

UNIVERSITY OF ALASKA OPTIONAL RETIREMENT PLAN II
SUMMARY OF PLAN PROVISIONS

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**UNIVERSITY OF ALASKA OPTIONAL RETIREMENT PLAN II
SUMMARY OF PLAN PROVISIONS
INTRODUCTION TO YOUR PLAN**

University of Alaska Optional Retirement Plan II ("Plan") has been adopted to provide you with the opportunity to save for retirement on a tax advantaged basis. This Plan is a type of retirement plan known as a 403(b) plan. This Summary of Plan Provisions contains information regarding when you may become eligible to participate in the Plan, your Plan benefits, your distribution options, and many other features of the Plan. You should take the time to read this Summary to understand the features of the Plan.

This Summary addresses the most common questions you might have regarding the Plan. If this Summary does not answer all of your questions, please contact the Plan Administrator or other Plan representative. The Plan Administrator is generally responsible for responding to questions and making determinations related to the administration, interpretation, and application of the Plan, unless those responsibilities have been delegated to other parties. The name of the Plan Administrator can be found at the end of this Summary in the Article entitled "General Information about the Plan."

This Summary describes the Plan's benefits and obligations as contained in the legal Plan document, which governs the operation of the Plan. The Plan document is written in much more technical and precise language and is designed to comply with applicable legal requirements. If the non-technical language in this Summary and the technical, legal language of the Plan document conflict, the Plan document always governs. If you wish to receive a copy of the legal Plan document, please contact the Plan Administrator.

This Summary describes the current provisions of the Plan. The Plan is subject to federal laws the Internal Revenue Code and other federal and state laws which might affect your rights. The provisions of the Plan are subject to revision due to a change in laws or due to pronouncements by the Internal Revenue Service (IRS). Your Employer may also amend or terminate this Plan. The Plan Administrator will notify you if the provisions of the Plan that are described in this Summary change.

Investment arrangement. The investment products you select (known as investment arrangements) may also affect the provisions of the Plan. In some cases the investment arrangements may limit your options under the Plan. This Summary does not address the provisions of the various investment arrangements. You should contact the Plan Administrator or the investment provider if you have questions about the provisions of your specific investment arrangements.

Types of contributions. The following types of contributions are allowed under this Plan:

- Mandatory employee contributions
- Employee rollover contributions

**ARTICLE I
PARTICIPATION IN THE PLAN**

How do I participate in the Plan?

Provided you are not an Excluded Employee, you can begin participating under the Plan once you have satisfied the eligibility requirements and reached your Entry Date, except as indicated below for reclassified employees. The following describes Excluded Employees, the eligibility requirements and Entry Dates that apply. You should contact the Plan Administrator if you have questions about the timing of your Plan participation.

Mandatory Employee Contributions

Excluded Employees. If you are a member of a class of employees identified below, you are an Excluded Employee and you are not entitled to participate in the Plan for purposes of mandatory employee contributions. The employees who are excluded are:

- employees who are enrolled as students and regularly attending classes offered by the Employer
- union employees whose employment is governed by a collective bargaining agreement under which retirement benefits were the subject of good faith bargaining
- adjunct faculty; leased employees; classified as temporary employee

See "Additional Excluded Employee provisions" below for special provisions that might apply in determining who is an Excludable Employee.

Eligibility Conditions. You will be eligible to participate in the Plan for purposes of mandatory employee contributions when you have satisfied the following eligibility condition(s). However, you will actually participate in mandatory employee contributions once you reach the Entry Date as described below.

See "Additional eligibility condition provisions" below for special provisions that might apply to eligibility conditions.

Entry Date. For purposes of mandatory employee contributions, your Entry Date will be the date on which you satisfy the eligibility requirements.

