.2(c), amounts allocated to an individual medical account, as defined in Code section 415(l)(2), which is part of a pension or annuity plan, and amounts derived from contributions paid or accrued which are attributable to post-retirement medical benefits, allocated to the separate account of a key employee, as defined in Code section 419A(d)(3), under a welfare benefit fund, as defined in Code section 419(e); and

(E) If a Participant controls an employer under Section 4.2(c), allocations under a simplified employee pension.

(2) **“Limitation Year”** means the calendar year. However, if the Participant is in control of an employer pursuant to Section 4.2(c), the Limitation Year shall be the Limitation Year in the defined contribution plan controlled by the Participant.

4.3. **Rollover Contributions.** A Participant may make a rollover contribution to the Program from another plan described in Code section 401(a) 403(a), 403(b), an individual retirement account described in Code section 408(a), an individual retirement annuity described in Code section 408(b), a Roth IRA described in Code section 408A, or an eligible plan under Code section 457(b) which is maintained by a state, a political subdivision of a state, or any agency or instrumentality of a state or political subdivision of a state, upon demonstration to the Program Administrator that the amounts are eligible for rollover to the Program under the Code section 402. The Program Administrator may limit the Annuity Contracts or Custodial Accounts to which such amounts may be contributed, or the types of rollovers that will be accepted by the Program. The Fund Sponsor shall establish and maintain for the Participant a separate account for any eligible rollover contribution paid to the Program and shall further separately account for pre-tax rollover contributions, after-tax rollover contributions, and Roth contributions. No such rollover shall be taken into account in applying the limits of Sections 4.1 or 4.2.

4.4. **In-Plan Roth Conversions.** To the extent permitted by an Annuity Contract or Custodial Account, a Participant may elect to convert and transfer all or a portion of their Pre-Tax Contributions or their pre-tax rollover contribution received under Section 4.3 to a Participant's Roth Sub-Account in accordance with Code section 402(c)(4) and the terms of the Program. Amounts subject to an in-plan Roth conversion under this Section 4.4 shall be subject to the Program rules related to Roth Sub- Accounts, provided that the amounts that are subject to an in-plan Roth conversion (and any related earnings) shall be available for in-service distributions under Article 6 only under the same terms as such amounts were available for in-service distributions under Article 6 prior to the in-plan Roth conversion.

4.5. **Plan-to-Plan Transfers to the Program.**

(a) At the direction of UW, for a class of employees who are participants or beneficiaries in another plan under Code section 403(b), the Program Administrator may accept a transfer of assets to the Program, provided that:

(1) the transferor plan provides for the direct transfers of assets;

- (2) the Participant is an employee or former employee of UW;
- (3) the Participant or Beneficiary whose assets are being transferred as an accumulated benefit immediately prior to the transfer at least equal to the accumulated benefit with respect to the Participant or Beneficiary immediately after the transfer; and
- (4) the transferred amounts are subject to statutory restrictions on distributions that are no less stringent than those imposed under the transferor plan.

(b) The Program Administrator and any Fund Sponsor accepting such transferred amounts may require that the transfer be in cash or other property acceptable to it. The Program Administrator or any Fund Sponsor accepting such transferred amounts may require such documentation from the other plan as it deems necessary to effectuate the transfer in accordance with Treasury regulation section 1.403(b)-10(b)(3) and to confirm that the other plan involved in the transfer satisfies Code section 403(b).

(c) No such transfer shall be taken into account in applying the limits of Sections 4.1 or 4.2.

4.6. Vesting of Contributions. Each Participant will at all times have a fully vested and nonforfeitable interest in all accumulations under the Participant's Annuity Contracts and/or Custodial Accounts.

## 5. Investments

5.1. Manner of Investment. All VIP Contributions or other amounts contributed to the Program, all property and rights purchased with such amounts under the Program, and all income attributable to such amounts, property, or rights shall be held and invested in one or more Funding Vehicles.

5.2. Exclusive Benefit. Each Funding Vehicle shall provide for it to be impossible, prior to the satisfaction of all liabilities with respect to Participants and their Beneficiaries, for any part of the assets and income of the Funding Vehicle to be used for, or diverted to, purposes other than for the exclusive benefit of Participants and their Beneficiaries.

5.3. Investment of Contributions. Each Participant or Beneficiary shall direct the investment of their Accumulation Account among the investment options available under the Funding Vehicles, as made available by the Program Administrator from time to time, in accordance with the terms governing such Funding Vehicle. A Participant or Beneficiary is permitted to change the investment of their Accumulation Account among the Funding Vehicles approved for use under the Program, provided the Fund Sponsor of such Funding Vehicle is authorized to receive new VIP Contributions.

