SUMMARY PLAN DESCRIPTION

GRAND VALLEY STATE UNIVERSITY

457 RETIREMENT PLAN

1217789-3

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ARTICLE 1

INTRODUCTION

Grand Valley State University ("University") has established a Section 457(b) retirement plan (“Plan”). It is maintained for the exclusive benefit of eligible employees and their beneficiaries. This description of the Plan has been prepared to explain how the Plan operates and what your benefits and rights are. You should read all of this summary plan description so that you understand the ways in which the Plan may benefit you and what limitations apply.

A summary cannot include all details of the Plan document or the administration and operation of the Plan. If there is any omission or ambiguity in this summary plan description or any conflict between this summary and the terms of the Plan, the provisions of the actual plan document will control. Therefore, if you have questions or if you want to know how a plan provision applies to you, be sure to ask the Plan Administrator.

ARTICLE 2

GENERAL INFORMATION

The basic information for the Plan is set forth below.

Plan Name.

Grand Valley State University 457 Retirement Plan

Employer and Plan Administrator.

Grand Valley State University
1 Campus Drive
Allendale, Michigan 49401-9403
(616) 331-5000

Employer Taxpayer Identification Number.

38-1684280

Plan Number.

006

Type of Plan.

Internal Revenue Code Section 457(b) governmental deferred compensation plan

Type of Administration.

The Plan is self-administered by the University

Plan Year.

January 1 – December 31

Investment Sponsors.

A list of permitted investment sponsors is attached.

Service of Legal Process.

Service of legal process may be made upon the General Counsel of the University, Thomas A. Butcher, at the University address noted above.

ARTICLE 3

ELIGIBILITY AND PARTICIPATION

Eligibility.

To participate in the Plan, you must be an individual who is employed by the University and who receives compensation from the University for personal services ("Employee") in Covered Employment.

"Covered Employment" means all employment with the University except employment as: (i) a member of a collective bargaining unit which has not authorized participation in the Plan; (ii) a leased employee (i.e., an individual employed by another employer but assigned to work for the employer through a temporary service or leasing agency); (iii) an independent contractor; (iv) a trustee of the University; or (v) an employee whose terms and conditions of employment state that the employee is not eligible to participate in the Plan.

Entry Into the Plan.

You will become a participant in the Plan on the first day of the month after you are employed in Covered Employment and complete a salary deferral agreement that is accepted by the University.

Participation Upon Reemployment.

If your employment terminates and you are later reemployed by the University, you may become a participant in the Plan again by meeting the entry requirements above.

ARTICLE 4

CONTRIBUTIONS TO THE PLAN

Elective Deferrals.

You may elect to have your compensation reduced and have the amount of that reduction contributed to the Plan on a pre-tax basis. Once you decide how much you want to save and complete the necessary forms, the amount that you select will automatically be deducted from your paycheck and forwarded to the investment sponsor you select who will maintain a contribution account for you. Because your contributions are not subject to federal or state income taxes, you will have an immediate reduction in your taxes. However, you must continue to pay Social Security and Medicare taxes based on your total compensation.

Your initial election will be effective as soon as possible after you become a participant in the Plan (although not earlier than the first day of the month following the date in which you complete the form). You may change your election, make a new election, or discontinue your contributions at the times specified by the University throughout the year. You may not retroactively revoke an election, however. At present, you may make changes in your elections effective as soon as administratively possible after the beginning of the next month.

Your contributions are subject to the following the following limits:

Basic Limit. For 2006, the general rule is that your contribution may not exceed the lesser of $15,000 (this amount will be adjusted annually for inflation for years after 2006) or 100% of your gross W-2 pay for the year.

There are two special "catch-up" rules that may allow you to contribute more than the $15,000 limit described above.

Age 50 Catch Up. If you attain age 50 in the calendar year of the contribution (or previously attained age 50), you may contribute an additional amount, up to $5,000 for 2006 (this amount will be adjusted annually for inflation for years after 2006).

457 Catch Up . For the three taxable years before you reach age 65, you may contribute an additional amount equal to the lesser of:

- twice the annual basic dollar limit (the $15,000 amount identified above), or

- the sum of your unused 457 limits for all years in which the University maintained the Plan and you were eligible to participate.

You may not use both catch-up rules in the same year. If both apply, you must use the 457 Catch Up. The University may modify your contribution election to conform to required limits or to limit the contribution to your available pay. The University may also distribute excess deferrals to you as necessary to comply with the applicable limits.

Accumulated Sick and Vacation Pay.

In certain cases, you may be able to elect to defer some of your accumulated sick pay or vacation pay (and back pay, if applicable). If you are considering this, you should contact the Plan Administrator at least several months before you terminate employment and before the month the accumulated amounts would otherwise be payable to you.

