



**GRAND VALLEY
STATE UNIVERSITY**

SUMMARY PLAN DESCRIPTION

FOR THE

GRAND VALLEY STATE UNIVERSITY

403(b) RETIREMENT PLAN

(ELECTIVE DEFERRALS)

This is a summary of the major provisions of the Plan. This summary is intended to provide an accurate outline of the provisions of the Plan as amended to date. If, however, there are any discrepancies between this summary and the provisions of the Plan document, the Plan document will be controlling. Copies of the Plan document are available in the Human Resources Office.

INTRODUCTION

Grand Valley State University maintains the Grand Valley State University 403(b) Retirement Plan for the exclusive benefit of its eligible employees and their beneficiaries. This summary description of the Plan has been prepared to explain the provisions of the Plan to you. You should read all parts of this summary so that you understand the ways in which the Plan may benefit you.

PLEASE NOTE THAT THIS BOOKLET IS ONLY A SUMMARY OF THE PLAN. IF THERE IS ANY CONFLICT OR AMBIGUITY BETWEEN THIS SUMMARY AND THE ACTUAL TERMS OF THE PLAN, THE PROVISIONS OF THE PLAN WILL CONTROL.

GENERAL INFORMATION

Here is some technical information about the Plan.

Plan Name.

Grand Valley State University 403(b) Retirement Plan

Employer and Plan Administrator.

Grand Valley State University

Employer Taxpayer Identification Number.

38-1684280

Plan Number.

003

Type of Plan.

The Plan is a defined contribution retirement plan designed to satisfy the requirements of section 403(b) of the Internal Revenue Code of 1986, as amended.

Type of Administration.

The plan is self-administered by Grand Valley State University and its delegates.

Plan Year.

January 1 - December 31

Plan Funding.

Plan assets must be held in a qualified Code Section 403(b)(7) Custodial Account or a Code Section 403(b)(1) Annuity Contract. The applicable Custodial Accounts and Annuity Contracts are those provided by the Custodians and Insurers listed in Schedule A.

Service of Legal Process.

Service of legal process may be made upon the University.

ELIGIBILITY TO PARTICIPATE

The Plan=s Eligibility Requirements.

All faculty and staff members (other than University students) are eligible to participate in the Plan for purposes of Employee Elective Deferral Contributions on the date you are first credited with an hour of service. Of course, you must be employed by the University and receive compensation for personal services that is subject to withholding for federal income tax purposes.

Termination and Resumption of Participation.

Your participation in the Plan will terminate if you are no longer an employee of the University and have been paid the full amount due under this Plan. If your participation terminates, you must again satisfy the eligibility requirements to resume participation.

CONTRIBUTIONS TO THE PLAN

You may elect to have your compensation reduced and have the amount of the reduction contributed by the University to an Annuity Contract or Custodial Account. You do not have to pay income tax on your elective contributions, but you must pay social security tax.

§ Payroll Deductions. Your initial election will be effective as soon as it can be processed after the election is made. Elections can be changed or a new election made at any time. An election applies to all compensation paid to you by the University, until the election is changed. All elections must be in writing. You may elect to discontinue your elective contributions at any time.

§ Limits. Your Elective Deferrals are subject to the following limits each calendar year. You are responsible for making sure that these limits are not exceeded.

§ General Limit. Unless you qualify for Age 50 Catch-Up Contributions, the amount you may defer per calendar year may not exceed the General Limit, which is \$15,500 for 2008. The limit is adjusted by the Internal Revenue Service at the beginning of each year. In applying the General Limit, all of your deferrals for the calendar year must be included. This includes any portion of your income from other employers which is deferred and excluded from current taxation, including elective deferrals to a 401(k) profit-sharing plan and a simplified pension plan as well as to a 403(b) tax-sheltered annuity.

§ Alternative Limit. If you have completed at least 15 Years of Credited Service, you may elect to apply this limit to your Employee Elective Deferrals instead of the General Limit.