Additional Excluded Employee provisions

From all contributions: any Employee who, based on the Employee's primary assignment, is not an "Eligible Employee of the ORP." (a) An "Eligible Employee of the ORP" means: (i) any Employee of the Employer who is either: (A) a faculty member, (B) an administrator whose position is classified as an officer or senior administrator, or (C) covered by the collective bargaining agreement with the Fairbanks Fire Fighters Union Local 1324, for the period 7/1/2014 through 12/31/2015 (or until such agreement is superseded by a subsequent agreement that does not provide for participation in the ORP); (ii) any Employee who, on or after 7/1/2006, and before 7/1/2015, has an initial Employment Date with the Employer (i.e., was never previously employed by the Employer in any Benefit-Eligible Position), and that initial employment is in a PERS-eligible position; or (iii) any PERS participant formerly employed in a PERS-eligible position with the Employer who subsequently occupies a position described in clause (i), above (whether because of a promotion, reclassification or Reemployment Date). (b) Excluded Categories of Employees: (i) an Employee who fails to make an election to participate in the ORP within the applicable election period for such election, or who affirmatively elects to participate in either PERS or TRS; (ii) an Employee (other than an Employee described in Subsection (a)(ii)) who, on or after 7/1/2006, as a result of either a Reemployment Date, reclassification or reassignment, becomes employed in a PERS-eligible position other than a position described in Section (a)(i); and (iii) an Employee who is not included pursuant to Subsection (a)(i) and whose initial Employment Date with the Employer is on or after 7/1/2015. (c) For purposes of this section: (i) "Primary Assignment" means an individual's principal job assignment as an Employee. (ii) "Employment Date" or "Reemployment Date" means: (a) in the case of a faculty member, the job start date of his or her appointment (or re-appointment), (b) for all other newly hired (or rehired) Employees, means the first day upon which an hour of service for performance of his or her duties is completed upon hire or rehire. In the case of a reclassified Employee with a transfer or reclassification that changes his or her eligibility from PERS to TRS or vice versa, or a reclassification of the type described in Subsection (a)(iii), the reclassification shall be treated for purposes of this Retirement Program as a simultaneous termination and Reemployment Date effective as of the job start date as of which the reclassification occurs. (iii) "Benefits-Eligible Position" means a position of employment with the Employer in which the Employee is eligible to actively participate in the Plan. (iv) "PERS" means the Public Employees Retirement System offered and administered by the State of Alaska. (v) "TRS" means the Teachers Retirement System offered and administered by the State of Alaska.. See the Plan Administrator for additional information if you are not sure if this affects you.

Additional eligibility condition provisions

For an Eligible Employee for the ORP, the Employer shall adopt procedures reasonably intended to notify the Employee when he or she is eligible to elect to participate in the ORP, and the Eligible Employee's failure to affirmatively elect to participate in the ORP within the applicable 30-day election period shall cause the Employee to participate in PERS or TRS (whichever is applicable to him or her) by default. See the Plan Administrator for additional information if you are not sure if this affects you.

Reclassified Employee

Regardless of the above, if it is determined that your Employer erroneously classified you as a non-Employee and you should have been treated as an Employee, you are only entitled to participate in the Plan according to the following, provided you satisfy the eligibility and Entry Date requirements specified above.

An Employee who is reclassified or reemployed by the Employer will be eligible for participation in the Plan upon his or her classification, reclassification or reemployment as an Eligible Employee.

How is my service determined for purposes of Plan eligibility?

Period of Service. You will be credited with a Period of Service once twelve months have passed since your date of hire.

What service is counted for purposes of Plan eligibility?

Service with the Employer. In determining whether you satisfy the minimum service requirements to participate under the Plan, all service you perform for the Employer will generally be counted.

Military Service. If you are a veteran and are reemployed under the Uniformed Services Employment and Reemployment Rights Act of 1994, your qualified military service might be considered service with the Employer. If you might be affected by this law, ask the Plan Administrator for further details.

What happens if I'm a Participant, terminate employment and then I'm rehired?

If you are no longer a Participant because of a termination of employment, and you are rehired, then you will be able to participate in the Plan on the date on which you are rehired if you are otherwise eligible to participate in the Plan.

ARTICLE II EMPLOYEE CONTRIBUTIONS

What are mandatory employee contributions?

The mandatory employee contribution you make is a pre-tax contribution. This means that the mandatory employee contribution is not subject to federal income taxes and might be subject to Social Security and Medicare taxes. You will always be 100% vested in any mandatory employee contributions you make to the Plan.

Mandatory employee contributions. In order to participate in the Plan, you must make an election to contribute mandatory employee contributions. This election cannot be changed and it must be made on or before the date you are first eligible to otherwise participate in the Plan.

