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**Article I: Definitions**

1.0 **Account** means the separate accounts established for each Participant. The current value of a Participant’s Account includes all Salary Reduction Contributions and University Contributions, less expense charges and any distributions, and reflects credited investment experience. “Account Balance” shall mean the bookkeeping account maintained for each Participant which reflects the aggregate amount credited to the Participant’s Account under all Accounts, including the Participant’s Salary Reduction Contributions, the earnings or loss of each annuity contract or a custodial account (net of expenses) allocable to the Participant, any transfers for the Participant’s benefit, and any distribution made to the Participant or the Participant’s Beneficiary. If a Participant has more than one Beneficiary at the time of the Participant’s death, then a separate Account Balance shall be maintained for each Beneficiary. The Account Balance includes any account established for rollover contributions and plan-to-plan transfers made for a Participant, the account established for a Beneficiary after a Participant’s death, and any account or accounts established for an alternate payee (as defined in section 414(p)(8) of the Code).

1.1 **Annual Additions** means the sum of the following amounts credited to a Participant’s Account during the Limitation Year: (a) Plan Contributions; and (b) individual medical account amounts described in section 415(l)(2) and 419A(d)(2) of the Code, if any.

1.2 **Beneficiary(ies)** means the individual, institution, trustee, or estate designated by the Participant to receive the Participant’s benefits at his/her death.

1.3 **Board** means the University’s Board of Trustees.

1.4 **Code** means the Internal Revenue Code of 1986, as amended.

1.5 **Compensation** means the amount paid by the University to a Participant that must be reported as wages on the Participant’s Form W-2 plus compensation that is not currently includable in the Participant’s gross income because of the application of Code Sections 125, 132(f)(4), 457(b) or 403(b) through a salary reduction agreement. Effective as of the first day of the Plan Year beginning on or after July 1, 2007, for purposes of Plan Contributions, Compensation shall also include Compensation received during the applicable post-severance period only to the extent included in the definition of Compensation for 415 purposes, and unless otherwise excluded under this paragraph.

In addition to other applicable limitations set forth in this Plan, and notwithstanding any other provision of this Plan to the contrary, the annual Compensation of each Employee taken into account under this Plan shall not exceed the annual compensation limit as provided in Code Section 401(a)(17). The annual compensation limit (e.g., $230,000 for the 2008 Plan Year), shall be adjusted for increases in the cost of living in accordance with Code Section 401(a)(17)(B). The cost-of-living adjustment in effect for a calendar year applies to any period, not exceeding 12 months, over which Compensation is determined (determination period) beginning in such calendar year. If a determination period consists of fewer than 12 months, the annual compensation limit will be multiplied by a fraction, the numerator of which is the number of months in the determination period, and the denominator of which is 12.

1.6 **Date of Employment or Reemployment** means the effective date of the appointment for a faculty member. For all other employees, the Date of Employment or Reemployment is the first day upon which an employee completes an Hour of Service for performance of duties during the employee’s most recent period of service with the University.

1.7 **Eligible Employee** means all employees of the University, other than persons classified as Temporary Employees, nonresident aliens, independent contractors, students of Whitworth University who are paid through student employment, and Part-Time Employees.
If an individual is classified as an independent contractor during any period of providing services to the University, such individual will be deemed to be in an ineligible class of employees for purposes of the Plan during such period, even if the individual is determined to be a common law employee during such period pursuant to a government audit or litigation. Notwithstanding the above, if the failure to cover such reclassified individual would prevent the Plan from satisfying the minimum coverage requirement under Code Section 410(b) for a Plan year, the minimum number of such individuals necessary for the plan to fulfill such minimum coverage requirements will be included as eligible employees for the plan year, with preference given to those reclassified individuals with the smallest amount of compensation.

1.8 **Excess Salary Reduction Contributions** means those Salary Reduction Contributions that are includable in a Participant’s gross income under section 402(g) of the Code to the extent the Participant’s Salary Reduction Contributions for a taxable year exceed the dollar limitation under such Code Section.

1.9 **Fund Sponsor** means an insurance, variable annuity or investment company that provides Funding Vehicles available to Participants under this Plan.

1.10 **Funding Vehicles** means the annuity contracts or custodial accounts that satisfy the requirements of Code Section 401(f) issued for funding accrued benefits under this Plan and specifically approved by the University for use under this Plan.

1.11 **Hours of Service** means:

(a) Each hour for which an employee is paid, or entitled to payment, for the performance of duties for the University.

(b) Each hour for which an employee is paid, or entitled to payment, on account of a period of time during which no duties are performed for the University (regardless of whether employment has terminated) due to vacation, holiday, illness, incapacity (including disability), layoff, jury duty, military duty, leave of absence, or maternity or paternity leave (whether paid or unpaid). However, any period for which a payment is made or due under a plan maintained solely for the purpose of complying with Workers’ Compensation or unemployment compensation or disability insurance laws, or solely to reimburse the employee for medical or medically-related expenses is excluded. An employee is directly or indirectly paid, or entitled to payment by the University regardless of whether payment is made by or due from the University directly or made indirectly through a trust fund, insurer or other entity to which the University contributes or pays premium. No more than 501 Hours of Service will be credited under this paragraph. Hours of Service under this paragraph will be calculated and credited pursuant to Section 2530.200b-2 of the Department of Labor Regulations, incorporated herein by reference.

