PACE UNIVERSITY DEFINED CONTRIBUTION RETIREMENT PLAN SUMMARY PLAN DESCRIPTION

January 1, 2010

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PACE UNIVERSITY DEFINED CONTRIBUTION RETIREMENT PLAN

SUMMARY PLAN DESCRIPTION

INTRODUCTION TO YOUR PLAN

the

Pace University Defined Contribution Retirement Plan and the Pace University Tax-Deferred Annuity Plan. The plans were designed to provide you with the opportunity to save for retirement on a tax-advantaged basis and to provide you with additional income for retirement. Effective as of January 1, 2010, the Tax-Deferred Annuity Plan was merged with and into the Most University employees are considered eligible employees. However, if you are classified by the University as a member of a class of employees described below, you are not

service was completed during the 36-month period immediately preceding the employee s employment commencement date with the University.

When does my participation begin?

For voluntary contributions, you may enroll in the Plan and elect to make elective deferrals beginning on your date of hire. Elective deferrals are based on the salary reduction agreement you must complete to have such contributions made to the Plan.

If you are eligible, you will begin to receive University contributions beginning as of the Iment

requirements.

ARTICLE II CONTRIBUTIONS

What kind of contributions may I make to the Plan and how do my contributions affect my taxes?

If you enroll as a participant in the Plan, you may elect to reduce your compensation by a

Contributions as a Percentage of Compensation for Eligible Participants Hired on or After October 1, 2000

<u>University %</u> <u>Participant %</u> 9 3

-term disability benefits plan, and subject to maximum contribution limits that are imposed by law, contributions may be made on your -term disability

for more information regarding contributions to this Plan during your disability.

What compensation is used to determine Plan contributions?

For the purposes of determining the amount of contributions to be made to the Plan, the

Any rollover contribution that you make to the Plan will be placed in a separate account ted in your rollover account. This means that you will always be entitled to all of your rollover contributions. Rollover contributions will be affected by investment gains or losses.

How is the money in the Plan invested?

You will be able to direct the investment of your Plan accounts, including your elective

How will my benefits be paid?

There are various methods by which benefits may be distributed to you from the Plan. The method depends on your marital status, as well as the elections you and your spouse make. All methods of distribution, however, have equivalent values. The rules under this Article apply to all distributions you will receive from the Plan, whether by reason of retirement, termination, or any other event which may result in a distribution of benefits.

If you are married on the date your benefits are to begin, you will automatically receive a joint and 50% survivor annuity, unless you (and your spouse, if married) elect an alternative form of payment. This means that you will receive payments for your life, and upon your death, your surviving spouse will receive a monthly benefit for the remainder of his or her life equal to 50% of the benefit you were receiving at the time of your death. Alternatively, you may be able to select a joint and 75% survivor annuity.

If you are not married on the date your benefits are to begin, you will automatically receive a life annuity, which means you will receive payments for as long as you live.

University). The law provides a schedule of minimum annual payments which the Plan must make every year.

lifetime annuities.

The investment products into which you direct your Plan account balances may provide you with additional distribution options.

May I elect to roll

Under a special rule, you and your spouse may waive the survivor annuity form of payment any time before you turn age 35. However, any waiver will become invalid at the beginning of the Plan year in which you turn age 35, and you and your spouse will be required to make another waiver. It is important that you inform the Administrator when you reach age 32 so that you may receive this information.

If you waive the annuity form of distribution, the death benefit may be distributed in one of the forms mentioned above, unless you elected the death benefit distribution method prior to your death.

When must the last payment be made to my beneficiary?

If your designated beneficiary is a person (other than your estate or most trusts) then minimum distributions of your death benefit must generally begin within one year of your death and must be paid

spouse is the beneficiary, the start of payments may be delayed until the year in which you would have attained age 70-1/2. Generally, if you die before you are required to begin minimum distributions (which for most people is shortly after the later of age 70-1/2 or retirement) and your beneficiary is not a person, then your entire death benefit must be paid within five-years after your death. Some investment products may allow a person to use this five year rule.

Since your spouse has certain rights in the death benefit, you should immediately report any change in your marital status to the Administrator.

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

If you terminate employment with the University and subsequently die, your beneficiary will be entitled to your remaining account balance at the time of your death. However, if you are receiving an annuity distribution at the time of your death, your designated beneficiary, if any, may receive nothing or may be entitled to any remaining payments according to the form of payment previously elected.