Amount of mandatory employee contributions. You must agree to contribute the amount of the Participant's mandatory contribution to the ORP II Account which shall be equal to covered wages times the mandatory employee contribution rate as follows: (i) For a Participant who is actively participating in ORP Tier 1 or Tier 2, the rate is 8.65 percent; and (ii) for a Participant who is actively participating in ORP Tier 3, the rate is 8.00 percent. For purposes of this section: ORP Tier is determined by when the Participant first became a Participant in the ORP pursuant to an Employment or Reemployment Date : (a) before July 1, 2005, that resulted from an offer of employment from the University dated on or before June 22, 2005; ORP Tier 1 (b) on or after July 1, 2005, and before July 1, 2006, that resulted from an offer of employment from the University dated after June 22, 2005; ORP Tier 2 (c) on or after July 1, 2006; ORP Tier 3 each Plan Year to the Plan.

Additional conditions. The following additional conditions apply to mandatory employee contributions: Notwithstanding an "irrevocable" election, an Eligible Employee shall have a right to make another irrevocable election that will prospectively replace his or her prior election if and when the Participant has a Reemployment Date (or is reclassified) resulting in a change from a TRS-eligible status to a PERS-eligible status, or vice versa, but only if the Participant was originally covered under PERS or TRS. If such a Participant had originally elected ORP, there shall be no right to a second election and the Participant's reemployment (or reclassification) shall result in a resumption (or continuation) of the Participant's coverage under his or her prior Tier of the ORP. A Participant shall have no more than one opportunity to choose between TRS and ORP, or between PERS and ORP. For example, an Employee who, over a period of time, transitions from TRS-eligible to PERS-eligible and then back to TRS-eligible status shall not then have a right to a new election between ORP and TRS, but shall instead resume coverage under the Plan and Tier elected in his or her initial irrevocable election between TRS and ORP.

What are rollover contributions?

Rollover contributions. Subject to the provisions of your investment arrangements and at the discretion of the Plan Administrator, if you are a Participant in the Plan, you might be permitted to deposit into the Plan distributions you have received from other plans and certain IRAs. Such a deposit is called a "rollover" contribution and might result in tax savings to you. You may ask the Plan Administrator of the other plan or the trustee or custodian of the IRA to directly transfer (a "direct rollover") to this Plan all or a portion of any amount that you are entitled to receive as a distribution from such plan. Alternatively, you may elect to deposit any amount eligible to be rolled over within 60 days of your receipt of the distribution. You should consult qualified counsel to determine if a rollover is in your best interest.

Rollover account. Your rollover contribution will be accounted for in a "rollover account." You will always be 100% vested in your "rollover account" (see the Article in this Summary entitled "Vesting"). Rollover contributions will be affected by any investment gains or losses.

Withdrawal of rollover contributions. You may withdraw the amounts in your "rollover account" at the same time you are able to withdraw other amounts from the Plan. See "When can I get money out of the Plan?".

ARTICLE III COMPENSATION AND ACCOUNT BALANCE

What compensation is used to determine my Plan benefits?

All Contributions

Definition of compensation. Compensation is defined as your total compensation that is subject to income tax and paid to you by your Employer for the Plan Year.

Adjustments to compensation. Regardless of the definition of compensation, the following adjustments will be made:

- elective deferrals to any other plan or arrangement (such as a cafeteria plan) will be included.
- compensation paid while not a Participant in the component of the Plan for which compensation is being used will be excluded.

- compensation paid after you terminate is generally excluded for Plan purposes. However, the following amounts will be included in compensation even though they are paid after you terminate employment, provided these amounts would otherwise have been considered compensation as described above and provided they are paid within 2 1/2 months after you terminate employment, or if later, the last day of the Plan Year in which you terminate employment:
 - compensation paid for services performed during your regular working hours, or for services outside your regular working hours (such as overtime or shift differential), or other similar payments that would have been made to you had you continued employment.
 - nonqualified unfunded deferred compensation if the payment is includible in gross income and would have been paid to you had you continued employment.

Additional compensation adjustment provisions

Excludes sick leave death benefit payoffs, early retirement bonuses and awards, contract termination settlements and awards, severance pay and other similar post-termination compensation, and payments for leave not used by the employee whether those leave payments are scheduled payments (e.g., for leave taken immediately prior to termination, such as terminal annual leave or terminal sick leave), lump-sum payments, donations or cash-ins.

Is there a limit on the amount of compensation which can be considered?

The Plan, by law, cannot recognize annual compensation in excess of a certain dollar limit. The limit for the Plan Year beginning in 2023 is \$330,000. After 2023, the dollar limit might increase for cost-of-living adjustments.

Is there a limit on how much can be contributed to my account each year?

The law imposes a limit on the amount of contributions that may be made to your accounts during a year. For 2023, this total cannot exceed the lesser of \$66,000 or 100% of your includible compensation (generally your compensation for the prior 12-month period, as limited under the previous question). After 2023, the dollar limit might increase for cost-of-living adjustments.

