



INDIANA UNIVERSITY
UNIVERSITY HUMAN RESOURCE SERVICES

IU SUPPLEMENTAL EARLY RETIREMENT PLAN

(A 401(a) Early Retirement Plan)

Summary of Plan Provisions

APRIL 2007

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IU Supplemental Early Retirement Plan Highlights

Plan Type	Eligibility	Contributions
<p>Money purchase pension plan established in accordance with IRC Section 401(a).</p> <p>Benefits are based solely on the value of the participant's individual account.</p> <p>Indiana University makes all contributions to the Plan.</p> <p>The Plan is not subject to or protected by Title I of ERISA.</p>	<p>To be eligible to participate in the Plan, an employee must satisfy the following criteria:</p> <ul style="list-style-type: none"> • 100% FTE academic or staff employee; • Hired in an appointed position on or after 01/01/1989; and • Participate in the IU Retirement Plan at the 12% contribution level. <p>Geological Survey Department employees are excluded from the Plan.</p>	<p>An eligible participant will receive a contribution each pay period equal to 2.4% of budgeted base salary.</p> <p>Summer pay and supplemental pay are not included in budgeted base salary.</p>
Vesting	Investments	Plan Distributions
<p>A participant will become 100% vested in his or her Plan account upon termination of employment and satisfying one of the following criteria:</p> <ol style="list-style-type: none"> 1) Attainment of age 55 while in active employment status with Indiana University; or 2) Attainment of age 55 while disabled, provided that the disability was continuous from the participant's last date of active work to attainment of age 55. <p>In the event of a participant's death, the participant will become 100% vested if he or she had at least 10 years of full-time service with Indiana University.</p>	<p>A participant makes all investment decisions concerning his or her Plan account.</p> <p>TIAA-CREF and Fidelity Investments are the authorized investment companies under the Plan.</p> <p>Both investment companies offer a wide variety of investment choices, including: stocks, bonds, and money markets.</p>	<p>Plan distributions are permitted only upon termination of employment with Indiana University.</p> <p>Upon termination of employment, a vested participant must take a complete distribution of his or her Plan account.</p> <p>Distribution may be done by:</p> <ul style="list-style-type: none"> • Converting balances to an individual annuity contract at TIAA-CREF (available only for Plan accounts invested at TIAA-CREF); • Withdrawing all or a portion of the Plan account accumulations (subject to income taxes); or • Rolling over all or a portion of Plan account accumulations to an eligible retirement plan (e.g., an IRA).

Plan provision details are described in the following Sections.

Section A: General Information

Plan Name:	IU Supplemental Early Retirement Plan
Plan Sponsor:	Indiana University
Address:	400 East Seventh Street, Poplars E165 Bloomington, Indiana 47405-3085
Type of Plan:	Money Purchase Pension Plan (IRC Section 401(a))
Plan Year:	January 1st to December 31st
Plan Administrator:	Indiana University

This booklet summarizes the major provisions of the IU Supplemental Early Retirement Plan (Plan). Every effort has been made to make this summary as thorough and accurate as possible. However, there are other legal documents, laws, and regulations that govern the operation of the Plan. It is understood that in the event of any conflict, the terms of the Plan document, applicable laws, and regulations will govern. Plan participants are encouraged to read the entire booklet thoroughly and ask any questions about its content or to obtain additional information regarding the Plan from the Plan Administrator.

Section B: Participation and Service

Eligibility for Participation

To be eligible to participate in the Plan, an employee must satisfy the following criteria:

- Be a 100% full-time equivalent (FTE) academic or professional staff employee (grade 16 and above), hired in an appointed position between January 1, 1989 and June 30, 1999; and
- Participate in the IU Retirement Plan at the 12% contribution level.

To be eligible to participate in the IU Retirement Plan at the “12% contribution level,” an employee must be a 100% FTE academic or professional staff employee (grade 16 and above), hired in an appointed eligible position between January 1, 1989 and June 30, 1999.

The following individuals are prohibited from participating in the Plan:

- Geological Survey Department employees.
- Employees associated with an external agency agreement that does not accept early retirement plan participation.

Restricted Participation

An age 55 or older participant is no longer eligible to receive an allocation of Plan contributions if the employee ceases to be a member of an eligible class of employees.

In the event an age 55 or older participant becomes ineligible to receive an allocation of contributions under the Plan, contributions will stop being made to the Plan with the employee's last paycheck attributable to employment in an eligible class of employees.