The Alternative Limit is the General Limit described above, plus the least of the following three amounts:

§ \$3,000;

§ \$15,000 reduced by amounts contributed during prior plan years under this rule; or

- § The excess of \$5,000 multiplied by your Years of Credited Service over your Employee Elective Deferrals for all previous years.
- § Catch-Up Contributions. If you are age 50 or above, or will attain age 50 before the end of the calendar year, you may make additional elective deferral contributions of amounts not exceeding \$5,000 for 2008. The limit is adjusted by the Internal Revenue Service at the beginning of each year.
- Catch-Up Contributions may be made in addition to any amounts contributed to the General Limit and the Alternative Limit. However, you must first fill those limits before making Catch-Up Contributions.
- § Year of Credited Service. A Year of Credited Service is a Plan Year during which you are a full-time employee of the University (or a related employer which has adopted the Plan) for the full Plan Year. You will also be credited with a partial Year of Credited Service based on the fraction of each Plan Year during which you are a full-time or part-time employee of the University (or a related employer which has adopted the Plan).
- § Prevention/Correction. If it appears that the limits on Employee Elective Deferrals may be exceeded, the University may reduce or suspend your Employee Elective Deferrals as necessary. However, the University is under no obligation to monitor, reduce or suspend your Employee Elective Deferrals or to otherwise act to prevent or correct a violation of these limits. Therefore, you must monitor your limits and notify the University in writing by the next March 1 if you believe an Excess Deferral Contribution has occurred or may occur.

Timing of Contributions.

Any amount withheld from your Compensation for contribution to this Plan will be paid to the Insurer or Custodian as soon as administratively possible after the amounts are withheld (generally bi-weekly), but not later than the 15th business day of the month

following the month in which the amounts are withheld from Compensation. The University will identify the amount of each contribution for a Plan Year by written communication to the Insurer or Custodian on or before the date final allocations are performed.

Rollovers and Direct Transfers.

An Insurer or Custodian may accept amounts that are a rollover or a direct transfer from an eligible retirement plan. To work, the transfer must be either a direct plan-to-plan transfer of funds held for you under another eligible retirement plan, or a rollover (within the meaning of the applicable Internal Revenue Code sections). If a rollover amount is determined not to be a qualifying rollover or constitutes a prohibited transfer, the amount, plus any earnings and minus any losses, will be distributed to you as soon as administratively feasible.

ACCOUNTS AND ALLOCATION

Accounts and Allocation of Contributions.

Each Custodian and Insurer should maintain a separate account for you for each type of contribution and for each rollover or transfer of assets to this Plan.

- § Employee Elective Deferrals. Your elective deferrals will be allocated to your Employee Elective Deferrals account.
- § Catch-Up Contributions. Your Catch-Up Contributions will be allocated to your Catch-Up Contributions Account.

Maximum Allocations.

Your total Annual Additions for a Plan Year may not exceed the lesser of the the Percentage Limit and the Defined Contribution Dollar Limit, as modified. Note that this is a greatly simplified explanation of these limits, which are very important. It is critical that you obtain qualified advice to help you monitor these limits each year.

§ Annual Additions. Generally, your Annual Additions for a Plan Year include your Employee Elective Deferrals (excluding Catch-Up Contributions). In some circumstances (which are set forth in the Plan), contributions to other plans made on your behalf, such as the University contribution to the University Clerical or Maintenance Plan B, may have to be included in your Annual Additions.

§ Percentage Limit. The Percentage Limit is 100% of your Section 415 Compensation from the University for the Plan Year.

§ Section 415 Compensation is your earned income, wages, salaries, and fees for professional services and other amounts received for personal services actually rendered in the course of employment with the University actually paid and includible in gross income for the Plan Year and, effective January 1, 1998, your Employee Elective Deferrals (or other elective deferrals) for the year.

§ If you are a Disabled Participant, Section 415 Compensation is the amount of compensation you would have received for the year if you were paid at the rate of compensation paid immediately before you became disabled.