5.4. Information Sharing. Each Fund Sponsor and the Program Administrator shall exchange such information as may be necessary to satisfy Code section 403(b) or other requirements of applicable law. In the case of a Fund Sponsor which is not eligible to receive VIP Contributions under the Program (including a Fund Sponsor which has ceased to be a Fund Sponsor eligible to receive VIP Contributions under the Program and a Fund Sponsor holding

assets under the Program), UW shall keep the Fund Sponsor informed of the name and contact information of the Program Administrator in order to coordinate information necessary to satisfy Code section 403(b) or other requirements of applicable law.

**5.5. Fund Sponsors and Funding Vehicles.** The Program Administrator shall keep a list of all the Fund Sponsors and Funding Vehicles approved for use under the Program. The list may be modified from time to time. A modification of the list is not an amendment of the Program. The Fund Sponsors that are available for new VIP Contributions are:<sup>1</sup>

(a) Fidelity Retirement Services: P.O. Box 31401 Salt Lake City, UT 84131-9921

(b) Teachers Insurance and Annuity Association and College Retirement Equities Fund (TIAA-CREF): 730 Third Avenue, New York, NY 10017

**5.6. Fund Review Committee.**

(a) **Responsibility.** The FRC is a standing body responsible for reviewing the performance of Fund Sponsors and Funding Vehicles available through the Program. The FRC will also evaluate and recommend to the Provost and Executive Vice President whether new Fund Sponsors or Funding Vehicles should be added and whether existing Fund Sponsors or Funding Vehicles should be removed.

If a Funding Vehicle or Fund Sponsor is removed by the Provost and Executive Vice President, it shall not be available for subsequent VIP Contributions. In addition, the FRC may determine that existing accumulations shall be transferred to one or more other Funding Vehicles specified by the FRC.

The FRC shall meet as often as it deems appropriate, but not less than every six months. In evaluating existing Fund Sponsors and Funding Vehicles, the FRC will monitor and review performance data, consider Participants' comments, requests and concerns. Draft recommendations of the FRC will be presented to and discussed with the Faculty Council on Benefits and Retirement; the Professional Staff Organization and the Association of Librarians of the University of Washington. Final recommendations for changes will be submitted to the Provost and Executive Vice President.

The UW HR Benefits Office shall provide support for the FRC's activities. The FRC will assist in the selection of an investment consultant and adopt an investment policy statement to guide their recommendations.

(b) **Membership.** The FRC shall be appointed by, and serve at the pleasure of, the Provost and Executive Vice President of UW, who will consult with the Faculty Council on

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<sup>1</sup> Note to Draft: To be updated based on RFP for record keeping services.

Benefits and Retirement, the Professional Staff Organization and the Association of Librarians of the University of Washington in selecting committee members to represent their constituents.

(1) The membership shall be selected by the Provost and Executive Vice President from among the following representatives and officials, who shall have voting rights:

(A) One representative of the Faculty Council on Benefits and Retirement;

(B) Three or more representatives of the Faculty, as recommended by the Faculty Senate Executive Committee;

(C) One representative of the Librarians, as recommended by the Association of Librarians of the University of Washington;

(D) One representative of the Professional Staff, as recommended by the Professional Staff Organization;

(E) One representative of the UW Treasury Office as recommended by the UW Treasurer;

(F) One representative of the Office of Planning and Budgeting as recommended by the Associate Vice Provost for Planning and Budgeting;

(G) One Participant representing the Classified or Contract Classified Staff, as recommended by the Vice President, Human Resources, other than the Vice President Human Resources;

(H) One retired UWRP representative, as recommended by the UW Retirement Association;

(2) The following representatives and officials shall serve ex officio, with voting rights:

(A) UW Human Resources - Executive Director of Benefits

(B) UW Treasurer, Board of Regents

(C) UW Vice President, Human Resources

(3) The following representatives shall serve as observers, without voting rights:

(A) One Human Resources representative from Central Washington University

(B) One Human Resources representative from Western Washington University

(4) An individual's expertise in the areas of tax and pension law for 403(b) or similar retirement plans, or of finance, investment, or economics will be considered when evaluating candidates for membership.

(5) The Provost and Executive Vice President shall designate the Chair of the Committee.

(6) Members shall serve staggered, three-year terms. The Chair of the Committee may appoint such committee officers, advisors and subcommittees as needed.

## **6. Distributions**

### **6.1. Distributions in General.**

(a) Except as permitted in the case of pre-1989 Elective Deferral contributions (excluding earnings thereon) to an Annuity Contract that are separately accounted for and distributions of rollover contributions under Section 4.3 that are distributed pursuant to Section 6.2, distributions of Elective Deferrals from a Participant's Accumulation Account may not be made earlier than the date on which the Participant has a severance from employment, dies, becomes Disabled, or attains age 59½. The available forms of distribution will be based on the terms of the applicable Annuity Contract or Custodial Agreement.

(b) All Beneficiary designations, loans and distributions shall be subject to spousal consent at such times and in accordance with procedures established by the Program Administrator.