(c) Each hour for which back pay, irrespective of mitigation of damages, is either awarded or agreed to by the University, without duplication of hours provided above, and subject to the 501-hour restriction for periods described in (b) above.

Hours of Service for any other trade or business that is along with the University a member of a group of trades or businesses (whether or not incorporated) which are under common control, as defined in Code section 414(b) and (c) and Treas. Reg. §1.414(c)-5, or an affiliated service group as defined in Code section 414(m) as modified by Code section 414(m)(5) and (6), and any other entity required to be aggregated with the employer pursuant to Code section 414(o) and the regulations thereunder shall be considered Hours of Service for the University. Hours of Service will also be credited for any individual considered to be an Employee under this Plan by reason of Code section 414(n) or 414(o). Hours of Service for a predecessor employer shall also be credited under the Plan.

Faculty members and exempt Employees (other than Part-Time Employees) shall be credited Hours of Service under the elapsed time method of counting service pursuant to Reg. §2530.200b-9 which is incorporated herein by reference. Hourly Employees and exempt Part-Time Employees
shall be credited with actual hours for which such Employee is paid or entitled to payment by the Employer. Any method for counting Hours of Service adopted by the Plan shall comply with Regulation section 2530.200b-3 issued by the Department of Labor.

1.12 **Limitation Year** means a calendar year.

1.13 **Mandatory Salary Reduction Contributions** means Salary Reduction Contributions that are required to be made under the Plan as a condition of employment with the University. See Section 4.1.a.

1.14 **Normal Retirement Age** means the day the Participant attains age 65.

1.15 **Normal Retirement Date** means the first day of the month coinciding with or immediately following the day the Participant reaches Normal Retirement Age.

1.16 **Participant** means any Eligible Employee of the University participating in this Plan.

1.17 **Part-Time Employee** means an employee who is regularly scheduled to work fewer than 20 hours a week. Any employee so defined who works more than 1,000 Hours of Service in any Plan Year shall no longer be treated as a Part-Time Employee under the Plan for future Plan Years.

1.18 **Plan** means the University’s 403(b) retirement plan, named the Whitworth University Retirement Plan, as set forth in this document.

1.19 **Plan Contributions** means University Contributions and Salary Reduction Contributions made under this Plan by the University and Participants.

1.20 **Plan Entry Date** means the first of the month beginning after the date that the employee has met the participation requirements set forth in Article III.

1.21 **Plan Year** means January 1 through December 31.

1.22 **Qualified Election** means a waiver of a Qualified Joint and Survivor Annuity or a Qualified Pre-retirement Survivor Annuity.

1.23 **Qualified Joint and Survivor Annuity** means an immediate annuity for the life of the Participant with a survivor annuity for the life of the spouse that is not less than 50 percent (and not more than 100 percent) of the amount payable during the joint lives of the Participant and the spouse that can be purchased with the Participant’s vested Account. The percentage of the survivor annuity under the Plan shall be 50 percent.

1.24 **Qualified Pre-retirement Survivor Annuity** means an annuity for the life of the surviving spouse of a deceased Participant the actuarial equivalent of which is 100% percent of the Participant’s Account(s) at the date of death.

1.25 **Regular Salary** means the actual salary paid to an employee during the Plan Year, excluding bonuses, overtime, overload pay, commissions, stipends, deferred compensation payouts, compensation paid by a grant that is over and above base salary, and adjunct pay. Regular Salary shall not be reduced by any salary reduction contributions under Code Section 125 or 403(b). In no event will salary taken into account under the Plan exceed the limits of Internal Revenue Code Section 401(a)(17).

1.26 **Roth Contributions** means Salary Reduction Contributions made to this Plan on an after-tax basis.
1.27 **Salary Reduction Contributions** means any contributions made to the Plan at the election of the Participant that comply with the requirements of Internal Revenue Code Section 403(b). This also includes any contributions for a Participant pursuant to an election to defer compensation under any Code Section 401(k), 408(k) (Simplified Employee Pension), 457(b) or 403(b) plan.

1.28 **Temporary Employee** means an employee who is hired by the University to work fewer than 90 days. Any employee so defined who works more than 90 days, including separate periods of employment in the same Plan Year, shall no longer be treated as a Temporary Employee under the Plan.

1.29 **University** means Whitworth University.

1.30 **University Contributions** means contributions made by the University under this Plan as described in Section 4.2.

1.31 **Vendor** means the provider of an annuity contract or custodial account.