Rollovers and Transfers.

If you receive, or are eligible to receive, a distribution from a qualified retirement plan, a 403(a) annuity contract, another governmental 457(b) plan, or a 403(b) plan, or if you have rolled over a previous distribution to an IRA to which you have made no other contributions, you may roll over or transfer your prior retirement benefits to this Plan. A rollover must be made within 60 days after you receive the distribution.

Before you transfer or roll over assets to or from this Plan, you should talk to your own independent adviser about the applicable requirements, time limits and tax consequences.

Make-Up Contributions.

If you return to work for the University from a qualified military leave within the time period specified by federal law, you may be eligible to make up contributions missed due to your absence. For more information, please contact the Plan Administrator.

ARTICLE 5

ACCOUNTS AND ALLOCATION

Separate Accounts.

A separate bookkeeping account will be established for you by the Plan Administrator as a record of the contributions to your account.

Allocation.

Contributions will be allocated to your account as soon as administratively feasible. Investment sponsors may deduct any applicable administrative expenses from your allocations.

ARTICLE 6

VESTING

General Rule.

You are 100% vested in the amounts credited to your account at all times.

ARTICLE 7

DISTRIBUTION OF BENEFITS

Time of Distribution.

The Plan Administrator may distribute your account upon the following events:

(a) Attaining Age 70½ . You may request payment of your account balance when you reach age 70 ½.

(b) Death. Your beneficiary may request payment of your vested account balance after your death.

(c) Termination of Employment. You may request the payment of your vested account balance when your employment with the University terminates.

(d) Termination of the Plan. Generally, you will receive a distribution of your account balance upon the termination and liquidation of the Plan.

(e) Unforeseeable Emergency. You may request a distribution to meet an unforeseeable emergency. You will receive a distribution only if you demonstrate there is a severe financial hardship due to illness or accident to you or your family, casualty, or similar extraordinary and unforeseeable circumstances that meet the tests imposed by applicable IRS regulations.

(f) Small Balance. You may request payment of a balance of less than $5,000 if amounts have not contributed to the Plan for at least two years, you have not received another small balance distribution, and the amount is not attributable to a rollover contribution.

(g) QDRO. The Plan Administrator may make a distribution of your account balance to pay benefits to an alternate payee as required by a qualified domestic relations order. Any expense related to the administration of a QDRO will be assessed against your account.

(h) Purchase of Permissive Service Credit . You may request that all or a portion of your account is directly transferred to a governmental defined benefit plan for the purchase of permissive service credit or as repayment of a cash-out from that plan, if the other plan allows.

Method of Distribution.

You (or your beneficiary) may elect to receive payment in one or a combination of the following methods:

(a) Lump-Sum Payment. A single lump-sum payment.

(b) Installments. A series of scheduled payments made over a period of time.

(c) Transfer. A direct transfer to an IRA, a governmental 457 plan, a Section 403(b) plan, a 403(a) annuity contract, or a qualified retirement plan if the plan is authorized to accept a transfer of assets from this Plan.

Payment will be made as soon as administratively feasible after receipt of a distribution request that conforms to the Plan and the investment sponsor's requirements.

Electing Time and Method of Distribution.

You may request benefit payments subject to the rules of the investment sponsors. If you fail to elect a form of payment, the Plan Administrator will distribute the benefits as a lump sum.

Designation of Beneficiary.

The Plan provides that benefits payable after your death will be made in the following order: to your spouse, to your children (and if deceased, their children), to your parents, and then to your brothers and sisters. If you do not want this order of distribution, you should name a beneficiary to receive any remaining benefits after your death. You can designate a beneficiary by completing and signing a form furnished or approved by the Plan Administrator. Your will is not a beneficiary designation for the Plan.

No Assignment of Benefits/Qualified Domestic Relations Order.

As a general rule, your vested account balance cannot be sold, used as collateral for a loan, given away or otherwise transferred. In addition, your creditors may not attach, garnish or otherwise interfere with your account.

However, there is an exception to this general rule. The law requires a distribution from your vested account for a court-ordered property settlement in child support or alimony payments if the Plan Administrator is presented with a “Qualified Domestic Relations Order” (“QDRO”). The Plan Administrator will determine whether a domestic relations order qualifies as a QDRO.

Taxation of Distributions.

When you receive a distribution from the Plan, it will normally be subject to income taxes. You may reduce or defer the tax due on the distribution by rolling over or directly transferring all or a part of the distribution to an individual retirement account (IRA), a governmental 457 plan, a 403(b) plan, or a qualified 401(a) or 403(a) retirement plan.

When you request a distribution, you should receive a detailed explanation of your options and the related tax consequences. The tax rules generally are complex and you should consult with qualified tax counsel before electing the method of distribution. If you do not receive the detailed explanation, you should contact the Plan Administrator.