ARTICLE VI IN-SERVICE DISTRIBUTIONS If you have made rollover contributions to the Plan, you may withdraw those contributions at any time prior to your severance from employment (regardless of your age). You may request an in-service distribution of other Plan contributions after you reach age 59-1/2 or become disabled. You may only request one in-service distribution during a Plan year, unless the applicable individual investment option permits more frequent in-service distributions.

You also may request a hardship distribution as described below. However, individual investment products may have their own rules relating to hardship distributions which would govern your situation. If you have questions, ask the Administrator or the investment provider for more details.

What is a hardship distribution?

A hardship distribution may be made to satisfy certain immediate and heavy financial needs that you have. If eligible, you can receive a hardship distribution only from your own elective deferrals. A hardship distribution may only be made for payment of the following:

Expenses for medical care (described in Section 213(d) of the Internal Revenue Code) previously incurred by you, your spouse or your dependent or necessary for you, your spouse or your dependent to obtain medical care;

Your elective deferrals will be suspended for at least six (6) months after your receipt of the hardship distribution.

Any hardship distribution from elective deferrals will be limited, as of the date of

COMPLEX. YOU SHOULD CONSULT WITH A QUALIFIED TAX ADVISER BEFORE MAKING A CHOICE.

ARTICLE VIII PROTECTED BENEFITS AND CLAIMS PROCEDURES

Is my benefit protected?

As a general rule, your interest in your account may not be alienated. This means your interest may not be sold, used as collateral for a loan from a third party, given away or otherwise transferred. In addition, in general, your creditors may not attach, garnish or otherwise interfere with your account. However, creditor protection of Plan assets is a complex subject and may be affected by bankruptcy and other laws. If you want specific information about possible protection of your Plan account from creditors, you should consult a qualified adviser.

Are there any exceptions to the general rule?

Apart from possible access by creditors described above, there are two exceptions to the general rule.

pay child support or alimony, or otherwise allocates a portion of your assets in the Plan to your spouse, former spouse, child or other dependent. If a qualified domestic relations order is received by the Administrator, all or a portion of your benefits may be used to satisfy the obligation. The Administrator (or its delegate) will determine the validity of any domestic relations order received. You and your beneficiaries can obtain, without charge, a copy of the qualified domestic relations order procedures from the Administrator.

The second exception applies if you are invol are found liable for any action that adversely affects the Plan, the Administrator can offset your benefits by the amount you are ordered or required by a court to pay the Plan. All or a portion of your benefits will be used to satisfy any such obligation to the Plan.

Can the Plan be amended?

Yes. The University may amend the Plan at any time. In no event, however, will any amendment authorize or permit any part of the Plan assets to be used for purposes other than the exclusive benefit of participants or their beneficiaries. Additionally, no amendment will cause any reduction in the amount credited to your account.

What happens if the Plan is discontinued or terminated?

The University may terminate the Plan at any time. Upon termination, no more contributions may be made to the Plan. The Administrator will notify you of any termination of the Plan.

(e) Your claim for review must be given a full and fair review. This review will take into account all comments, documents, records, and other information submitted by you relating to your claim, without regard to whether such information was submitted or considered in the initial benefit determination.

In addition to the Claims Review Procedure above, if your claim is for disability benefits and disability is determined by a physician chosen by the Administrator, then the Claims Review Procedure provides that:

(a) Your claim will be reviewed without deference to the initial adverse benefit determination and the review will be conducted by an appropriate named fiduciary of the Plan who is neither the individual who made the adverse benefit determination that is the subject of the appeal, nor the subordinate of such individual.

(b) In deciding an appeal of any adverse benefit determination that is based in whole or part on medical judgment, the appropriate named fiduciary will consult with a health care professional who has appropriate training and experience in the field of medicine involved in the medical judgment.

(c) Any medical or vocational experts whose advice was obtained on behalf of the Plan in connection with your adverse benefit determination will be identified, without regard to whether the advice was relied upon in making the benefit determination.

(d) The health care professional engaged for purposes of a consultation in (b) above will be an individual who is neither an individual who was consulted in connection with the adverse benefit determination that is the subject of the appeal, nor the subordinate of any such individual.

benefit determination on review. The Administrator must provide you with notification of this

the Administrator determines that special circumstances require an extension of time for processing your claim. If the Administrator determines that an extension of time for processing is required, written notice of the extension will be furnished to you prior to the termination of the initial 60-day period. In no event will such extension exceed a period of 60 days from the end of the initial period. The extension notice will indicate the special circumstances requiring an extension of time and the date by which the Plan expects to render the determination on review. However, if the claim relates to disability benefits and disability is determined by a physician chosen by the Administrator, then 45 days will apply instead of 60 days in the preceding sentences. In the case of an adverse benefit determination, the notification will set forth:

(a) The specific reason or reasons for the adverse determination.