§ Section 415 Compensation does not include amounts that received special tax benefits or contributions made by the University toward the purchase of an annuity described in Code Section 403(b) (whether or not the amounts are actually excludable from gross income).

§ For Plan Years beginning on or after January 1, 1996, Section 415 Compensation does not include any of your compensation which exceeds the annual limit set forth on page 10 (which is \$220,000 as of 2006), as adjusted for inflation.

§ Defined Contribution Dollar Limit. The Defined Contribution Dollar Limit is \$46,000 for 2008, as adjusted from time to time by the IRS.

Except as otherwise provided, all plans maintained by the University and any related employer, all contributions under those plans, and Section 415 Compensation from the

University and any related employer are aggregated for purposes of applying this section and the remainder of these rules.

Excess Additions.

- § Before Contribution. If your Annual Additions limitation will be exceeded, your contributions for the Plan Year should be reduced before payment.
- § After Contribution. If your Annual Additions limitation is exceeded as a result of a reasonable error in estimating your annual Section 415 Compensation, or a reasonable error in determining the amount of Employee Elective Deferrals permissible, the excess will be eliminated by returning, to the extent allowed by law, your Employee Elective Deferrals (beginning with Catch-Up Contributions) together with earnings for the Plan Year and then holding any remaining excess in a suspense account.

Limitation on Total Retirement Benefits.

If you are or were a Participant in both a defined contribution plan and a defined benefit plan maintained by the University or a related employer and the circumstances require aggregation with this plan for purposes of Code Section 415, there is a special limitation that applies to the two plans (which is set forth in the Plan document).

VESTING

You are always 100% vested in your accounts under the plan.

DISTRIBUTION OF BENEFITS

Distributive Events.

Subject to the terms of the governing Annuity Contracts and Custodial Accounts, the following events allow distribution.

- § Termination of Employment. Your employment terminates for any reason. A transfer between Covered Employment and any other employment with the Employer, or a transfer between the Employer and a Related Employer, is not a termination of employment.
- § Hardship Withdrawal. For Employee Elective Deferrals, you request a hardship withdrawal. A hardship withdrawal is available only in extreme circumstances such as terminal illness and may not include any income attributable to the contributions.
- § Age 592. You attain age 592.
- § Death. Your death occurs.
- § Total Disability. You suffer a Total Disability while an Employee. Total Disability means your inability due to a physical or mental condition to perform the duties of your employment. The Plan Administrator may require that one or more physicians (chosen or approved by the Administrator) certify that you are disabled. This certification is conclusive.
- § Qualified Domestic Relations Order. This Plan receives an approved Qualified Domestic Relations Order (QDRO) and the Administrator directs the Custodian or Insurer to pay benefits to an alternate payee as set forth in the Order. Except as provided in Code Section 414(q), distribution under a QDRO may not occur prior to the earliest date on which you meet all of the requirements for a retirement distribution other than termination of employment.

In addition, other events permitting distribution may be provided in a governing Annuity Contract or Custodial Agreement. Those events will be honored under this Plan as long as they do not affect its tax-favored status.

Valuation for Distribution.

Except as otherwise provided in a governing Annuity Contract or Custodial Agreement:

- § Commingled. If your Account is commingled for investment purposes, your vested account balance will be determined as of the valuation date (the most recent business date) coinciding with or most recently preceding the date of the distribution. The amount distributed will not include investment experience for the period from the valuation date to the date of distribution. Separate valuations will be performed for segregated accounts that are commingled for investment.
- § Reductions. Any accounts that are separately invested without commingling will be valued as of the closest administratively feasible date to the date of distribution. The amount to be distributed will be reduced by the amount of any distribution or withdrawal during the period from the valuation date to the date of distribution.

Methods of Distribution.

Distribution may be made in one of the following methods:

- § Lump Sum. A distribution in a single payment or, if necessary, in one or more payments within one taxable year. A lump sum is the only permitted method of distribution for Hardship Withdrawals and QDROs.
- § Transfers to Another Plan. A transfer of an eligible rollover distribution to the insurer or custodian of an eligible retirement plan for your benefit to be held and distributed under the terms of that plan or account.