### **(c) Statutory Distribution Rules.**

(1) Notwithstanding anything to the contrary in this Program but subject to Section 6.1(c)(1) below, the Program shall comply with the minimum distribution requirements of Code section 401(a)(9) and the Treasury regulations thereunder, as applied by governmental plans, in accordance with the terms governing each Annuity Contract or Custodial Agreement, unless and to the extent otherwise permitted by law and in regulations or other rules of general applicability published by the Department of Treasury or the Internal Revenue Service. For purposes of applying the distribution rules of Code section 401(a)(9), each Annuity Contract or Custodial Agreement is treated as an individual retirement account (IRA) and distributions shall be made in accordance with the provisions of Treasury regulation section 1.408-8, except as provided in Treasury regulation section 1.403(b)-6(e).

(2) Notwithstanding Section 6.1(c)(1), a Participant or Beneficiary who would have been required to receive required minimum distributions in 2020 (or paid in 2021 for the 2020 calendar year for a Participant with a required beginning date of April 1, 2021) but for the enactment of Code section 401(a)(9)(I) of the Code (2020 RMDs), and who would have satisfied that requirement by receiving distributions that are either (A) equal to the 2020 RMDs, or (B) one or more payments (that include the 2020 RMDs) in a series of substantially equal periodic payments made at least annually and expected to last for the life (or life expectancy) of the Participant, the joint lives (or joint

life expectancies) of the Participant and the Participant's Beneficiary, or for a period of at least 10 years (Extended 2020 RMDs), will waive those distributions unless the Participant or Beneficiary elects otherwise or such distribution was established as an automatic/recurring distribution at TIAA. In addition, notwithstanding Section 7.2, and solely for purposes of applying the Eligible Rollover Distribution provisions, 2020 RMDs that were distributed by TIAA will be treated as Eligible Rollover Distributions. A 2020 RMD that is recontributed to the Program or another qualified plan in accordance with IRS Notice 2020-51 shall be treated as an indirect rollover.

6.2. Distributions of Rollover Contributions. If a Participant has a separate account attributable to rollover contributions to the Program described in Section 4.3, then to the extent permitted by the terms governing the applicable Annuity Contract or Custodial Account, the Participant may at any time elect to receive a distribution of all or any portion of the amount held in the rollover account.

6.3. Distributions after Severance from Employment including Death. Amounts held in Annuity Contract or Custodial Account for the Participant will be paid following the Participant's severance from employment in the form or forms provided under, and subject to, the terms of such Annuity Contract or Custodial Agreement and such administrative rules as the Program Administrator may prescribe.

6.4. Distributions after Age 59½. To the extent provided in an Annuity Contract or Custodial Agreement, a Participant who has attained age 59½ may receive a distribution from the Participant's interest Accumulation Account or rollover account described in Section 4.3.

6.5. Distributions on Account of Being Disabled. To the extent provided in an Annuity Contract or Custodial Agreement, a Participant who becomes Disabled may receive a distribution from the Participant's interest Accumulation Account or rollover account described in Section 4.3.

6.6. Hardship Distributions. To the extent permitted by an Annuity Contract, a Participant may receive a distribution from the Participant's Accumulation Account or rollover account described in Section 4.3 in the event of a Hardship, in an amount not to exceed satisfying the amount required to satisfy such financial need. The Participant must provide to the Program Administrator a representation in writing, or in such other form as may be permitted under applicable Treasury regulations and the Program Administrator, that the Participant has experienced a Hardship, has insufficient cash or other liquid assets reasonably available to satisfy the Hardship, and the amount requested is not in excess of the amount required to satisfy such financial need. The Program Administrator may rely on the Participant's written certification unless the Program Administrator has actual knowledge that is contrary to this certification. Hardship withdrawal will be deemed to be necessary to satisfy an immediate and heavy financial need of the Participant if the distribution does not exceed the amount of the applicable Hardship increased by taxes resulting from the withdrawal and the Participant has obtained all distributions currently available under the Program and any other plan maintained by UW or any Related Employer, other than Hardship withdrawals or loans. The Program Administrator may require such documentation as it deems necessary to support a Participant's assertion of Hardship.

## 6.7. Loans.

(a) Generally. To the extent permitted by an Annuity Contract or Custodial Agreement, a Participant or Beneficiary may borrow against the Participant's Accumulation Account or rollover account described in Section 4.3.