Age 55 or older participants, who are ineligible to receive a contribution allocation under the Plan, have the same rights as participants who are eligible to receive a contribution allocation under the Plan, except that no additional contributions will be made to the Plan on their behalf.

Termination of Participation

An age 54 or younger participant is no longer eligible to participate in the Plan if:

- The employee terminates employment with Indiana University; or
- The employee no longer satisfies the eligibility requirements for participation in the IU Retirement Plan at the 12% contribution level.

In the event an age 54 or younger participant becomes ineligible to participate in the Plan, the individual's entire Plan benefit will be forfeited.

Section C: Contributions

Employer Contributions

Each pay period, Indiana University will contribute to the Plan an amount equal to 2.4% of budgeted base salary paid to the participant in the pay period. "Budgeted base salary" does not include any summer pay or supplemental pay.

No contributions will be made to the Plan on behalf of a participant while the participant is on an unpaid leave of absence.

Employee Contributions

Indiana University makes all contributions to the Plan. Employees are not required, nor permitted, to make any contributions to the Plan.

Maximum Contribution Amount (IRC Section 415 Limit)

Federal law limits the total amount of contributions that may be contributed to certain Indiana University retirement plans on behalf of an employee for any calendar year. The total amount contributed cannot exceed the lesser of 100 percent of the employee's compensation for the year or \$45,000 in 2007. (The IRS adjusts the contribution limit periodically for increases in the cost-of-living.)

Vesting

A participant must terminate employment with Indiana University and satisfy one of the following vesting events in order to become 100% vested in his or her Plan account::

- 1) Attainment of age 55 while in active employment status with Indiana University (or, if later, the date the participant has completed 9 months of active employment with Indiana University following an unpaid leave of absence); or
- 2) Attainment of age 55 while disabled, provided that the participant's disability was continuous from his or her last day in active employment status with Indiana University to the participant's attainment of age 55. "Disabled" or "disability" means a participant has been awarded disability by the Social Security Administration.

In the event of a participant's death, the participant will become 100% vested if he or she had at least 10 years of full-time service with Indiana University.

Forfeiture

A non-vested participant will forfeit his or her Plan account upon the earlier of:

- 1) Termination of employment with Indiana University, provided the participant is not disabled;
- 2) Death;
- 3) The date the participant no longer satisfies the eligibility requirements for participation in the IU Retirement Plan at the 12% contribution level because of a voluntary job transfer within Indiana University; or
- 4) For a participant who was disabled as of his or her date of termination of employment, the date the participant attains age 55 while not actively employed with Indiana University if the participant's disability was not continuous from his or her last day in active employment status with Indiana University to the participant's attainment of age 55.

Involuntary Job Transfer

If a participant no longer satisfies the eligibility requirements for participation in the IU Retirement Plan at the 12% contribution level because of an involuntary job transfer within Indiana University, contributions will stop being made to the Plan with the employee's last paycheck attributable to employment in an eligible class of employees.

Such a participant will have the same rights and be subject to the same rules as participants who are eligible to receive a contribution allocation under the Plan, except that no additional contributions will be made to the Plan on their behalf.

Taxes on Contributions

Plan contributions will not be included in a participant's income reported to the federal, state, or local governments for income tax purposes. However, a participant will pay income tax on contributions and earnings when they are distributed from the Plan to the participant.

Military Service

Upon reemployment or reinstatement following a period of military service, Indiana University may be required to restore any Plan benefits that would have been earned by the eligible employee for any portion of the military service period for which the employee would otherwise have been a participant had he or she continued working with Indiana University.

If an employee returns to work following a period of military service, University Human Resource Services (UHRS) should be contacted immediately.

Please provide the following information when contacting UHRS:

- 1) Name of the employee;
- 2) Employee's identification number;
- 3) Beginning and ending dates of the period of military service; and
- 4) Date employee returned to work from military service.

Rollover Contributions

Indiana University does not allow rollover contributions to be made to the Plan. A “rollover contribution” is an employee directed transfer of retirement plan assets from a retirement plan of a prior employer or an IRA to the retirement plan of a current employer.

Beneficiary Designations

In General. A participant designates the person or entity that will be the beneficiary of the participant’s Plan account on the investment company account application or beneficiary designation form.

Changing a Beneficiary Designation. To change a beneficiary designation, a participant must execute a new beneficiary designation form for each investment company in which his or her Plan account accumulations are invested. Once completed, the executed form(s) must be returned directly to the investment company for processing.