1.32 **Voluntary Salary Reduction Agreement** means the election form provided to Eligible Employees by the University for purposes of electing the amount of Salary Reduction Contribution in excess of the minimum percentage required, if applicable, that an Eligible Employee wishes to make.

1.33 **Voluntary Salary Reduction Contribution** means a Salary Reduction Contribution to the Plan in excess of the minimum percentage required, if applicable.

**Article II: Establishment of Plan**

2.1 **Establishment of Plan.** The Board of Whitworth University (the “University”) through the Board of Trustees established the Whitworth University Retirement Plan (the “Plan”) as of January 1, 1958. The Plan is hereby restated effective July 1, 2008.

This plan document sets forth the provisions of this Code Section 403(b) Plan. Plan Contributions are invested, at the direction of each Participant, in one or more of the Funding Vehicles available to Participants under the Plan. Plan Contributions shall be held for the exclusive benefit of Participants.

A Code Section 403(b) defined contribution retirement plan is a plan that provides for a separate account(s) for each Participant that meets the requirements of Code Section 403(b). Benefits are based solely on the amounts of Plan Contributions to the Participant’s Account(s) and earnings, if any. All benefits under the Plan are fully funded and provided through the Funding Vehicle(s) selected by the Participant. Benefits are not subject to, nor covered by, federal plan termination insurance.

**Article III: Eligibility for Participation**

3.1 **Eligibility.** An Eligible Employee will be enrolled as a Participant in this Plan on the Plan Entry Date following his/her date of hire, subject to the following:

**Part-Time Employees:** If an employee is hired as a Part-Time Employee and no longer meets that classification because he/she works over 1,000 Hours of Service in a Plan Year, he/she shall be enrolled as a Participant on the first Plan Entry Date following that Plan Year.

**Temporary Employee:** If an Employee is hired as a Temporary Employee and remains in employment for at least 90 days, as provided in Section 1.29, he/she will be enrolled as a Plan
Participant on the first Plan Entry Date that coincides with or immediately follows his/her completion of 90 days of employment.

3.2 Notification. The University will notify an Eligible Employee when he/she has completed the requirements necessary to become a Participant. An Eligible Employee who complies with the requirements of Section 3.1 and becomes a Participant is entitled to the benefits and is bound by all the terms, provisions, and conditions of this Plan, including any amendments that, from time to time, may be adopted, and including the terms, provisions and conditions of any Funding Vehicle(s) to which Plan Contributions for the Participant have been applied.

3.3 Enrollment in Plan. Eligible Employees who are regularly scheduled to work at least half-time for nine (9) or more months in a Plan Year will be automatically enrolled in the Plan by the University for purposes of the Mandatory Salary Reduction Contribution and University Contribution on the Plan Entry Date coinciding with or immediately following the date the Plan Administrator determines they meet the eligibility requirements.

An Eligible Employee who is subject to the Mandatory Salary Reduction Contribution and who has been notified that he/she is eligible to participate but who fails to return the enrollment forms will be enrolled as a Participant in the Plan for the Mandatory Salary Reduction Contribution at the minimum 5% salary reduction contribution level.

Eligible Employees who are subject to the Mandatory Salary Reduction Contribution must enter into a written Voluntary Salary Reduction Agreement with the University if they wish to contribute more than 5% of their Regular Salary. Subject to any reasonable rules established by the Plan Administrator, a Participant may modify his/her Voluntary Salary Reduction Agreement to increase contributions beyond the 5% mandatory level or to return to the 5% mandatory level during a Plan Year by filing an appropriate form with the Plan Administrator.

Eligible Employees will be enrolled in the Plan for purposes of Voluntary Salary Reduction Contributions on the Plan Entry Date coinciding with or immediately following the date they return the enrollment form.

Plan Contributions shall be invested in one or more default funds that are selected by the University and that qualify as a Qualified Default Investment Alternative under ERISA, until the Participant elects otherwise.

3.4 Reemployment. An individual who met the requirements of Section 3.1, terminates employment with the University and is rehired shall become a Participant on the Plan Entry Date following reemployment if he/she is still an Eligible Employee.

3.5 Termination of Participation. A Participant will continue to be eligible for the Plan until one of the following conditions occur:

- he/she ceases to be an Eligible Employee;
- the Plan is terminated.

Article IV: Plan Contributions

4.1 SALARY REDUCTION CONTRIBUTIONS.

4.1.a Mandatory Salary Reduction Contributions. Eligible Employees who are regularly scheduled to work at least half-time for nine (9) months or more during the Plan Year are required to contribute 5% of their Regular Salary to the Plan in Mandatory Salary Reduction Contributions. Eligible Employees may elect to have their Mandatory Salary Reduction Contributions treated as after-tax Roth Contributions.
4.1.b **Voluntary Salary Reduction Contributions.** All Eligible Employees may make Voluntary Salary Reduction Contributions based on their Compensation by completing a Voluntary Salary Reduction Agreement and returning it to the Human Resources Department. An election to make Voluntary Salary Reduction Contributions under this Section may not be made retroactively and shall remain in effect until modified or terminated. The Plan Administrator shall establish rules regarding changes in election, including the number and frequency of such modifications during any Plan Year. Eligible Employees may elect to have their Voluntary Salary Reduction Contributions treated as after tax Roth Contributions.