(b) Requirements. Loans from an Accumulation Account or rollover account described in Section 4.3 will be made only in accordance with the terms of such Annuity Contract or Custodial Agreement, and only in the event that:

- (1) The loans shall be made available to all Participants and Beneficiaries on a reasonably equivalent basis;
- (2) The loans will be adequately secured and bear a reasonable rate of interest;
- (3) The loans will be evidenced by a legally enforceable agreement specifying the amount and date of the loan and the repayment schedule;
- (4) The loan amount, when added to the outstanding balance of all other loans to the Eligible Borrower, does not exceed the lesser of (A) \$50,000 reduced by the excess (if any) of the highest outstanding balance of loans during the one-year period ending on the day before the loan is made, over the outstanding balance of loans from the Program on the date the loan is made or (B) 50% of the Accumulation Account balance. For purposes of the limitations described in this Section 6.11(b)(4), all loans from all plans of UW and Related Employers are aggregated.
- (5) Any loan shall by its terms require that repayment (principal and interest) be amortized in level payments, not less frequently than quarterly, over a period not extending beyond five years from the date of the loan. If such loan is used to acquire a dwelling unit which within a reasonable time (determined at the time the loan is made) will be used as the principal residence of the Participant, the amortization period shall not extend beyond 10 years from the date of the loan.

(c) Loan Procedures. The Program Administrator shall promulgate such rules and procedures, not inconsistent with the express provisions of this Section 6.7, as it deems necessary to carry out the purpose of this Section 6.7. In addition, the applicable Annuity Contract or Custodial Agreement may contain additional rules and procedures.

(d) Corona-Virus Loans. To the extent permitted under an Annuity Contract or a Custodial Agreement, a loan to a Participant or Beneficiary may be treated as a corona-virus related loan. A coronavirus-related loan is a loan made from the Program on or after March 27, 2020, and before September 23, 2020, to a qualified individual, as defined in section 2202(a)(4)(A)(ii) of the Coronavirus Aid, Relief, and Economic Security Act, Pub. L. 116-136 (CARES Act) and Section 1B of Notice 2020-50, which does not exceed the lesser of (1) \$100,000 (minus outstanding plan loans of the individual), or (2) the individual's vested benefit under the Program and other retirement plans maintained by UW and Related Employers. If a loan is outstanding on or after March 27, 2020, and any repayment on the loan is due from

March 27, 2020 through December 31, 2020, that due date may be delayed under the Program for up to one year. Any payments after the suspension period must be adjusted to reflect the delay and any interest during the delay, and the period of delay must be disregarded in determining the 5-year period and the term of the loan under Code section 72(p)(2)(B) and (C). The Participant must provide to the Program Administrator a representation in writing, or in such other form as may be permitted under applicable Treasury regulations and the Program Administrator, that the Participant is eligible to receive a coronavirus-related loan. The Program Administrator may rely on the Participant's written certification.

6.8. Qualified Birth or Adoption Distributions.

(a) To the extent provided in an Annuity Contract or Custodial Agreement, a Participant may receive a distribution from the Participant's Accumulation Account or rollover account described in Section 4.3 as a Qualified Birth or Adoption Distribution.

(b) Definitions

(1) "Qualified Birth or Adoption Distribution" means any distribution of up to \$5,000 from the Program to a Participant if made during the one-year period beginning on the date the child of the Participant is born or the legal adoption by the Participant of an Eligible Adoptee is finalized, provided such birth or legal adoption occurs on or after January 1, 2026. A distribution of up to \$5,000 for each child can be made with respect to multiple births and legal adoptions if the distribution is made within the one-year period following the date on which the children are born, or the legal adoptions are finalized, provided such birth or legal adoption occur on or after January 1, 2026.

(2) "Eligible Adoptee" means any individual who has not attained age 18 or is physically or mentally incapable of self-support. An individual is physically or mentally incapable of self-support if they are unable to engage in any substantial gainful activity as described in Section 2.9.

(c) The Participant must provide to the Program Administrator a representation in writing, or in such other form as may be permitted under applicable Treasury regulations and the Program Administrator, that the Participant is eligible for a Qualified Birth or Adoption Distribution. The Program Administrator may rely on the Participant's written certification unless the Program Administrator has actual knowledge that is contrary to this certification.

6.9. Qualified Disaster Recovery Distributions.

(a) To the extent provided in an Annuity Contract or Custodial Agreement, a Participant may receive a distribution from the Participant's Accumulation Account or rollover account described in Section 4.3 as a Qualified Disaster Recovery Distribution.

(b) Definitions.

(1) “Incident Period” means, with respect to any Qualified Disaster, the period specified by the Federal Emergency Management Agency (FEMA) as the period during which such Qualified Disaster occurred.

(2) “Qualified Disaster” means any disaster with respect to which a major disaster has been declared by the President of the United States under section 401 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act on or after January 1, 2026.

(3) “Qualified Disaster Area” means, with respect to any Qualified Disaster, the area with respect to which the major disaster was declared under the Robert T. Stafford Disaster Relief and Emergency Assistance Act, except any area which is a qualified disaster area solely by reason of section 301 of the Taxpayer Certainty and Disaster Tax Relief Act of 2020.