Beneficiary Designations. Any person or entity can be designated as a beneficiary. The participant’s spouse is not required to be designated as the beneficiary. A participant does not need spousal consent to designate someone other than the spouse as the beneficiary.

Section D: Investments

General Terms and Conditions

The Plan is a participant directed plan. This means that each participant is responsible for directing the investment of his or her Plan account. (References to a participant's "account" in this summary means all accounts maintained in his or her name under the Plan at the authorized investment companies.)

A participant may direct the investment of his or her Plan account among any investment funds provided under the Plan. A participant may also transfer monies from one investment fund to another.

A participant's election to invest his or her account, to change the investment direction of future contributions, or to transfer amounts from one investment fund to another must be made in accordance with the rules established by the Plan Administrator. In addition, the Plan Administrator has adopted rules and procedures for the investment of amounts for which no elections are received.

Authorized Investment Companies

Indiana University has approved of the following investment companies under the Plan:

Company	Address	Telephone Number	Web site
TIAA-CREF	730 Third Avenue New York, NY 10017	800-842-2776	www.tiaa-cref.org
Fidelity Investments	82 Devonshire Street Boston, MA 02109	800-343-0860	https://netbenefits.fidelity.com

Representatives from TIAA-CREF and Fidelity Investments are available to meet with participants to discuss investment fund options.

Investment Company Fees

TIAA-CREF and Fidelity Investments do not generally charge participants the following types of fees: front end/sales load fees, account maintenance fees, cash-out or transfer fees. However, each individual fund will have minimum management fees as specified in the fund's prospectus.

Each investment company reports net investment return figures, which reflect investment performance after administrative expenses are deducted.

Participants should contact the investment company for more information about fees before investing with that company.

Account Statements

A participant receives account statements from each investment company in which his or her Plan account assets are invested each calendar year quarter. Account statements detail all investment activities including contributions, earnings, losses, and transfers.

Plan Assets and Accumulations Not Guaranteed Against Loss

A participant's investment of his or her Plan account is subject to loss. Neither the Plan nor Indiana University guarantees a participant that his or her Plan account will not experience financial loss.

Changing Current Investment Allocation

To change the current investment allocation of the Plan account at an investment company, a participant must contact the investment company directly.

Directing the Investment of Future Contributions to a Different Investment Company

To direct the investment of future contributions to a different investment company, a participant must:

- 1) Establish (or have previously established) a Plan account at the investment company that will receive future contributions by completing an investment company account application;
Please Note: A participant with a current IUSERP account at the new investment company is not required to complete an account application.
- 2) Complete an IUSERP Investment Company Change Form; and
- 3) Return a completed IUSERP Investment Company Change Form and investment company account application (if applicable) to the campus Human Resources office no later than 30 days prior to the next pay date.

The campus Human Resources office will process the change in investment direction as soon as administratively feasible once it receives a completed IUSERP Investment Company Change Form and an investment company account application (if applicable). In no event, will the change become effective retroactively.

Transferring Account Accumulations from One Investment Company to Another

To transfer Plan account accumulations from one investment company to another, a participant must:

- 1) Establish (or have previously established) a Plan account at the investment company that will receive the transfer by completing an investment company account application; and
Please Note: A participant with a current IUSERP account at the new investment company is not required to complete an account application.
- 2) Direct the new investment company to request that account accumulations be transferred from the current investment company.

Investment Advisors (Agents and Brokers)

Indiana University prohibits investment advisors from having direct access to a participant's Plan account. Indiana University does not provide any participant information to an investment advisor without the express written consent of the participant.

Section E: Introduction to General Investment Concepts

The information presented in this section is intended to provide participants with a general introduction to investments. The information is not intended to be, and should not be construed as, investment advice. Each participant should consult with an investment advisor and refer to other investment materials to learn more about investments and investment strategy.

Developing an Investment Strategy

A participant is responsible for making all investment decisions for his or her Plan account. These decisions will directly impact how much earnings a participant's account will gain and will determine the amount of income that will be available to the participant from the account during retirement.

Therefore, it is very important that a participant develop a long-term investment strategy that is capable of taking advantage of upswings and surviving downturns in the financial markets.

Creating a long-term investment strategy does not require a participant to become an expert financial analyst. However, creating a long-term investment strategy does require a participant to become familiar with general investment terms and concepts.