The above limit may also need to be applied by taking into account contributions made to other retirement plans in which you are a participant. If you have more than 50% control of a corporation, partnership, and/or sole proprietorship, then the above limit is based on contributions made in this Plan as well as contributions made to any 403(b) or qualified plans maintained by the businesses you control. If you control another business that maintains a plan in which you participate, then you are responsible for providing the Plan Administrator with information necessary to apply the annual contribution limits. If you fail to provide necessary and correct information to the Plan Administrator, it could result in adverse tax consequences to you, including the inability to exclude contributions to the Plan from your gross income for tax purposes.

How is the money in the Plan invested?

The Plan assets may be invested in mutual funds and Annuity Contracts. See the Plan Administrator for further details regarding permissible investments.

You will be able to direct the investment of your Plan account. The Plan Administrator will provide you with information on the investment choices available to you, the frequency with which you can change your investment choices and other information. If you do not direct the investment of your Plan account, then your account will be invested in accordance with the default investment alternatives your Employer establishes under the Plan. These default investments will be made in accordance with specific rules under which the fiduciaries of the Plan, including your Employer and the Plan Administrator, will be relieved of any legal liability for any losses resulting from the default investments. The Plan Administrator has or will provide you with a separate notice which details these default investments and your right to switch out of the default investment if you so desire.

When you direct investments, your account is segregated for purposes of determining the earnings or losses on these investments. Your account does not share in the investment performance for other Participants who have directed their own investments.

You should remember that the amount of your benefits under the Plan will depend in part upon your choice of investments. Gains as well as losses can occur and your Employer and the Plan Administrator will not provide investment advice or guarantee the performance of any investment you choose.

Periodically, you will receive a benefit statement that provides information on your account balance and your investment returns. It is your responsibility to notify the Plan Administrator of any errors you see on any statements within 30 days after the statement is provided or made available to you.

Will Plan expenses be deducted from my account balance?

Expenses allocated to all accounts. Subject to the terms of the investment arrangements funding the plan, the Plan might pay some or all Plan related expenses except for a limited category of expenses which the law requires your Employer to pay. The category of expenses

which your Employer must pay are known as "settlor expenses." Generally, settlor expenses relate to the design, establishment or termination of the Plan. See the Plan Administrator for more details. The expenses charged to the Plan might be charged pro rata to each Participant in relation to the size of each Participant's account balance or might be charged equally to each Participant. In addition, some types of expenses might be charged only to some Participants based upon their use of a Plan feature or receipt of a Plan distribution. Finally, the Plan might charge expenses in a different manner as to Participants who have terminated employment with your Employer versus those Participants who remain employed with your Employer.

Terminated employee. After you terminate employment, subject to the terms of the investment arrangements funding the Plan, your Employer reserves the right to charge your account for your pro rata share of the Plan's administration expenses, regardless of whether your Employer pays some of these expenses on behalf of current employees.

Expenses allocated to individual accounts. There are certain other expenses that might be paid just from your account subject to the terms of the investment arrangements funding the Plan. These are expenses that are specifically incurred by, or attributable to, you. For example, if you are married and get divorced, the Plan might incur additional expenses if a court mandates that a portion of your account be paid to your ex-spouse. These additional expenses might be paid directly from your account (and not the accounts of other Participants) because they are directly attributable to you under the Plan. The Plan Administrator will inform you when there will be a charge (or charges) directly to your account.

Your Employer might, from time to time, change the manner in which expenses are allocated.

ARTICLE IV VESTING

What is my vested interest in my account?

You are always 100% vested in all of your Plan accounts.

ARTICLE V DISTRIBUTIONS PRIOR TO TERMINATION OF EMPLOYMENT

The Individual Agreements governing the investment options that you selected for your Plan contributions might contain additional limits on when you can take a distribution, the form of distribution that is available as well as your right to transfer among approved investment options. Please review both the following information in this Summary of Plan Provisions and the terms of your annuity contracts or custodial agreements before requesting a distribution. Contact your Employer or the investment vendor if you have questions regarding your distribution options.

Can I withdraw money from my account while working?

In-service distributions. You may be entitled to receive an in-service distribution. However, this distribution is not in addition to your other benefits and will therefore reduce the value of the benefits you will receive at retirement. This distribution is made at your election subject to possible administrative limitations on the frequency and actual timing of such distributions.