(4) “Qualified Disaster Recovery Distribution” means any distribution of up to \$22,000 from the Program to a Participant if made on or after the first day of the Incident Period of a Qualified Disaster and before the date that is 180 days after the later of the first day of the Incident Period or the declaration date of the Qualified Disaster with respect to such Qualified Disaster, provided the Participant’s principal place of abode at any time during the Incident Period of such Qualified Disaster is located in the Qualified Disaster Area with respect to such Qualified Disaster and who has sustained economic loss by reason of such Qualified Disaster. For purposes of the limitations described in this Section 6.9, all Qualified Domestic Abuse Distributions from all plans of UW and Related Employers are aggregated.

(c) The Participant must provide to the Program Administrator a representation in writing, or in such other form as may be permitted under applicable Treasury regulations and the Program Administrator, that the Participant has sustained an economic loss by reason of a Qualified Disaster. The Program Administrator may rely on the Participant’s written certification unless the Program Administrator has actual knowledge that is contrary to this certification.

**6.10. Qualified Domestic Abuse Distributions.**

(a) To the extent provided in an Annuity Contract or Custodial Agreement, a Participant may receive a distribution from the Participant’s Accumulation Account or rollover account described in Section 4.3 as a Qualified Domestic Abuse Distribution.

(b) Definitions.

(1) “Qualified Domestic Abuse Distribution” means any distribution of up to the lesser of \$10,300 (as adjusted for increases in the cost-of-living for years after 2025) or 50% of the Participant’s Accumulation Account balance from the Program to a Participant if made during the one-year period beginning on any date on which the

Participant is a victim of Domestic Abuse by a spouse or domestic partner, provided the Domestic Abuse occurs on or after January 1, 2026.

(2) “Domestic Abuse” means physical, psychological, sexual, emotional, or economic abuse, including efforts to control, isolate, humiliate, or intimidate the victim, or to undermine the victim’s ability to reason independently, including by means of abuse of the victim’s child or another family member living in the household.

(c) For purposes of the limitations described in this Section 6.10, all Qualified Domestic Abuse Distributions from all plans of UW and Related Employers are aggregated. The Participant must provide to the Program Administrator a representation in writing, or in such other form as may be permitted under applicable Treasury regulations and the Program Administrator, that the Participant has experienced domestic abuse. The Program Administrator may rely on the Participant’s written certification.

6.11. Coronavirus-Related Distributions. To the extent provided in an Annuity Contract or Custodial Agreement a Participant may receive a distribution from the Participant’s Accumulation Account or rollover account described in Section 4.3 as a coronavirus-related distribution. A “Coronavirus-Related Distribution” is any distribution made from the Program on or after January 1, 2020, and before December 31, 2020, to a qualified individual, as defined in section 2202(a)(4)(A)(ii) of the Coronavirus Aid, Relief, and Economic Security Act, Pub. L.116-136 (CARES Act) and Section 1(B) of Notice 2020-50, which does not exceed, in the aggregate, \$100,000 under the Program and other retirement plans maintained by UW and Related Employers. The Participant must provide to the Program Administrator a representation in writing, or in such other form as may be permitted under applicable Treasury regulations and the Program Administrator, that the Participant is a qualified individual. The Program Administrator may rely on the Participant’s written certification unless the Program Administrator has actual knowledge that is contrary to this certification.

## 7. Direct Rollovers

7.1. Direct Transfer of Eligible Rollover Distributions. Notwithstanding any provision of the Program to the contrary that would otherwise limit a Distributee’s election, a Distributee may elect, at the time and in the manner prescribed by the Program Administrator, to have any portion of an Eligible Rollover Distribution paid directly to an Eligible Retirement Plan specified by the Distributee in a direct rollover.

### 7.2. Definitions.

(a) “Eligible Rollover Distribution” means any distribution of all or any portion of the balance to the credit of the Distributee, except that an Eligible Rollover Distribution does not include:

(1) any distribution that is one of a series of substantially equal periodic payments (not less frequently than annually) made for the life (or life expectancy) of the Distributee or the joint lives (or joint life expectancies) of the

Distributee and the Distributee's designated beneficiary, or for a period of 10 years or more;

- (2) any distribution to the extent such distribution is required under Code section 401(a)(9);
- (3) any hardship distribution;
- (4) any corrective distribution of excess amounts under Code sections 402(g) and/or 415(c) and income allocable thereto; or
- (5) any loans that are treated as deemed distributions pursuant to Code section 72(p);

A portion of a distribution shall not fail to be an Eligible Rollover Distribution merely because the portion consists of after-tax employee contributions which are not includible in gross income. However, such portion may be transferred only to (i) an individual retirement account or annuity described in Code section 408(a) or 408(b) or a Roth individual retirement account or annuity described in Code section 408A, or (ii) a qualified plan or annuity described in Code section 401(a) or 403(a), or a tax-sheltered annuity described in Code section 403(b) that agrees to separately account for amounts so transferred, including separately accounting for the portion of such distribution which is includible in gross income and the portion of such distribution which is not so includible.