Asset Allocation

Asset allocation refers to the distribution of investment funds among categories of assets, such as stocks, bonds, and cash equivalents. Asset allocation affects both risk and return. It is a central concept in personal financial planning and investment management.

How a participant chooses to invest his or her account will affect the amount of retirement income that will accumulate in the account. Choosing the right balance between different types of assets requires a participant to:

- Establish a goal for the amount of assets that the participant will need for retirement;
- Determine the participant's time horizon; and
- Understand the differences between stocks, bonds, and money market funds.

A participant should review how assets are allocated in his or her account on a periodic basis. However, very frequent asset allocation changes may be harmful to the participant's long-term investment strategy. Some common reasons a participant might change his or her asset allocation are:

- The participant's time horizon changes significantly.
- The value of the participant's other sources of retirement income changes dramatically.
- The percentage of a certain class of assets in the account changes significantly due to an increase or decrease in value.

Establishing a Goal

Income during retirement years typically comes from five sources: 1) Social Security, 2) employer-funded retirement plans, 3) salary deferral plans, 4) personal savings and assets, and 5) a full or part-time job.

Determining the amount of retirement income a participant expects from each of the five main sources is an essential step in developing an overall strategy of retirement planning. Therefore, it is important that the participant establish a goal for the amount of assets he or she expects to receive from his or her Plan account. The goal will help the participant create an investment strategy for the account. The investment strategy could be preservation of contributions and accumulations or maximizing gains or a combination both depending the participant's goal.

Time Horizon

Time horizon is the period of time available to the participant for investing his or her Plan account before the participant will need to begin taking distributions from the account for retirement income.

The longer the time horizon, the more opportunity there is to take advantage of upswings and survive downturns in the financial markets. A participant with a long time horizon may be concerned with maximizing gains. For example, a younger participant has a long time horizon and may invest his or her account heavily in stocks to maximize the potential for gains (i.e., higher risk – higher potential for gains).

The shorter the time horizon, the less opportunity there is to take advantage of upswings and survive downturns in the financial markets. A participant with a short time horizon may be concerned with preserving a specific account balance. For example, an older participant has a short time horizon and may invest his or her account heavily in bonds and money market funds to preserve the account balance (i.e., lower risk – less potential for losses).

Some assets in a participant's account will have a longer time horizon than others because the participant may only need to take a partial distribution from his or her account. Therefore, the time horizon for some assets in a participant's account may be based on the participant's expected date of retirement, while the time horizon for other assets may be based on a later date.

Market Risk

Market risk is risk that is common to all types of assets of the same general class (e.g., stocks). Market risk cannot be eliminated by diversification. In other words, market risk is the fact that all asset funds will fluctuate in value.

Each fund's stated investment objective will provide insight into the amount of anticipated market risk of that fund.

Inflation Risk

Inflation risk, also called purchasing-power risk, is the risk that the return the participant will earn after adjusting for inflation will be negative. In other words, inflation risk is the fact that the value of all investment returns will be lower when adjusted for inflation. If inflation exceeds an asset fund's rate of return, a participant may actually be losing money even though the asset fund has a "positive" return.

Investment Return

Investment return is a measure of how much an investment earns during a specific period of time. Investment return can come from cash payments (e.g., dividends and interest payments), changes in an investment fund's market value, or a combination of both. Generally, a fund's total return is the sum of its interest or dividend payments plus any changes in its market value.

Asset Classes

Five general types of assets classes are: 1) stocks; 2) bonds; 3) real estate; 4) guaranteed investment contracts; and 5) money market funds.

A "stock" is a share of ownership in a corporation and a claim on the corporation's earnings and assets. Stocks are often used to substantially grow the value of a participant's account.

A "bond" is a loan to a corporation, government, or municipality which pays a specified rate of interest on the loan until the original loan amount is repaid on a specified date in the future. Bonds are often used to add a stream of current income and stability to a participant's account.

A "real estate" fund invests in a diverse array of real estate such as shopping centers, medical facilities, nursing homes, office buildings, apartment complexes, industrial warehouses, and hotels. Real estate fund returns traditionally parallel inflation and tend to rise and fall more slowly than stock and bond returns.

A "guaranteed investment contract" is a contract between an insurance company and a participant that guarantees a specific rate of return on the invested principal over the life of the contract. Guaranteed investment contracts are often used to preserve principal and simultaneously provide at least a specified minimum return.