Conditions. Generally, you may receive a distribution from certain accounts prior to termination of employment provided you satisfy any of the following conditions:

- you have attained age 70.5. Satisfying this condition allows you to receive distributions from all contribution accounts.

Additional in-service provisions. The following in-service distribution provisions apply:

- Upon transfer to a non-Benefits Eligible Position and attainment of Normal Retirement Age. A participant may not elect a benefit commencement date that is earlier than forty-five days following the date the criteria are satisfied. Notwithstanding the foregoing, if a Participant becomes entitled to a distribution and then transfers back to a Benefits-Eligible Position before the benefit commencement date, the Participant shall no longer be eligible to receive a distribution attributable to such transfer. If such a Participant took a partial distribution, the Participant may not receive any further distribution until the Participant later satisfies a distribution event.

Withdrawal of rollover contributions. You may withdraw amounts in your "rollover account" at any time.

Annuity waiver. If you wish to receive any in-service distribution from the Plan in a single payment from your account, you (and your spouse, if married) must first waive the annuity form of payment. If you are married, you must get written consent from your spouse to take a distribution from the Plan in any form other than a qualified joint and survivor annuity. Your spouse's consent is also needed if you want to name someone other than your spouse as your beneficiary. The annuity would need to be structured to provide a benefit while you are both alive and then to provide a survivor benefit that is equal to 50 percent of the amount you received while you were both living. You can designate a different survivor percentage subject to certain limits under the qualified optional survivor annuity regulations. Your Employer will provide you with more information regarding your annuity options when it comes time for you to make a decision. Follow the

procedures established by your Employer to document your spouse's consent to waive the annuity and take the payment in some other form permitted by the Plan. Your spouse must also consent to any Plan loans that you request.

ARTICLE VI DISTRIBUTIONS UPON TERMINATION OF EMPLOYMENT

To the extent permitted in the investment arrangements, the provisions in this Article apply to distributions from the Plan following termination of employment.

When can I get money out of the Plan?

You might be able to receive a distribution of some or all of your accounts in the Plan when you terminate employment with your Employer. The rules regarding the payment of death benefits to your beneficiary are described in the Article in this Summary entitled "Distributions upon Death."

If you terminate employment, you will be entitled to a distribution within a reasonable time after fully separating from service for 45 days. Notwithstanding the foregoing, if a Participant becomes entitled to a distribution due to termination of employment and later becomes an employee before the benefit commencement date, the Participant shall no longer be eligible to receive a distribution attributable to such prior termination of employment. If such a Participant took a partial distribution, the Participant may not receive any further distribution until the Participant later satisfies a distribution event. You must consent to this distribution. (See the question "How will my benefits be paid?" for a further explanation of how benefits are paid from the Plan.)

Military Service. If you are a veteran and are reemployed under the Uniformed Services Employment and Reemployment Rights Act of 1994, your qualified military service may be considered service with your Employer. There might also be benefits for employees who die or become disabled while on active duty. Employees who receive wage continuation payments while in the military may benefit from various changes in the law. If you think you may be affected by these rules, ask the Plan Administrator for further details.

What is Normal Retirement Age and what is the significance of reaching Normal Retirement Age?

Normal Retirement Age. Your Normal Retirement Age is the date you reach age 60.

Payment of benefits. You will become 100% vested in all of your accounts under the Plan (assuming you are not already fully vested) if you are employed on or after your Normal Retirement Age. However, the actual payment of benefits generally will not begin until you have terminated employment. In such event, a distribution will be made, at your election, as soon as administratively feasible. If you remain employed past your Normal Retirement Age, you may generally defer the receipt of benefits until you actually terminate employment. In such event, benefit payments will begin as soon as feasible at your request, but generally not later than age 70 1/2 (if you were born before July 1, 1949) or age 72 (if you were born after June 30, 1949). (See the question entitled "How will my benefits be paid to me?" for an explanation of how these benefits will be paid.)

When am I considered to be disabled under the Plan?

Definition of disability. Under the Plan, disability is defined as the inability to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment that can be expected to result in death or which has lasted or can be expected to last for a continuous period of not less than twelve months. The permanence and degree of such impairment must be supported by medical evidence. The Plan Administrator may require that your disability be determined by a licensed physician.

How will my benefits be paid to me?

The following provisions apply to the extent permitted under the investment arrangements in which the plan assets are invested.