4.1.c **Catch-Up Contributions.** Eligible Employees may also be eligible to make additional catch-up contributions to the Plan, as described below. Any Salary Reduction Contribution that is a catch-up contribution shall, to the extent it meets the qualifications, be treated as made under the Special 15-Year Catch-Up and then, to the extent applicable, as made under the Age 50 Catch-Up.

**Special 15-Year Catch-Up.** As set forth in Code Section 402(g)(8), any Employee who has completed 15 Years of Service with the Employer, if the Employer is an educational organization, hospital, home health service agency, health and welfare agency, church or convention or association of churches, may increase his/her annual Salary Reduction Contributions, by the lesser of the following:

(a) $3,000; or

(b) $15,000 reduced by previous catch-up contributions under this “Catch-Up Election”; or

(c) The excess of $5,000 times the Participant’s Years of Service with the Employer minus prior elective deferrals to all Employer plans under Code Sections 401(k), 403(b) and 408(k)(6).

Year of Service for purposes of this Special 15-Year Catch-Up is defined in Treas. Reg. §1.403(b)-4(e).

**Catch-Up Contributions—Age 50 or Over.** All Eligible Employees who have attained age 50 before the close of the Plan Year shall be eligible to make catch-up contributions in accordance with, and subject to the limitations of, Section 414(v) of the Code. Such catch-up contributions shall not be taken into account for purposes of the provisions of the Plan implementing the required limitations of Sections 402(g) and 415 of the Code. The Plan shall not be treated as failing to satisfy the provisions of the Plan implementing any other requirements of the Code by reason of the making of such catch-up contributions.

4.1.d **Limitations on Salary Reduction Contributions.** Eligible Employees may elect to contribute up to 100% of their Compensation to the Plan, not to exceed the maximum under Code Section 402(g).

The total Salary Reduction Contributions made by the University on behalf of the Participant for any year under this Plan and all other plans, contracts or arrangements of the University will not exceed the limits imposed by Code Sections 402(g), 403(b), 414(v) and 415. The limits of Code Sections 402(g), 403(b), 414(v) and 415 are herein incorporated by reference.

4.1.e **Return of Excess Salary Reduction Contributions.** If a Participant has Salary Reduction Contributions that exceed the dollar limits in effect under Code Section 402(g) at the beginning of the tax year, he/she may designate the contributions made during a taxable year to this Plan as Excess Salary Reduction Contributions by notifying the Plan Administrator by March 1 of the amount of the excess. A Participant who has Salary Reduction Contributions under this Plan that exceed the 402(g) limits may be deemed to have given the Plan Administrator notice to distribute such Excess Salary Reduction Contributions. Notwithstanding any other provision of this Plan, Excess Salary Reduction Contributions, adjusted to reflect any credited investment experience up to the date of distribution, must be distributed no later than April 15 to any Participant who designates the contribution as excess for the taxable year.

4.1.f **Leave of Absence.** During a paid leave of absence, Plan Contributions will continue to be made in accordance with the Salary Reduction Agreement. No Plan Contributions will be made during an unpaid leave of absence.
4.1.g When Salary Reduction Contributions Are Made. Salary Reduction Contributions shall be made based on payroll periods. Contributions shall be forwarded by the University to the Fund Sponsor as soon as it is administratively feasible for the University to segregate contributions but, in any event, within the time required by law.

4.2 UNIVERSITY CONTRIBUTIONS.

4.2.a University Contributions. The University will make a contribution for each Participant who is subject to the Mandatory Salary Reduction Contribution equal to 8% of his/her Regular Salary.

If an Eligible Employee is enrolled as a Participant on a date other than the first day of the Plan Year, only that portion of the Regular Salary earned while enrolled as a Participant shall be taken into account for purposes of University Contributions.

4.2.b When Contributions Are Made. University Contributions shall be made each payroll period.

4.2.c Plan Contributions will begin when the University has determined that the Participant has met or will meet the requirements of Article III. Plan Contributions will be forwarded to the Funding Vehicle(s) in accordance with the procedures established by the University. University Plan Contributions will be forwarded to the Funding Vehicles as soon as administratively feasible, but, in any event, in accordance with the law.

4.2.d Leave of Absence. During a paid leave of absence, University Contributions will continue to be made for a Participant on the basis of the Regular Salary then being paid by the University. No University Contributions will be made during an unpaid leave of absence.

4.2.e Maximum Plan Contributions. Notwithstanding anything contained in this Plan to the contrary, the total Annual Additions made for any Participant for any year will not exceed the amount permitted under section 415 of the Code. The limitations of Code Section 415 are hereby incorporated by reference.