A "money market fund" is a short-term debt instrument usually in the form of commercial paper, United States Treasury bills, government securities, and certificates of deposit. Money market funds are often used to preserve the value of assets that will be distributed to a participant in the very near future.

Diversification

Diversification is an investment technique that spreads risk by investing an account among different types of assets such as stocks, bonds, fixed annuities, and cash equivalents. Diversification helps protect investments from a single, devastating loss.

The potential return of an investment fund directly relates to its level of risk. The higher the risk, the higher the potential return. Diversifying investments helps reduce risk associated with high risk assets. Although diversification does not guarantee a certain amount of return or ensure against loss, it can help a participant pursue long-term investment goals while protecting against market risk. Losses to one investment are likely offset by gains from another investment.

Diversification can take place simultaneously in several ways, such as:

- Spreading investments across multiple types of businesses. This type of diversification is automatically done in the Plan. All investment funds available under the Plan are annuity or mutual funds that represent assets of numerous businesses and securities to achieve a specified fund objective.
- Spreading investments across different asset classes. A participant must take steps to achieve this type of diversification by investing portions of his or her account in different types of assets (e.g., stocks, bonds, and money market funds).
- Spreading investments across different kinds of stocks and bonds. Investing in multiple stock funds that have different objectives (e.g., domestic vs. international stocks) and bond funds that have different maturity periods (e.g., 5 years vs. 10 years) helps spread risk.

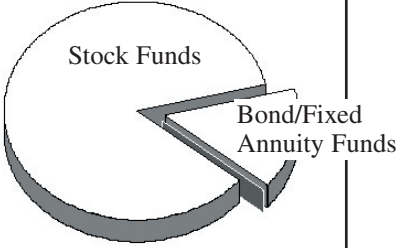
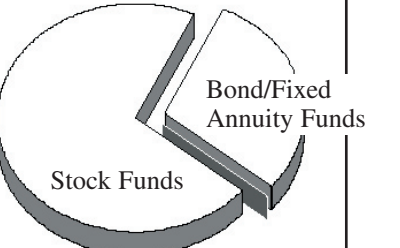
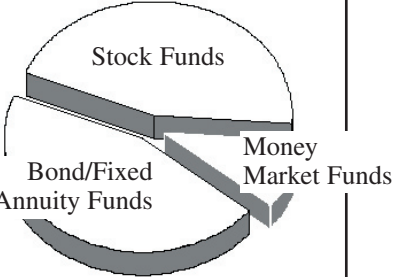
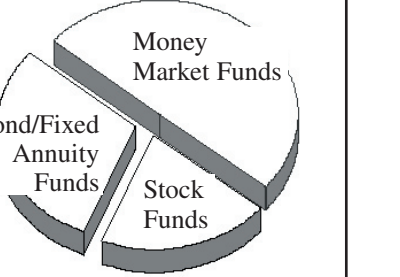
Asset Class Summary Chart

The chart summarizes the general tendencies of each asset class previously described. Asset class tendencies are only generalizations and should not be relied upon as absolute statements.

Asset Classes					
	Stocks	Real Estate	Bonds	Guaranteed Income Contracts (GICs)	Money Market Funds
Time Horizon	<u>Long.</u> A participant needs a long time horizon to take advantage of upswings and survive downturns in the markets.	<u>Moderate to Long.</u> A participant needs a moderate to long time horizon to realize a substantial return.	<u>Short to Moderate.</u> A participant needs a short to moderate time horizon to realize a return while avoiding losses due to inflation.	<u>Short.</u> A participant needs a short time horizon to preserve his or her account balance while realizing a return.	<u>Very Short.</u> A participant needs a very short time horizon to preserve his or her account balance.
Market Risk	<u>High.</u> Stocks have high market risk, but offer a greater potential return.	<u>Moderate.</u> Real estate funds have a moderate risk for loss that is not necessarily tied to the financial markets.	<u>Low to Moderate.</u> Bonds have low to moderate market risk, but may offer less return than stocks.	<u>Low.</u> GICs will pay the participant a stated rate of return subject to the financial stability of the insurance company.	<u>Low.</u> Money market funds have very low market risk.
Inflation Risk	<u>Low.</u> Stocks have low inflation risk, but high market risk.	<u>Low.</u> Real estate funds have low inflation risk. Returns tend to at least parallel inflation.	<u>Moderate.</u> Bonds have moderate inflation risk, but low to moderate market risk.	<u>High.</u> The rate of return for GICs may not keep pace with inflation.	<u>High.</u> Money market funds have very high inflation risk.
Investment Return	<u>High.</u> The potential return for stocks is high. However, stocks also have a high potential for loss.	<u>Moderate.</u> The potential return for real estate funds is generally moderate.	<u>Moderate.</u> The potential return for bonds is moderate.	<u>Low.</u> The rate of return for GICs may be low as compared with other asset classes.	<u>Low.</u> The rate of return for money market funds is very low.