(b) "Eligible Retirement Plan" means a qualified plan described in Code section 401(a), an annuity plan described in Code section 403(a), an annuity contract described in Code section 403(b), an individual retirement account or annuity described in Code section 408(a) or 408(b), a SIMPLE IRA described in Code section 408(p) (but only for periods following the two-year period beginning on the date the Participant first participated in such SIMPLE IRA), or a governmental eligible plan under Code section 457(b) and which agrees to separately account for amounts transferred into such plan from this Program, that accepts the Distributee's Eligible Rollover Distribution. The definition of Eligible Retirement Plan shall also apply in the case of a distribution to a surviving spouse, or to a spouse or former spouse who is the alternate payee under a qualified domestic relations order as defined in Code section 414(p).

(c) "Distributee" means

- (1) a current or former employee of UW; and
- (2) with regard to the interest of the spouse or former spouse, the employee's or former employee's surviving spouse and the employee's or former employees' spouse or former spouse who is the alternate payee under a qualified domestic relations order, as defined in Code section 414(p); and
- (3) with respect only to a Direct Rollover to an individual retirement account or annuity described in Code section 408(a) or 408(b) that is established on behalf of the Beneficiary and that will be treated as an inherited IRA pursuant to the

provisions of Code section 402(c)(11), the Participant's nonspouse designated Beneficiary.

(d) **“Direct Rollover”** means a payment by the Program to the Eligible Retirement Plan specified by the Distributee.

7.3. **Written Explanation of Right to Direct Rollover**. The payor shall provide, within a reasonable time period before making an Eligible Rollover Distribution, a written explanation to the Participant that satisfies the requirements of Code section 402(f).

7.4. **Roth Contributions**. A Direct Rollover of a distribution from a Roth Sub-Account will only be made to another designated Roth account under an applicable retirement plan described in Code section 402A(e)(1), or to a Roth IRA described in Code section 408A, and only to the extent the rollover is permitted under the rules of Code section 402(c). For the avoidance of doubt, Roth Contributions may not be rolled over to a SIMPLE IRA.

## **8. Recontributions**

8.1. **Recontributions of Qualified Birth or Adoption Distributions**. A Participant who received one or more Qualified Birth or Adoption Distributions under the Program may re contribute all or a portion of the Qualified Birth or Adoption Distribution within the 3-year period beginning on the day after the date of a Qualified Birth or Adoption Distribution made under the Program. The re contribution of a Qualified Birth or Adoption Distribution that is eligible for tax-free rollover treatment and made within the 3-year period beginning on the day after the date on which the Qualified Birth or Adoption Distribution was received will be treated as a rollover contribution to the Program. The Program Administrator will ensure that one or more Annuity Contracts or Custodial Accounts are available to accept the re contribution.

8.2. **Recontributions of Qualified Disaster Recovery Distributions and Certain Associated Hardship Distributions**.

(a) To the extent permitted under an Annuity Contract or a Custodial Agreement, a Participant who receives a Qualified Disaster Recovery Distribution may re contribute all or a portion of the Qualified Disaster Recovery Distribution at any time during the 3-year period beginning on the day after the date of a Qualified Disaster Recovery Distribution made under the Program. The re contribution of a Qualified Disaster Recovery Distribution that is eligible for tax-free rollover treatment and made within the 3-year period described above will be treated as a rollover contribution to the Program. The Program Administrator will ensure that one or more Annuity Contracts or Custodial Accounts are available to accept the re contribution.

(b) To the extent permitted under an Annuity Contract or a Custodial Agreement, a Participant who receives a Hardship distribution for the purchase or construction of a principal residence in a Qualified Disaster Area (where such Hardship distribution was received during the period beginning on the date which is 180 days before the first day of the Incident Period of such Qualified Disaster and ending on the date which is 30 days after the last day of such Incident Period), but which was not used because of the Qualified Disaster, may re contribute all or a portion of the Hardship distribution at any time during the Re contribution

Period. For purposes of this Section 8.2, the “Recontribution Period” means the period beginning on the first day of the Incident Period of the Qualified Disaster and ending on the date that is 180 days after the first day of the Incident Period, or if later 180 days after the date of the disaster declaration with respect to the Qualified Disaster. The recontribution of a Hardship described in this Section 8.2(b) that is eligible for tax-free rollover treatment and made within the time period described above will be treated as a rollover contribution to the Program. The Program Administrator will ensure that one or more Annuity Contracts or Custodial Accounts are available to accept the recontribution.

8.3. Recontributions of Qualified Domestic Abuse Distributions. A Participant who received one or more Qualified Domestic Abuse Distributions under the Program may recontribute all or a portion of the Qualified Domestic Abuse Distribution at any time during the 3-year period beginning on the date after the date of a Qualified Domestic Abuse Distribution made under the Program. The recontribution of a Qualified Domestic Abuse Distribution that is eligible for tax-free rollover treatment and made within the 3-year period beginning on the day after the date on which the Qualified Domestic Abuse Distribution was received will be treated as a rollover contribution to the Program. The Program Administrator will ensure that one or more Annuity Contracts or Custodial Accounts are available to accept the recontribution.