For the purpose of calculating the limits of Code Section 415, compensation means a Participant’s wages, salaries, and fees for professional services and other amounts received (without regard to whether or not an amount is paid in cash) for personal services actually rendered in the course of employment with the employer maintaining this plan to the extent that the amounts are includible in gross income (including, but not limited to, commissions on insurance premiums, tips, bonuses, fringe benefits, reimbursements and expense allowances), Code Section 132(f)(4) transportation fringe benefit plan salary reduction contributions, and any elective deferrals as defined in Code Section 402(g)(3), and any amount which is contributed to or deferred by the University at the election of the Employee and which is not includable in gross income of the Employee by reasons of Code § 125,132(f) or 457. Such compensation does not include:

1. Employer contributions to a plan of deferred compensation that are not includible in the employee’s gross income for the taxable year in which contributed. Notwithstanding the foregoing, effective as of the first day of the Plan Year beginning on or after July 1, 2007, any amount includible in a Participant’s gross income due to noncompliance with Code Section 409A shall be included in Compensation for purposes of Code Section 415 limitations on contributions and benefits;

2. Employer contributions under a simplified employee pension plan described in Code Section 408(k) to the extent such contributions are deductible by the Employee;

3. Distributions from a plan of deferred compensation regardless of whether such amounts are includible in gross income when distributed (except that amounts paid to an Employee under an unfunded nonqualified plan of deferred compensation will be considered as compensation for purposes of Code Sections 415 and 416 in the year such amounts are includible in gross income);
4. Other amounts that receive special tax benefits, or contributions made by the employer (whether or not under a salary reduction agreement) towards the purchase of an annuity described in Code Section 403(b) (whether or not the amounts are actually excludable from the gross income of the employee).

Notwithstanding the foregoing, effective with respect to Limitation Years beginning on or after July 1, 2007, for purposes of applying the Code Section 415 limitations on contributions and benefits, the following Compensation shall be considered: (1) a Participant’s regular Compensation received for services rendered during the Participant’s regular working hours that is paid during a post severance payment period, (2) a Participant’s Compensation for services rendered outside his/her regular working hours (such as overtime or shift differential), commissions, bonuses, or other similar payments that would have been paid to the Participant before a severance of employment had the Participant continued in employment with the Employer (provided such amounts are paid during the post-severance payment period). The post-severance period is the period from the Participant’s severance from employment until the later of 2-1/2 months after severance or the end of the Limitation Year in which severance occurred. Compensation for purposes of applying the Code Section 415 limitations on contributions and benefits shall also include, if paid during the post-severance period, (3) payments for unused accrued bona fide sick, vacation, or other leave, but only to the extent that (a) the Participant would have been able to use the leave if employment had continued, and (b) the amounts would have been included in the definition of Compensation if they were paid prior to the Participant’s severance from employment with the Employer; and (4) amounts received by a Participant under a nonqualified unfunded deferred compensation plan if (a) the payment would have been paid to the Participant at the same time if he/she had continued in employment, (b) the payment is includible in the Participant’s gross income, and (c) the amounts would have been included in the definition of Compensation if they were paid prior to the Participant’s severance from employment with the Employer. In no event shall the Compensation for purposes of Code Section 415 for a given limitation year exceed the maximum amount of Compensation recognized for purposes of limiting contributions or benefits payable with respect to a plan under Code Section 401(a)(17) for that same limitation year.

To the extent permitted by Code Section 415 and the regulations promulgated thereunder, if the Annual Additions exceed the Section 415 limitations, the excess amounts will be disposed of in the following order: (a) Voluntary Salary Reduction Contributions (plus any gain attributable to the excess), to the extent they would reduce the excess amount, will be returned to the Participant; (b) University Contributions (plus any gain attributable to the applicable excess) to the extent they would reduce the excess amount, will be returned to the Participant; (c) Mandatory Salary Reduction Contributions (plus any gain attributable to the applicable excess) to the extent they would reduce the excess amount, will be returned to the Participant, and (d) if, after the application of (a), (b), and (c), respectively, an excess still exists, the excess will be held unallocated in a suspense account and will be applied to reduce University Contributions in succeeding limitation years.

If the limitations are exceeded because the Participant is also participating in another Plan required to be aggregated with this Plan for Code Section 415, then the extent to which annual contributions under this Plan will be reduced, as compared with the extent to which annual benefits or contributions under any other plans will be reduced, will be determined by the University in a manner as to maximize the aggregate benefits payable to the Participant from all plans. If the reduction is under this Plan, the University will advise affected Participants of any additional limitation on their annual contributions required by this paragraph.

The amount of Plan Contributions will also be subject to the limitations of Code Section 403(b). The limitations of Code Section 403(b) are hereby incorporated by reference.