Sample Asset Allocation Models

The following asset allocation models are generic and are only provided as examples. How a participant invests his or her account may be very different from the samples because each participant's tolerance for risk, time horizon, income goal, and investment strategy are unique.

<p>Aggressive: This model's objective is to achieve long-term growth. This model is characterized by heavy investment in growth and value stocks. This model might be attractive to a participant with a very long time horizon (e.g., 15 years or more).</p>	
<p>Growth: This model's objective is to achieve long-term growth while providing some protection against loss. This model is characterized by moderately heavy investment in stocks and moderate investment in bonds. This model might be attractive to a participant with a medium time horizon (e.g., 10 years or more).</p>	
<p>Conservative Growth: This model's objective is to achieve a balance between growth and protection against loss. This model is characterized by moderate investment in stocks, bonds, and money markets. This model might be attractive to a participant who has a short time horizon (e.g., 5 years or less).</p>	
<p>Conservative: This model's objective is to achieve safety and stability. This model is characterized by heavy investment in money market funds. This model might be attractive to a participant who has a very short time horizon (e.g., 2 years or less).</p>	

More Information

Representatives from TIAA-CREF and Fidelity Investments are available to meet with a participant to discuss general investment strategies, concepts, and information.

Section F: Plan Distributions and Withdrawals

Distributable Events

A vested participant may only withdraw funds from his or her Plan account upon termination of employment with Indiana University.

Hardship Distributions

Hardship distributions are not allowed to be made to a participant from the Plan.

Loans

Loans are not allowed to be made to a participant from the Plan.

Timing of Distribution

Upon termination of employment, a vested participant must take a complete distribution of his or her Plan account within 90 days after the last day of the plan year in which the participant terminated employment with Indiana University.

Death Benefits

If a non-vested participant dies with less than 10 years of full-time service with Indiana University, the participant's Plan account will be forfeited.

If a non-vested participant dies with 10 years or more of full-time service with Indiana University, the participant will become 100% vested in his or her account.

If a vested participant dies after his or her entire Plan account has been distributed, no further benefits will be paid to the beneficiary.

If a vested participant dies before his or her Plan account has been completely distributed, the remaining portion of the participant's Plan account will be distributed to the beneficiary.

Forms of Distribution

A participant may choose to:

- Convert balances to an individual annuity contract at TIAA-CREF (available only for Plan accounts invested at TIAA-CREF);
- Withdraw all or a portion of the Plan account accumulations (subject to income taxes); or
- Roll over all or a portion of Plan account accumulations to an eligible retirement plan (e.g., IRA).

In the absence of participant direction, a vested participant's Plan account will be automatically distributed to the participant within 90 days after the last day of the plan year in which the participant terminates as follows:

- For a Plan account that is invested with TIAA-CREF, account accumulations will be converted to an individual contract.
- For a Plan account that is invested with Fidelity Investments, account accumulations will be rolled over to an individual retirement account (IRA) established on behalf of the employee.

Taxes on Distributions

Plan distributions are generally subject to a 20% mandatory federal income tax withholding rate. This mandatory withholding will reduce the amount a participant actually receives upon withdrawing funds from the Plan. However, the amount withheld will be credited against any taxes the participant owes for the year when the participant files his or her annual tax return.

There are exceptions to the mandatory federal income tax withholding rule, including receiving the Plan distribution as a life-time annuity payment or directly rolling over the Plan distribution to an eligible retirement plan (e.g., an IRA).

Direct Rollover Distributions

A direct rollover of an eligible rollover distribution may be made at the participant's election. A direct rollover is a payment of an eligible rollover distribution from the Plan directly to another eligible retirement plan. An "eligible retirement plan" includes 401(a) plans, 403(b) plans, 401(k) plans, governmental 457(b) plans, and IRAs. However, certain types of distributions, such as life-time annuity payments, are not eligible for direct rollover treatment.