8.4. Recontributions of Coronavirus-Related Distributions. To the extent permitted under an Annuity Contract or a Custodial Agreement, a Participant who is a qualified individual under section 2202(a)(4)(A)(ii) of the Coronavirus Aid, Relief, and Economic Security Act (CARES Act), Pub L 116-136, and Section 1B of Notice 2020-50 and who receives a Coronavirus-Related Distribution that is eligible for tax-free rollover treatment may recontribute all or a portion of the coronavirus-related distribution at any time during the 3-year period beginning on the day after the date of a coronavirus-related distribution made under the Program. The recontribution of a coronavirus-related distribution that is eligible for tax-free rollover treatment and made within the 3-year period described above will be treated as a rollover contribution to the Program.

## **9. General Provisions and Limitations Regarding Benefits**

9.1. Non-Alienation of Retirement Rights or Benefits. To the fullest extent permitted by law, no benefit under the Program may at any time be subject in any manner to alienation, encumbrance, the claims of creditors or legal process. No person will have the power in any manner to transfer, assign, alienate, or in any way encumber their benefits under the Program, or any part thereof, and any attempt to do so will be void and of no effect.

9.2. Domestic Relations Orders. If a judgment, decree, or order (including approval of a property settlement agreement) that relates to the provision of child support, alimony payments, or the marital property rights of a spouse or former spouse, child, or other dependent of a Participant is made pursuant to the domestic relations law of any State (“domestic relations order”), then the amount of the Participant’s Accumulated Account shall be paid in the manner and to the person or persons so directed in the domestic relations order. Such payment shall be made without regard to whether the Participant is eligible for a distribution of benefits under the Program. The Program Administrator shall establish reasonable procedures for determining the

status of any such decree or order and for effectuating distribution pursuant to the domestic relations order.

9.3. Release. Any payment made in accordance with the provision of this Program to a Participant or Beneficiary, or to their legal representative, shall constitute full satisfaction of claims hereunder against the Fund Sponsor and the Program Administrator.

## **10. Administration**

10.1. Program Administrator. UW is the Program Administrator, and has designated UW HR Benefits Office to be responsible for the day to day administration of the Program. The UW HR Benefits Office may further designate its authority to administer the Program by a written designation. UW agrees to indemnify and defend to the fullest extent permitted by law and as adopted by the Board of Regents, all persons who are, were, or may be employees of UW against any liabilities, damages, costs, and expenses (including attorney's fees and amounts paid in settlement of any claim approved by UW) occasioned by their occupying or having occupied an administrative position in connection with the Program except when due to their willful misconduct or gross negligence.

10.2. Authority of the Program Administrator. The Program Administrator has all the powers and authority conferred upon it herein and further shall have final authority to determine, in its discretion, all questions concerning eligibility and contributions under the Program, to interpret all terms of the Program, including any uncertain terms, and to decide any disputes arising under and all questions concerning administration and operation of the Program. Without limiting the foregoing, the Program Administrator has the authority to:

- (a) Make and enforce such rules and regulations as it shall deem necessary or proper for the administration of the Plan, consistent with the Plan;
- (b) Determine whether an employee is eligible to participate in the Program;
- (c) Determine whether contributions comply with the applicable limitations;
- (d) Determine whether Hardship distributions and loans comply with applicable requirements and limitations;
- (e) Determine that any transfers or rollovers comply with applicable requirements and limitations;
- (f) Determine that the requirements of the Program and Code section 403(b) are properly applied, including whether UW is a member of a controlled group;
- (g) Determine the status of domestic relations orders or qualified domestic relations orders; and
- (h) Determine the form and manner for an application for payment of benefits, including disputes and appeals regarding a determination of benefits.

10.3. Deference. Any determination made by the Program Administrator shall be given deference, if it is subject to judicial review, and shall be overturned only if it is arbitrary and capricious. In exercising these powers and authority, UW will at all times exercise good faith, apply standards of uniform application, and refrain from arbitrary action.

10.4. Delegation of Authority. The Program Administrator may delegate any power or powers to one or more other employees of UW, or to any agent or independent contractor of UW, including the Fund Sponsors. Any such delegation shall be in writing, and may be obtained from the Program Administrator. Administrative functions, including functions to comply with Code section 403(b) and other tax requirements, may be allocated among various persons pursuant to service agreements or other written documents. However, in no case shall administrative functions be allocated to Participants (other than permitting Participants to make investment elections for self-directed accounts). Any administrative functions not allocated to other persons are reserved to the Program Administrator.