4.2.f Direct Rollover of Eligible Rollover Distributions. This Section applies to distributions made on or after January 1, 1993, except to the extent otherwise indicated herein. Notwithstanding any provision of the plan to the contrary that would otherwise limit a distributee’s election under this Section, a distributee may elect, at the time and in the manner prescribed by the plan administrator, to have any portion of an eligible rollover distribution paid directly to an eligible retirement plan specified by the distributee in a direct rollover.
For the purposes of this Section, the following definitions apply:

A. Eligible rollover distribution: An eligible rollover distribution is any distribution of all or any portion of the balance to the credit of the distributee, except that an eligible rollover distribution does not include: any distribution that is one of a series of substantially equal periodic payments (not less frequently than annually) made for the life (or life expectancy) of the distributee or the joint lives (or joint life expectancies) of the distributee and the distributee’s designated beneficiary, or for a specified period of ten years or more; any distribution to the extent such distribution is required under Section 401(a)(9) of the Code; any hardship withdrawals of salary reduction contributions, unless such a distribution is made after a permissible distribution event (other than a hardship withdrawal) occurs under Code Section 401(k)(2)(B); and the portion of any distribution that is not includable in gross income (determined without regard to the exclusion for net unrealized appreciation with respect to employer securities).

B. Eligible retirement plan: An eligible retirement plan is an individual retirement account described in Section 408(a) of the Code, an individual retirement annuity described in Section 408(b) of the Code, an annuity contract described in Section 403(a) of the Code, or a qualified trust described in Section 401(a) of the Code, that accepts the distributee’s eligible rollover distribution. However, in the case of an eligible rollover distribution to the surviving spouse, an eligible retirement plan is an individual retirement account or individual retirement annuity. Effective for distributions made after December 31, 2006, eligible retirement plan shall include an individual retirement plan, which shall be either an individual retirement account or individual retirement annuity described in Code Section 408(a) or an individual retirement annuity described in Section 408(b) of the Code, that has been established for the purpose of receiving a distribution on behalf of the designated beneficiary of the Participant who is not the surviving spouse.

C. Distributee: A distributee includes a Participant or former Participant. In addition, the Participant’s or former Participant’s surviving spouse and the Participant’s or former Participant’s spouse or former spouse who is the alternate payee under a qualified domestic relations order, as defined in Section 414(p) of the Code, are distributees with regard to the interest of the spouse or former spouse. Effective December 31, 2006, distributee shall also include the employee’s or former employee’s designated non-spouse beneficiary solely for purposes of making a direct rollover to an individual retirement account or individual retirement annuity established for the purpose of receiving a distribution on behalf of a non-spouse beneficiary.

D. Direct rollover: A direct rollover is a payment by the plan to the eligible retirement plan specified by the distributee.

4.3 Investment Allocation of Plan Contributions

A Participant may allocate Plan Contributions to the Funding Vehicle(s) in any whole-number percentages that equal 100 percent. A Participant may change his/her allocation of future contributions to the Funding Vehicle(s) at any time.

4.4 Uniformed Services

Notwithstanding any provision of this Plan to the contrary, contributions, benefits, and service credit with respect to qualified military service will be provided in accordance with §414(u) of the Code.

Article V: Funding Vehicles

5.1 Funding Vehicles. Plan Contributions are invested in one or more Funding Vehicles available to Participants under this Plan. The Fund Sponsors and their Funding Vehicles are listed in Appendix A. Appendix A shall be updated from time to time by the University to reflect changes in the Fund Sponsors and Funding Vehicles, as needed.
The University’s current selection of Fund Sponsors and Funding Vehicles is not intended to limit future additions or deletions of Fund Sponsors and Funding Vehicles. Any additional accounts offered by a Fund Sponsor will be made available to Participants in accordance with the procedures established by the University.

5.2 **Fund Transfers.** Subject to a Funding Vehicle’s rules for transfers and in accordance with the provisions of the Code for maintaining the tax deferral of the Account(s), a Participant may transfer funds accumulated under the Plan among the Plan’s approved Funding Vehicles to the extent permitted by the Funding Vehicles.

5.2.a A Participant or Beneficiary is permitted to change the investment of his/her Account Balance among the Fund Sponsors and Funding Vehicles under the Plan, subject to the terms of the Individual Agreements. However, an investment change that includes an investment with a Vendor that is not eligible to receive contributions under Section 1.9 (referred to below as an exchange) is not permitted unless the conditions in paragraphs (b) through (d) of this Section 5.2 are satisfied.

5.2.b The Participant or Beneficiary must have an Account Balance immediately after the exchange that is at least equal to the Account Balance of that Participant or Beneficiary immediately before the exchange (taking into account the Account Balance of that Participant or Beneficiary under both Section 403(b) contracts or custodial accounts immediately before the exchange).

5.2.c The Individual Agreement with the receiving Vendor has distribution restrictions with respect to the Participant that are not less stringent than those imposed on the investment being exchanged.