Lump-sum distributions. If you terminate employment and your vested account balance does not exceed \$5,000, then your vested account balance might only be distributed to you in a single lump-sum payment.

Distribution methods. If you terminate employment and your vested account balance exceeds \$5,000 (or another amount as provided in your investment arrangement), then your vested account balance might be distributed to you under the following methods provided they are permitted under your investment arrangements:

- a single lump-sum payment
- installments over a period of not more than your assumed life expectancy (or the assumed life expectancies of you and your beneficiary)
- an annuity contract that the Vendor provides or purchases with your vested account balance

- ad-hoc distributions. You may request a distribution of some or all of your Plan accounts, at any time following your termination of employment, subject to any reasonable limits regarding timing and amounts as the Plan Administrator or your investment arrangements may impose.

Required beginning date. There are rules that require that certain minimum distributions be made from the Plan. Distributions are required to begin not later than the April 1st following the end of the year in which you reach age 70 1/2 (if you were born before July 1, 1949) or age 72 (if you were born after June 30, 1949) or terminate employment, whichever is later. You should see the Plan Administrator if you think you might be affected by these rules.

Mandatory annuity distribution (subject to waiver). Subject to the provisions of your investment arrangements, 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 waive the annuity and elect an alternative form of payment. This means that you will receive payments for your life, and after 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. You may elect a joint and 75% survivor annuity instead of the standard joint and 50% survivor annuity. You should consult an advisor before making such election.

If you are not married on the date your benefits are to begin, you will automatically receive a life annuity, unless you waive the qualified annuity and elect an alternative form of payment. This means you will receive payments for as long as you live.

However, regardless of your marital status, if your vested account balance does not exceed \$5,000, then, depending on the terms of your investment arrangement, your vested account balance might be distributed to you in a single lump-sum payment and you might not receive the qualified annuity.

May I elect another distribution method?

Waiver of annuity. If your vested benefit in the Plan exceeds \$5,000, then when you are about to receive any distribution, the Plan Administrator will explain the joint and survivor annuity or the life annuity to you in greater detail. You will be given the option of waiving the joint and survivor annuity or the life annuity form of payment during the 180-day period before the annuity is to begin. **IF YOU ARE MARRIED, YOUR SPOUSE MUST IRREVOCABLY CONSENT IN WRITING TO THE WAIVER IN THE PRESENCE OF A NOTARY OR A PLAN REPRESENTATIVE.** You may revoke any waiver. The Plan Administrator will provide you with forms to make these elections. Since your spouse participates in these elections, you must immediately inform the Plan Administrator of any change in your marital status.

Other distribution method. If your vested account balance exceeds \$5,000 and if you and your spouse elect not to take a joint and survivor annuity, or if you are not married when your benefits are scheduled to begin and have elected not to take a life annuity, you may elect to receive distribution of your account balance under any alternative distribution method as described above.

ARTICLE VII DISTRIBUTIONS UPON DEATH

What happens if I die while working for the Employer?

If you die while still employed by the Employer, then your account balance will be used to provide your beneficiary with a death benefit.

Who is the beneficiary of my death benefit?

Married Participant. If you are married at the time of your death, your spouse will be the beneficiary of 50% of the death benefit distributed as a qualified annuity. Any remaining amount of your death benefit which is not payable to your spouse as a qualified annuity will be paid to your beneficiary (which may be your spouse). You may designate a non-spouse beneficiary as to the portion of your account not payable as a qualified annuity without your spouse's consent. **IF YOU WISH TO WAIVE THE QUALIFIED ANNUITY BENEFIT, YOUR SPOUSE MUST IRREVOCABLY CONSENT TO WAIVE THE ANNUITY AND TO YOUR DESIGNATION OF ANY NON-SPOUSE BENEFICIARY. YOUR SPOUSE'S CONSENT MUST BE IN WRITING, BE WITNESSED BY A NOTARY OR A PLAN REPRESENTATIVE AND ACKNOWLEDGE THE SPECIFIC NON-SPOUSE BENEFICIARY.**

If you are married and you change your designation, then your spouse must again consent to the change. In addition, you may elect a beneficiary other than your spouse without your spouse's consent if your spouse cannot be located.

Unmarried Participant. If you are not married, you may designate a beneficiary of your choosing.

Divorce. If you have designated your spouse as your beneficiary for all or a part of your death benefit, then upon your divorce, the designation is no longer valid. This means that if you do not select a new beneficiary after your divorce, then you are treated as not having a beneficiary for that portion of the death benefit.