- § Installments. A distribution in installments or fixed period annuities paid annually, or more frequently if permitted by the Administrator, over an elected period of years not exceeding your life expectancy or the joint life expectancy of you and your beneficiary.
- § Annuity. A distribution in the form of an annuity.
- § Combination. A distribution in a combination of the annuity and either the lump sum, transfer or installment forms.

All of the distribution methods are subject to availability under, and the terms and conditions of, the funding vehicles which you have selected. In addition, other methods of distribution provided under a funding vehicle may be used as long as they are approved for use in a 403(b) plan.

Minimum Distribution.

Under current tax law, payment must begin by April 1 of the year following the year in which you reach age 70 ½ or retire, whichever is later. Distributions will be made in accordance with IRC Section 401(a)(9).

Time of Distribution.

Distribution of your account will begin on the first date on which distribution is administratively feasible after the date of the distributive event (or if later, after election of distribution). However, special rules apply if distribution is due to your death or a QDRO. Distribution due to termination of employment for any reason other than death will begin within 60 days after the end of the Plan Year that includes your normal retirement date, or if later, the end of the Plan Year in which your employment terminates. Distribution must begin by the April 1 following the calendar year in which you attain age 70 ½ or in which you retire.

Election of Method and Time of Distribution.

- § Permitted Elections. Within the limits of this Plan, you or another recipient may elect the method and time of distribution as provided in the governing Annuity Contract or Custodial Agreement.
- § Election Requirements. The election must be made not later than the date distribution begins or, if earlier, the date when distribution must begin. An election may be revoked or changed before distribution begins. An election must be made in a form acceptable to the Administrator.
- § Failure to Elect. If a person fails to elect (or multiple recipients cannot agree), the method of distribution will be a lump sum.
- § Additional Information. The Administrator may require additional election, application or information forms required by law or deemed necessary or appropriate by the Administrator in connection with any distribution.
- § No Reduction or Delay of Distribution. An election may not cause a reduction in the minimum amount or delay the required time of payment of any Minimum Distribution or any distribution required after the death of a Participant.
- § Minimum Distribution. Under current tax law, payment must begin by April 1 of the year following the year in which you reach age 70 2 or retire, whichever is later.

Designation of Beneficiary.

You may designate or change a beneficiary by filing a signed designation with the funding vehicle in the form approved by the funding vehicle. Your will is not effective for this purpose.

- § Beneficiary. The Beneficiary is the person designated by you to receive your benefits under this Plan after your death.

§ Failure to Designate. If you fail to designate a Beneficiary, the Beneficiary is your spouse at the time of your death and your spouse's estate with respect to any amount remaining undistributed at the subsequent death of your spouse. If you are not survived by a spouse, the Beneficiary for each date of distribution will be the first of the following classes with a living member on the date of distribution: children, parents, and then brothers and sisters.

§ Death of Beneficiary. If distribution is being made to a Beneficiary who dies before complete distribution, the remaining amount in the account will be paid to the successor Beneficiary. If distribution is made to more than one Beneficiary, distribution will continue to the survivor or survivors of them, and any remaining amount in the account upon the death of the last survivor will be paid to the successor Beneficiary.

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 court-ordered property settlement in divorce or separation, child support or alimony payments if the Plan Administrator is presented with a "Qualified Domestic Relations Order." The Plan Administrator will determine whether a domestic relations order is "qualified".

Penalty Taxes.

Under most circumstances, if you receive a distribution before you reach age 59 1/2 and do not roll over the distribution, you may be required to pay an excise tax of 10% of the amount distributed. If distributions are required at age 70 1/2 or, if later, retirement, and you do not receive at least the required minimum amount of distribution, you will be

required to pay a tax equal to 50% of the amount that should have been distributed. You should notify the Plan Administrator six months before you reach age 70 1/2.

ADMINISTRATION OF THE PLAN

Fiduciaries.