5.2.d The University enters into an agreement with the receiving Vendor for the other contract or custodial account under which the University and the Vendor will from time to time in the future provide each other with the following information:

(1) Information necessary for the resulting contract or custodial account, or any other contract or custodial accounts to which contributions have been made by the University, to satisfy Section 403(b) of the Code, including the following: (i) the University providing information as to whether the Participant’s employment with the University is continuing, and notifying the Vendor when the Participant has had a severance from employment (for purposes of the distribution restrictions); (ii) the Vendor providing information to the University or other Vendors and Fund Sponsors concerning the Participant’s or Beneficiary’s Section 403(b) contracts or custodial account or qualified employer plan benefits (to enable a Vendor or Fund Sponsor to determine the amount of any rollover accounts that are available to the Participant under the Plan in order to satisfy the financial need under the hardship withdrawal rules of Section 7.3); and

(2) Information necessary in order for the resulting contract or custodial account and any other contract or custodial account to which contributions have been made for the Participant by the University to satisfy other tax requirements, including information concerning the Participant’s or Beneficiary’s after-tax employee contributions in order for a Vendor to determine the extent to which a distribution is includible in gross income.

5.2.e If any Fund Sponsor ceases to be eligible to receive Salary Reduction Contributions under the Plan, the University will enter into an information sharing agreement as described in Section 5.2.d to the extent the University’s contract with the Fund Sponsor does not provide for the exchange of information described in Section 5.2.d(1) and (2).

**Article VI: Vesting**

6.1 **Plan Contributions.** Plan Contributions shall be 100% vested and non-forfeitable at all times.
Article VII: Benefits

7.1 Retirement Benefits. A Participant may elect to retire under the Plan on his/her Normal Retirement Date. A Participant who continues as a Participant hereunder beyond Normal Retirement Date shall continue to have all the rights accruing to him or her under this Plan prior to such date.

A Participant electing to retire hereunder may select the form of payment from among any form of payment outlined below. However, benefits will be paid in the form of a Qualified Joint and Survivor Annuity unless the Participant waives the Qualified Joint and Survivor Annuity with a Qualified Election. Any waiver of a Qualified Joint and Survivor Annuity or a Qualified Pre-retirement Survivor Annuity shall not be effective unless: (a) the Participant’s spouse consents in writing to the election; (b) the election designates a specific Beneficiary(ies), including any class of Beneficiaries or any contingent Beneficiaries, which may not be changed without spousal consent (unless the spouse expressly permits designations by the Participant without any further spousal consent); (c) the spouse’s consent acknowledges the effect of the election; and (d) the spouse’s consent is witnessed by a Plan representative or notary public. Additionally, a Participant’s waiver of the Qualified Joint and Survivor Annuity shall not be effective unless the election designates a form of benefit payment that may not be changed without spousal consent (or the spouse expressly permits designations by the Participant without any further spousal consent). If it is established to the satisfaction of a Plan representative that there is no spouse or that the spouse cannot be located, a waiver will be deemed a Qualified Election.

Any consent by a spouse obtained under this provision (or establishment that the consent of a spouse may not be obtained) shall be effective only with respect to such spouse. A consent that permits designations by the Participant without any requirement of further consent by such spouse must acknowledge that the spouse has the right to limit consent to a specific Beneficiary(ies), and a specific form of benefit where applicable, and that the spouse voluntarily elects to relinquish either or both of such rights. A revocation of a prior waiver may be made by a Participant without the consent of the spouse at any time before the commencement of benefits. The number of revocations shall not be limited. No consent obtained under this provision shall be valid unless the Participant has received notice as provided in Section 7.8. The options shall include but not be limited to:

a. A single lump sum payment;

b. Monthly, quarterly or annual installment payments over a period certain;

c. Annuity payments including:

(i) single life annuity;

(ii) joint and 50% survivor annuity.

If a Participant is disabled, that Participant shall be deemed to have terminated employment for purposes of the Plan when he or she reaches age 65, unless he or she has elected to terminate employment at an earlier age. Disability means that a Participant, by reason of mental or physical disability, is incapable of continuing any gainful employment and the Participant’s condition constitutes total disability under the Federal Social Security Act.

7.2 In-Service Distribution. A Participant may make an in-service cash withdrawal from the Plan upon attainment of age 62, providing the Participant is (1) an approved participant in the University’s phased retirement program, and (2) is not a Highly Compensated Employee as defined in Code § 414(q), the definition of which is incorporated herein by reference.

7.3 Hardship Distributions. Hardship distributions of the Account shall be approved only if the Plan Administrator determines that the Participant has an immediate and heavy financial need relating to uninsured
medical expenses defined below, of at least $1,500, and the distribution is necessary to pay the expense. The amount of the need may include any amount necessary to pay any federal, state, or local income taxes or penalties reasonably anticipated to result from the distribution. In such cases, there shall be paid to such Participant out of his/her Account only such portion of the amount requested as is necessary to prevent or alleviate the hardship. In making its determination hereunder, the Plan Administrator shall follow uniform and nondiscriminatory practices and its determination shall be final and binding. Income earned on or after January 1, 1989 shall be available for distribution on account of hardship only to the extent permitted by the Code.