ARTICLE 8

ADMINISTRATION OF THE PLAN

Overview.

Responsibility for the administration of the Plan and the investments offered by the Plan is shared by the University and the investment sponsors. Each person is responsible for the exercise of the duties assigned to it, but not for the duties assigned to the other fiduciaries.

University Responsibilities.

The University (or its appointed Plan Administrator) is responsible for selecting investment sponsors, providing participant information, transmitting contributions, determining eligibility, interpreting the Plan, prescribing procedures and forms for administering the Plan, and preparing reports and disclosures to participants and the government.

Investment Sponsor.

The University has an agreement with each investment sponsor assigning several administrative duties to the investment sponsor. These include:

- Determining your contribution limits and the permissibility of rollover contributions.
- Distributing any excess contributions by April 15 of the year following the contribution.
- Maintaining accounts for contributions and earnings, losses and adjustments in value.
- Assuring that distributions conform to the Plan and that you receive required minimum distributions.
- Providing required tax notices and making and reporting all required tax withholdings.
- Providing the University with an annual aggregate accounting and cooperating with tax and financial audits and corrections.
- Assuring that loans conform to the Plan and IRS requirements.

- Providing acceptable forms for participation, contributions, distributions, beneficiary designations and loans.

Claims and Appeals.

An application for benefits (often called a "claim" for benefits) must be submitted in writing. The Plan Administrator will inform you of the approval or denial of your claim within 90 days of its receipt, unless you are notified prior to that time that an extension (not to exceed an additional 90 days) is necessary. Written notification of the Plan Administrator's decision will include the reason for the decision and the Plan provision on which the decision is based. If your claim is denied, you will also receive: (a) a description of any additional material that you could present to prove your claim, (b) an explanation of why the additional material is needed, and (c) an explanation of the steps you must take to request further review of your claim.

You (or your representative) have the right to appeal for a full and fair review of the denial of your claim within 60 days, unless special circumstances require longer (but not more than 120 days), from the date you receive notification of the denial. A full and fair review affords you (or your representative) the right to submit written statements, records, or other information relating to your claim and the right to reasonably access and receive copies of all documents, records, and other information relevant to your claim, at no cost.

ARTICLE 9

INVESTMENTS

Authorized Investments.

Your contributions to the Plan are paid to the specific investment sponsor that you selected and are invested in a trust fund, custodial account, or annuity contract.

Participant Direction.

You must direct the investment of your account. Basic information regarding the investment sponsors available under the Plan is attached. The investment sponsor maintains custody of your accounts. The terms of investment (procedures, expenses and other requirements) are governed by the investment vehicle that you select. By directing the investment of your accounts, you are undertaking responsibility for the success or failure of your investment choices. Your investment direction will remain in effect until modified or revoked by you.

If you fail to provide investment direction for your account, the Plan Administrator will determine how to invest the assets. However, if you later direct the investment of your account, your direction will apply to future elective deferrals as well as the amounts previously invested by the Plan Administrator.

Loans to Participants.

You may request a loan from the Plan. If you apply for a loan, you will be given a copy of the loan procedures from the investment sponsor which explains the rules and limitations on loans. Your loan will be evidenced by a written promissory note providing for the payment of principal and interest in level amounts. If you fail to repay any part of the loan, the investment sponsor may deduct the balance, including any unpaid interest due on the loan, from your vested account balance. In order to obtain a loan, you must consent to the use of your vested account balance as security for the loan.

Investment Sponsor Responsibilities.

Unless responsibility is delegated to another investment sponsor, the investment sponsor is responsible for investing Plan assets in accordance with your direction, valuing the assets, and making distributions. The University does not guarantee the tax consequences of your participation in the Plan or the investment return on your Plan account.

ARTICLE 10

AMENDMENT AND MERGER

Amendment.

The University has the right to amend the Plan at any time but an amendment cannot retroactively reduce your benefits or vested percentage. The University may also change the permitted investment sponsors from time to time.

Merger.

The Plan can be merged or consolidated with another plan as long as your account balance is not reduced by the merger.

Suspension.

The University may temporarily suspend acceptance of elective deferrals as necessary to administer the plan or comply with the law, but a suspension will not retroactively reduce your benefits or vested percentage.

Termination.

The University has the right to terminate the Plan.

APPENDIX A

PERMITTED INVESTMENT SPONSORS

1. TIAA-CREF. The accounts offered by TIAA-CREF under the TIAA Group Supplemental Retirement Annuity Contract (TIAA GSRA) and the CREF Grouop Supplemental Retirement Annuity Contract (CREF GSRA).

2. Fidelity. The accounts under a custodial account established by Fidelity Management Trust Company.