(b) Reference to the specific Plan provisions on which the benefit determination is based.

(c) A statement that you are entitled to receive, upon request and free of charge, reasonable access to, and copies of, all documents, records, and other information relevant to your claim for benefits.

(d) In the case of disability benefite up and in billing is determined by a physician chosen by the Administrator:

- (i) If an internal rule, guideline, protocol, or other similar criterion was relied upon in making the adverse determination, either the specific rule, guideline, protocol, or other similar criterion; or a statement that such rule, guideline, protocol, or other similar criterion was relied upon in making the adverse determination and that a copy of the rule, guideline, protocol, or other similar criterion will be provided to you free of charge upon request.
- (ii) If the adverse benefit determination is based on a medical necessity or experimental treatment or similar exclusion or limit, either an explanation of the scientific or clinical judgment for the determination, applying the terms of the Plan to your medical circumstances, or a statement that such explanation will be provided to you free of charge upon request.

If you have a claim for benefits that is denied or ignored, in whole or in part, you may file suit in a state or federal court. However, in order to do so, you must file the suit no later than 180 days after the Administrator makes a final determination to deny your claim.

What are my rights as a Plan participant?

As a participant in the Plan you are entitled to certain rights and protections under ERISA. ERISA provides that all Plan participants are entitled to:

(a)

locations, all documents governing the Plan, including insurance contracts and collective bargaining agreements (if any), and a copy of the latest annual report (Form 5500 Series) filed by the Plan with the U266.69 Tm[.83 280.37 Tm[po)-9(rt 6.c(y)20(o@04B.8i,nclu) 1s9E(e)4(1i TJE

pension benefit, the statement will tell you how many years you have to work to earn a right to a pension. This statement must be requested in writing and is not required to be given more than once every twelve (12) months. The Plan must provide this statement free of charge.

In addition to creating rights for Plan participants, ERISA imposes duties upon the people who are responsible for the operation of the Plan. The people who operate your Plan, called

participants and beneficiaries. No one, including the University or any other person, may fire you or otherwise discriminate against you in any way to prevent you from obtaining a pension benefit or exercising your rights under ERISA.

If your claim for a pension benefit is denied or ignored, in whole or in part, you have a right to know why this was done, to obtain copies of documents relating to the decision without charge, and to appeal any denial, all within certain time schedules.

Under ERISA, there are steps you can take to enforce the above rights. For instance, if you request a copy of Plan documents or the latest annual report from the Plan and do not receive them within 30 days, you may file suit in a federal court. In such a case, the court may require the Administrator to provide the materials and pay you up to \$110.00 a day until you receive the materials, unless the materials were not sent because of reasons beyond the control of the Administrator.

If you have a claim for benefits that is denied or ignored, in whole or in part, you may file

concerning the qualified status of a domestic relations order, you may file suit in federal court. You and your beneficiaries can obtain, without charge, a copy of the qualified domestic relations order procedures from the Administrator.

discriminated against for asserting your rights, you may seek assistance from the U.S. Department of Labor, or you may file suit in a federal court. The court will decide who should pay court costs and legal fees. If you are successful, the court may order the person you have sued to pay these costs and fees. If you lose, the court may order you to pay these costs and fees if, for example, it finds your claim is frivolous.

What can I do if I have questions or my rights are violated?

If you have any questions about the Plan, you should contact the Administrator. If you have any questions about this statement, or about your rights under ERISA, or if you need assistance in obtaining documents from the Administrator, you should contact the nearest office of the Employee Benefits Security Administration, U.S. Department of Labor, listed in the

ARTICLE IX GENERAL INFORMATION ABOUT THE PLAN The Administrator has the complete power, in its sole discretion, to determine all questions arising in connection with the administration, interpretation, and application of the Plan (and any related documents and underlying policies). Any such determination by the Administrator is conclusive and binding upon all persons.

The University, or the person or persons the University designates, is the Plan Administrator.

Service of Legal Process

Pace University 235 Elm Road Briarcliff Manor, New York 10510