Qualified Domestic Relations Orders (QDROs)

Indiana University may be required by law to recognize obligations a participant incurs as a result of a qualified domestic relations order (QDRO). A QDRO is a decree or order issued by a court that obligates the participant to pay child support or alimony, or otherwise allocates a portion of the participant's assets in the Plan to his or her spouse, former spouse, child, or other dependent (collectively known as "alternate payees").

A distribution authorized by a QDRO to an alternate payee will be permitted under the Plan, even if the affected participant is not currently eligible for a Plan distribution.

Participant Responsibilities

Upon termination of employment with Indiana University, a vested participant must:

- Notify UHRS of his or her intended distribution date at least 60 days before such date.
- Complete and return an IUSERP Distribution Form to UHRS. UHRS will provide the vested participant with an IUSERP Distribution Form after UHRS receives notification of the vested participant's intent of distribution and at least 30 days before the intended distribution date.

Section G: Administrative Provisions

Plan Amendment and Termination

Indiana University has reserved the right to amend and/or terminate the Plan at any time in its sole discretion.

Benefit Claim Procedure

Benefits will be payable in accordance with the provisions of the Plan. Plan distributions are generally handled directly by the participant or beneficiary with the investment company. However, an individual may submit a written claim for benefits. A claim is a written request by a participant or beneficiary for a benefit under the Plan. A claim must be filed, either by the claimant or his or her authorized representative, with the Plan Administrator.

The Plan Administrator will normally make a decision on a claim for benefits under the Plan within 90 days of when the claim is filed. In some special cases, more than 90 days may be necessary. If a special situation exists, the Plan Administrator will notify the claimant and explain the reasons more time is needed. After giving the notice, the Plan Administrator may take up to another 90 days to make the decision. If a claim is denied, the claimant will receive a written explanation of the denial and may use the Plan rules for appealing denied claims.

A claimant or his or her authorized representative may, within 90 days of receipt of the denial of a claim, appeal the denial and request a review of pertinent documents or submit issues and comments to the Plan Administrator by filing written notice of the appeal, request for documents, or comments. The Plan Administrator will conduct the review and decide on the appeal within 60 days after the request for review is made. In special cases, more time may be needed to make the decision on review. If the Plan Administrator notifies the claimant that there will be delay and explains the reason for needing more time, the Plan Administrator may have an additional 60 days to decide. The decision rendered by the Plan Administrator will be in writing, it will be clear and understandable, and it will include specific reasons with specific references to the pertinent Plan provisions on which the decision is based.

Participant Responsibilities

Participants and beneficiaries must furnish the Plan Administrator any information considered necessary by the Plan Administrator for the purpose of administering the Plan. All parties to the Plan must perform any and all acts and execute any and all documents necessary for carrying out operation of the Plan.

Participant Rights

The Plan is not a contract between Indiana University and any participant. Participation in the Plan does not give an employee the right to be retained in the employ of Indiana University. Participation in the Plan does not limit Indiana University's right in any way to employ or terminate employment of any person or discipline any employee. A participant should not rely on this summary as creating any legal rights in the Plan or at Indiana University.

Alienation

Except as may be required by applicable law, benefits payable under the Plan are not subject to sale, transfer, assignment, pledge, encumbrance, garnishment, or levy of any kind, either voluntary or involuntary, prior to actually being distributed from the Plan to the participant. Any attempt to sell, transfer, assign, pledge, encumber, or otherwise dispose of any right to benefits payable to the participant under the Plan will be null and void.

Laws Governing the Plan

The Plan will be construed and enforced in accordance with the Internal Revenue Code of 1986, as amended and regulations thereunder and the laws of the State of Indiana to the extent not preempted by Federal law.

Payment of Benefits

Any payment to a participant, the participant's legal representative, beneficiary, or to any guardian appointed for the participant or beneficiary will be in full satisfaction of all claims against the Plan.

Plan Administrator

The Board of Trustees of Indiana University is responsible for administration and management of the Plan and is the "Plan Administrator." However, the Board of Trustees of Indiana University has appointed UHRS to manage the day-to-day operation and administration of the Plan.

ERISA

The Plan is exempt from Titles I and IV of the Employee Retirement Income Security Act of 1974 (ERISA).

Questions

If a participant has any questions about the Plan, he or she should contact UHRS at:

**University Human Resource Services
Attn: IUSERP
400 East 7th Street, Poplars E165
Bloomington, Indiana 47405-3085**

or email: retplans@indiana.edu