Generally speaking, the University administers the Plan. Other parties, such as an Insurer or Custodian, may also be fiduciaries. Each fiduciary 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 is responsible for transmitting contributions, determining eligibility and benefits, interpreting the plan, prescribing procedures and forms for administering the plan, and preparing reports and disclosures to participants and the government.

Claims and Appeals.

If you or your beneficiary wish to submit a claim under the plan, the claim must be made in writing to the Plan Administrator. Within 90 days of receipt of the request (unless you are notified prior to that time that circumstances require an additional 90 days), the Plan Administrator will approve or disapprove your claim. If your claim for benefits or your beneficiary's claim for benefits is partially or completely denied, the Plan Administrator will notify you in writing to explain:

- the reason for the denial;
- references to the plan provisions on which the denial was based;
- the additional information or material you must submit to have your claim for benefits approved as well as an explanation of why this information is necessary; and

- the steps you must take if you wish to appeal the denial of your claim for benefits.

You (or your representative) may appeal a denied claim for benefits by filing a written request with the Plan Administrator within 60 days of your receipt of the denial (unless the 60-day period is extended by the Plan Administrator). Within 60 days after receiving your request (unless you are notified that circumstances justify an additional 60 days), the Plan Administrator must give you a final decision in writing explaining the reasons for the decision, the references to the plan provisions on which the decision is based, a statement that you are entitled to receive, at no cost, reasonable access to, and copies of, all documents and records relevant to your application and an explanation of any possible redress. In preparing an appeal, you have the right to review and receive copies of all documents and records relevant to your claim for benefits at no cost.

Your Responsibilities.

It is your responsibility to assure compliance with the contribution limits of the Internal Revenue Code, and in particular to maintain your Elective Contributions within the applicable limits. It is not the responsibility of the University to calculate your Section 402(g) limit, exclusion allowance, or Section 415 limit, to monitor and cap contributions at a level which will not violate any of those limits, or to advise you in that regard. You should consult with a tax advisor familiar with 403(b) plans.

INVESTMENTS

Authorized Investments.

All plan assets must be held in:

- § Mutual Fund - Custodial Account. A Custodial Account held by a bank or other person approved by the Secretary of the Treasury (the Custodian), and invested in regulated investment company stock; or
- § Annuity Contract. A group or individual annuity contract issued by an Insurer which is nontransferable by you.

The Custodians and Insurers available under this Plan are listed in Schedule A.

Participant Direction.

You may direct the investment of your accounts under the plan under the following rules:

- § Accounts. Participant investment direction is required with respect to all of your accounts.
- § Choices. Investment direction is limited to a choice among investments permitted under this article and the applicable funding vehicles.
- § Commingling. Funds or assets invested under this provision may be commingled with other funds or assets similarly invested for investment purposes.
- § Written Direction. Your written direction must be in the form prescribed by the Custodian or Insurer and is effective only when signed by you and filed with the Custodian or Insurer. The Custodian or Insurer may rely upon such direction and upon the continuance of the direction contained therein until it is revoked or modified. Investment directions may be modified by a written form properly filed with the Custodian or Insurer or by telephone direction made through the Custodian=s or Insurer=s automated system.

§ Allocation. You must inform the University's Human Resources Office of your choice of allocation for your Employee Elective Deferrals. Changes to this allocation may be made at any time during the year.

§ Additional Terms and Conditions. The Administrator may formulate additional terms and conditions for investment direction by you as necessary or appropriate.

Loans.

Upon your request and at the direction of the Administrator, the Custodian or Insurer may loan the requested amount to you on terms and conditions specified by the Administrator. Loans are available to Participants on a reasonably equivalent basis, but the Administrator may take into account your credit rating, financial need, and ability to repay the loan.

§ Source of Loan. Any loan you take from the plan will be funded solely from your Employee Elective Deferrals account or Catch-Up Contributions Account.

§ Separate Investment. A loan is a separate investment of your account as of the date of the loan. Interest on the loan and repayments of principal are credited directly to your account.