No beneficiary designation. Subject to the terms of the investment arrangements, at the time of your death, if you have not designated a beneficiary or the individual named as your beneficiary is not alive, then the death benefit will be paid in the following order of priority to:

(i) the spouse to whom the Participant was married on the date of death, so long as such spouse survives the Participant for thirty (30) days; or, if none; (ii) the Participant's estate.

How will the death benefit be paid to my beneficiary?

Mandatory annuity distribution (subject to waiver). If the death benefit does not exceed \$5,000, then the benefit may only be paid as a lump-sum. If you are married at the time of your death and the death benefit exceeds \$5,000, then the death benefit will be paid to your spouse in the form of a qualified annuity as described above under "Who is the beneficiary of my death benefit?", unless you and your spouse waive the qualified annuity. If the qualified annuity applies, the Plan will purchase, using 50% of your account, an annuity contract providing for payments over the life of your spouse. The size of the monthly payments will depend on the value of your vested account at the time of your death.

Waiver of annuity. You and your spouse may waive the qualified annuity form of distribution. Generally, the period during which you and your spouse may waive the annuity begins as of the first day of the Plan Year in which you reach age 35 and ends when you die. The Plan Administrator must provide you with a detailed explanation of the annuity. This explanation must generally be given to you during the period of time beginning on the first day of the Plan Year in which you will reach age 32 and ending on the first day of the Plan Year in which you reach age 35. It is important that you inform the Plan Administrator when you reach age 32 so that you may receive this information.

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.

Distribution method/annuity waived. If you and your spouse waive the qualified annuity, and the death benefit exceeds \$5,000, the benefit may be paid to your spouse in the methods described above under "How will my benefits be paid to me?" provided the methods are permitted under your investment arrangements.

When must payments be made to my beneficiary (required minimum distributions)?

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 over a period not extending beyond your beneficiary's life expectancy. If your spouse is the beneficiary, the start of payments may be delayed until the year in which you would have attained age 70 1/2 (if you were born before July 1, 1949) or age 72 (if you were born after June 30, 1949). 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 (if you were born before July 1, 1949) or age 72 (if you were born after June 30, 1949) 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. See the Plan Administrator for further details.

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

What happens if I terminate employment, commence required minimum distribution payments and then die before receiving all of my benefits?

If you are married at the time of death, the form of payment will be a life annuity to your surviving spouse as described above under "Mandatory annuity distribution (subject to waiver)," unless you and your spouse had waived the qualified annuity. In the event you had waived the qualified annuity, your beneficiary will be entitled to your remaining vested interest in the Plan at the time of your death. See the Plan Administrator for more information regarding the timing and method of payments that apply to your beneficiary.

**ARTICLE VIII
TAX TREATMENT OF DISTRIBUTIONS**

What are my tax consequences when I receive a distribution from the Plan?

Generally, you must include any Plan distribution in your taxable income in the year in which you receive the distribution. The tax treatment may also depend on your age when you receive the distribution. Certain distributions made to you when you are under age 59 1/2 could be subject to an additional federal 10% penalty tax.

Can I elect a rollover to reduce or defer tax on my distribution?

Rollover or Direct Transfer. You may reduce, or defer entirely, the tax due on your distribution through use of one of the following methods:

(a) **60-day rollover.** You may roll over all or a portion of the distribution to an Individual Retirement Account or Annuity (IRA) or another employer retirement plan willing to accept the rollover. This will result in no tax being due until you begin withdrawing funds from the IRA or other qualified employer plan. The rollover of the distribution, however, MUST be made within strict time frames (normally, within 60 days after you receive your distribution). Under certain circumstances, all or a portion of a distribution may not qualify for this rollover treatment. In addition, most distributions will be subject to mandatory federal income tax withholding at a rate of 20%. This will reduce the amount you actually receive. For this reason, if you wish to roll over all or a portion of your distribution amount, then the direct rollover option described in paragraph (b) below would be the better choice.

(b) **Direct rollover.** For most distributions, you may request that a direct transfer (sometimes referred to as a direct rollover) of all or a portion of a distribution be made to either an Individual Retirement Account or Annuity (IRA) or another employer retirement plan willing to accept the transfer. A direct transfer will result in no tax being due until you withdraw funds from the IRA or other employer plan. Like the 60-day rollover, under certain circumstances all or a portion of the amount to be distributed may not qualify for this direct transfer. If you elect to actually receive the distribution rather than request a direct transfer, then in most cases 20% of the distribution amount will be withheld for federal income tax purposes. If you decide to directly transfer all or a portion of a distribution, you (and your spouse, if you are married) must first waive the qualified annuity form of payment. (See the question entitled "How will my benefits be paid to me?" for a further explanation of this waiver requirement.)