10.5. Correction of Errors. The Program Administrator will have the full discretionary power and authority to correct any “operational defect” in any manner or by any method it deems appropriate in its sole discretion in order to cause the Program (i) to operate in accordance with its terms or, (ii) to maintain its tax-qualified status under the Code. For purposes of this Section 10.5, an “operational defect” is any operational or administrative action (or inaction) in connection with the Program which, in the judgment of the Program Administrator, fails to conform with the terms of the Program or causes or could cause the Program to lose its tax-qualified status under the Code. Any such correction shall be conclusive and binding on all Participants.

10.6. Program Expenses. Any reasonable and necessary expense of administering the Program or of any Annuity Contract or Custodial Account, unless paid by UW, a Participant’s Annuity Contract or Custodial Account, or from a suspense account established for such purpose by a Fund Sponsor in the nature of “revenue sharing” or similar deposits of asset management fees in excess of a negotiated amount as determined by the Program Administrator or UW, shall be apportioned among and charged against the individual Annuity Contracts and/or Custodial Accounts in such manner as the Program Administrator may direct. To the extent consistent with the Code and applicable law, expenses allocable to a specific Annuity Contracts or Custodial Accounts (such as loans) may be charged against such Annuity Contracts or Custodial Accounts, as may be set forth in the Annuity Contract, Custodial Agreement, or other services agreement. Revenue credits deposited in such a suspense account may also be credited to Participants Accumulation Accounts in a manner determined by the Program Administrator.

10.7. Claims. The Administrator shall adopt and maintain written procedures for claims for benefits and appeals under the Plan that includes a formal process conducted in accordance with by RCW 34.05 (“Administrative Procedures Act”) and Washington Administrative Code Chapter 478-108, which are incorporated by reference as if set forth fully herein.

## **11. Amendment and Termination**

11.1. Amendment and Termination. While it is expected that this Program will continue indefinitely, UW reserves the right at any time to amend or terminate the Program, or to discontinue any further VIP Contributions under the Program, by resolution of its Board of Regents. If the Program is terminated or if contributions are discontinued, UW will notify all Participants, all Accumulation Accounts will remain nonforfeitable, and all Contribution Agreements will become void with respect to Includible Compensation not yet paid.

11.2. Distribution Upon Termination of the Program. UW may provide that, in connection with a termination of the Program and subject to any restrictions contained in the Annuity Contracts and Custodial Agreements, all Accumulation Accounts will be distributed, provided that UW and any Related Employer on the date of termination do not make contributions to an alternative Code section 403(b) contract that is not part of the Program during the period beginning on the date of Program termination and ending 12 months after the distribution of all assets from the Program, except as permitted by Treasury regulations.

## **12. Miscellaneous**

12.1. Program Does Not Affect Employment. Nothing contained in this Program may be construed as a commitment or agreement on the part of any person to continue the individual's employment with UW, and nothing contained in this Program may be construed as a commitment on the part of UW to continue the employment or the rate of compensation of any person for any period. All employees of UW will remain subject to discharge to the same extent as if the Program had never been put into effect.

12.2. Military Service. Notwithstanding any provision of this plan to the contrary, contributions, benefits, and service credit with respect to qualified military service will be provided in accordance with Code section 414(u). In addition, the survivors of any Participant who dies on or after January 1, 2007, while performing qualified military service, are entitled to any additional benefits (other than contributions relating to the period of qualified military service) but including vesting service credit for such period and any ancillary life insurance or other survivor benefits) that would have been provided under the Program had the Participant resumed employment on the day preceding the Participant's death and then terminated employment on account of death.

12.3. Claims of Other Persons. No provisions in this Program will be construed as giving any Participant or any other person, firm, or corporation any legal or equitable right against UW or its officers, employees, or regents, except for the rights that are specifically provided for in this Program or created in accordance with the terms and provisions of this Program.

12.4. Contracts and Certificates. In the event there is any inconsistency or ambiguity between the terms of the Program and the terms of the contracts, Annuity Contracts, or Custodial Agreements between the Fund Sponsors and UW and/or the Participants and any certificates issued to a Participant under the Program, the terms of the Program control unless such control is inconsistent with applicable law.

12.5. Requests for Information. Any request for information concerning eligibility, participation, contributions, or other aspects of the operation of the Program should be in writing and directed to the Program Administrator. Requests for information concerning the Fund Sponsor(s) and their Funding Vehicle(s), their terms, conditions and interpretations thereof, claims thereunder, any requests for review of such claims, may be directed in writing to the Fund Sponsor(s).

12.6. Mistake of Fact. If any contribution (or any portion of a contribution) is made to the Program by a good faith mistake of fact, then within one year after the payment of the contribution, and upon receipt in good order of a proper request approved by the Program Administrator, the amount of the mistaken contribution (adjusted for any income or loss in value, if any, allocable thereto) shall be returned directly to the Participant or, to the extent required or permitted by the Program Administrator, to UW.

12.7. Governing Law. Except as provided under federal law, the provisions of the Program are governed by and construed in accordance with the laws of the State of Washington.