§ Fees and Charges. Special fees and charges resulting from the loan are charged to your account.

§ Promissory Note. The loan will be documented by a written promissory note providing for at least equal quarterly payments of principal and interest with no prepayment penalty. The loan will bear a reasonable rate of interest. The term of the loan will not exceed five years unless the loan is used to acquire or construct your principal residence. A loan must have a stated maturity date not later than the date of the first expected distribution to the Participant.

§ Amount. All outstanding loans may not exceed the lesser of \$50,000 or one-half of your vested accounts in the plan. The \$50,000 limit is reduced by the excess of the highest outstanding principal balance of all loans to you under

this plan and all qualified retirement plans of the University and each related employer during the one-year period ending on the day before the date of the new loan, over the outstanding balance of all prior loans to you on the date of the new loan. The minimum amount of a loan is \$1,000.

§ Security. Each loan must be adequately secured. You must execute a security agreement within 90 days before the effective date of the loan or renegotiation, extension, renewal, or other revision of an existing loan. The security agreement grants to the Plan a continuing security interest in your Vested Account Balance. Upon payment in full of principal and interest on the loan, the security interest terminates.

§ One Loan Limit. You may have only one loan outstanding at any time. This does not preclude refinancing of a loan provided that the principal and interest being refinanced are payable within the allowable time period calculated from the date of the original loan and the new loan would not violate any other restriction described in this section.

§ Default. Upon default, the entire loan is due and the security interest may be foreclosed. The Custodian or Insurer may exercise its right of setoff and reduce your vested accounts in the plan by the unpaid balance.

§ Early Due Date. If all or a part of the loan is outstanding on the date the first distribution is to be made to you or your beneficiary after your employment terminates or this plan terminates, the loan is due and payable. Unless paid, the remaining balance of the loan and all accrued and unpaid interest will be deducted from your vested accounts in the plan before the first distribution is made.

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 or eliminate an optional method of distribution.

Merger.

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

TERMINATION

Termination.

The University has the right to stop making contributions to the Plan permanently or to terminate the Plan. The University may also cease contributions for Disabled Participants, in whole or in part, at any time. The Plan automatically terminates upon the University=s legal dissolution, upon its adjudication as bankrupt or insolvent, upon a general assignment by the University for the benefit of creditors, upon the appointment of a receiver for its assets, or when required by the Internal Revenue Code.

If the University decides to stop making contributions permanently your accounts may remain in trust to be distributed when you become eligible. If the Plan is terminated, your accounts will be distributed to you. No Plan assets will be returned to the Employer.

GENERAL PROVISIONS

Non-Assignment.

Any attempt to assign, convey, transfer, anticipate, pledge, alienate, sell, transfer, charge or otherwise dispose of benefits payable under this Plan shall be void, except under an EDRO or QDRO or under a voluntary revocable assignment to the extent permitted by Code Regulation 1.401(a)-13. The benefits and Plan assets under this Plan are not considered an asset in the event of your or your Beneficiary's bankruptcy or insolvency.

Employment Relationship.

This Plan does not create a contract of employment between you and the University, give you a legal right to continuation of employment, limit the University's right to discharge or retire you at will, or affect your right to remain in service after your normal retirement date.

University Assets.

Nothing in this Plan gives you or your Beneficiaries any interest in the University's assets or business affairs.

No PBGC Insurance.

Your benefits are not insured under the insurance provisions of ERISA which establish the Pension Benefit Guaranty Corporation. This is because ERISA does not cover governmental plans such as this one.

SCHEDULE A
Custodians and Insurers

A.1	Custodians	Fidelity Management Trust Company Merrill Lynch Pierce Fenner and Smith Incorporated (for assets invested as of June 1, 2004 only) New England Securities Corporation American Funds
A.2	Insurers	Teachers Insurance and Annuity Association (TIAA) TIAA Retirement Annuity College Retirement Equities Fund (CREF) CREF Retirement Unit - Annuity