Tax Notice. WHENEVER YOU RECEIVE A DISTRIBUTION THAT IS AN ELIGIBLE ROLLOVER DISTRIBUTION, THE PLAN ADMINISTRATOR WILL DELIVER TO YOU A MORE DETAILED EXPLANATION OF THESE OPTIONS. HOWEVER, THE RULES WHICH DETERMINE WHETHER YOU QUALIFY FOR FAVORABLE TAX TREATMENT ARE VERY COMPLEX. YOU SHOULD CONSULT WITH QUALIFIED TAX COUNSEL BEFORE MAKING A CHOICE.

**ARTICLE IX
LOANS**

Is it possible to borrow money from the Plan?

No, it is not possible to borrow money from the Plan. Plan loans are not permitted.

**ARTICLE X
CLAIMS PROCEDURES**

What happens if a domestic relations order is issued with respect to my benefits in the Plan?

The Plan Administrator must honor a domestic relations order (DRO). A DRO is defined as a decree or order issued by a court that obligates you to pay child support or alimony, or otherwise allocates a portion of your assets in the Plan to your spouse, former spouse, children or other dependents (referred to as alternate payees). If a DRO is received by the Plan Administrator, all or a portion of your benefits may be used to satisfy that obligation. The Plan Administrator will determine the validity of any domestic relations order received. You and your beneficiaries can obtain from the Plan Administrator, without charge, a copy of the procedure used by the Plan Administrator to determine whether a domestic relations order is valid.

Can the Employer amend the Plan?

Your Employer has the right to 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?

Although your Employer intends to maintain the Plan indefinitely, your Employer reserves the right to terminate the Plan at any time. Upon termination, no further contributions will be made to the Plan and all amounts credited to your accounts will continue to be 100% vested. Your Employer will direct the distribution of your accounts in a manner permitted by the Plan as soon as practicable. You will be notified if the Plan is terminated.

How do I submit a claim for Plan benefits?

You may file a claim for benefits by submitting a written request for benefits to the Plan Administrator. You should contact the Plan Administrator to see if there is an applicable distribution form that must be used. If no specific form is required or available, then your written request for a distribution will be considered a claim for benefits. In the case of a claim for disability benefits, if disability is

determined by the Plan Administrator (rather than by a third party such as the Social Security Administration), then you must also include with your claim sufficient evidence to enable the Plan Administrator to make a determination on whether you are disabled.

What if my benefits are denied?

Your request for Plan benefits will be considered a claim for Plan benefits, and it will be subject to a full and fair review. If your claim is wholly or partially denied, the Plan Administrator will provide you with a written or electronic notification of the Plan's adverse determination.

**ARTICLE XI
GENERAL INFORMATION ABOUT THE PLAN**

There is certain general information which you may need to know about the Plan. This information has been summarized for you in this Article.

Plan Name

The full name of the Plan is University of Alaska Optional Retirement Plan II.

Plan Effective Dates

This Plan was originally effective on September 1, 1990. The amended and restated provisions of the Plan become effective on July 1, 2023.

Other Plan Information

Plan Year. The Plan's records are maintained on a twelve-month period of time. This is known as the Plan Year. The Plan Year ends on December 31st.

The Plan will be governed by the laws of the state of the Employer's principal place of business to the extent not governed by federal law.

Employer Information

The Employer's name, address and identification number are:

University of Alaska
University of Alaska Human Resources, P.O. Box 755140
Fairbanks, Alaska 99775-5140
92-6000147

Plan Administrator Information

The Plan Administrator is responsible for the day-to-day administration and operation of the Plan. For example, the Plan Administrator maintains the Plan records, including your account information, provides you with the forms you need to complete for Plan participation, and directs the payment of your account at the appropriate time. If you have any questions about the Plan or your participation, you should contact the Plan Administrator. The Plan Administrator may designate other parties to perform some duties of the Plan Administrator, and some duties are the responsibility of the investment provider(s) to the Plan.

The name and address of the Plan's Administrator are:

Contact: University of Alaska HR Advisory Committee
Address: University of Alaska Human Resources, P.O. Box 755140
Fairbanks, Alaska 99775-5140