Uninsured medical expenses described in Code Section 213(d) that are incurred by the Participant, his/her spouse, his/her dependents, or his/her designated Beneficiary/Beneficiaries or that are necessary for these persons to obtain such medical care are deemed to be immediate and heavy financial needs that may warrant a hardship distribution under the Plan.

A distribution will be treated as necessary to satisfy a financial need if the Participant reasonably represents that the need cannot be relieved: (a) through reimbursement or compensation by insurance or otherwise; (b) by reasonable liquidation of the employee's assets (or the assets of a spouse or child available to the employee) to the extent the liquidation would not cause hardship; (c) by other distributions or nontaxable loans from the plans of the University or by borrowing from commercial sources on reasonable terms or (d) by cessation of Voluntary Salary Reduction Contributions.

Notwithstanding the above, hardship distributions will be deemed to be necessary to satisfy an immediate and heavy financial need of the Participant if all of the following are satisfied: (a) the distribution does not exceed the amount of the applicable need under the second paragraph of this section; (b) the Participant has obtained all distributions, other than hardship distributions, and all nontaxable loans currently available under the Plan and any other deferred compensation plan maintained by the University; and (c) such additional or alternative requirements as may be prescribed in Regulation Section 1.401(k)-1(d)(2)(iii)(B) or subsequent promulgations.

7.4 Survivor Benefits. If a Participant dies before the start of retirement benefit payments, the full current value of his/her Account(s) is payable to the Participant’s designated Beneficiary(ies). If the Participant dies without designating a Beneficiary, and the Participant is married at the time of his/her death, the entire Account shall be paid to the Participant’s spouse. If the Participant is unmarried at the time of his/her death, the entire Account shall be paid to his/her estate. Distribution of Survivor Benefits is subject to the required distribution rules set forth in Code Section 401(a)(9).

7.5 Application for Benefits. A Participant must apply for benefits in writing. Benefits will be payable upon receipt of a satisfactorily completed application for benefits and supporting documents. The necessary forms will be provided to the Participant, the surviving spouse, or the Beneficiary(ies) by the University.

7.6 Minimum Distribution Requirements. The provisions of this Section will apply for purposes of determining required minimum distributions for calendar years beginning with the 2003 calendar year. The requirements of this Section shall apply to any distribution of a Participant’s Account(s) and will take precedence over any inconsistent provisions of this Plan as to the required minimum amount payable, provided that any provision of the Plan requiring faster payment or greater payments will remain in effect. All distributions required under this Section will be made in accordance with Code Section 401(a)(9) and the regulations promulgated thereunder.

Notwithstanding the other provisions of this Section, distributions may be made under a designation made before January 1, 1984, in accordance with Section 242(b)(2) of the Tax Equity and Fiscal Responsibility Act (TEFRA) and the provisions of the Plan that relate to Section 242(b) of TEFRA.
(A) **Time and Manner of Distribution.**

(1) **Required Beginning Date.** The Participant’s entire Account shall be distributed, or begin to be distributed, to the Participant no later than the Participant’s Required Beginning Date.

(2) **Death of Participant Before Distributions Begin.** If the Participant dies before distributions begin, the Participant’s entire Account shall be distributed, or begin to be distributed, no later than as follows:

a) If the Participant’s surviving spouse is the Participant’s sole designated Beneficiary, then distributions to the surviving spouse shall begin by December 31 of the calendar year immediately following the calendar year in which the Participant died, or by December 31 of the calendar year in which the Participant would have attained age 70 ½, if later.

b) If the Participant’s surviving spouse is not the Participant’s sole designated Beneficiary, then distributions to the designated Beneficiary shall begin by December 31 of the calendar year immediately following the calendar year in which the Participant died.

c) If there is no designated Beneficiary as of September 30 of the year following the year of the Participant’s death, the Participant’s entire Account shall be distributed by December 31 of the calendar year containing the fifth anniversary of the Participant’s death.

d) If the Participant’s surviving spouse is the Participant’s sole designated Beneficiary and the surviving spouse dies after the Participant but before distributions to the surviving spouse begin, this subsection (A)(2), other than subsection (A)(2)(a), will apply as if the surviving spouse were the Participant.

For purposes of subsections (A)(2) and (C), unless subsection (A)(2)(d) applies, distributions are considered to begin on the Participant’s Required Beginning Date. If subsection (A)(2)(d) applies, distributions are considered to begin on the date distributions are required to begin to the surviving spouse under subsection (A)(2)(a). If distributions under an annuity purchased from an insurance company irrevocably commence to the Participant before the Participant’s Required Beginning Date (or to the Participant’s surviving spouse before the date distributions are required to begin to the surviving spouse under subsection (A)(2)(a)), the date distributions are considered to begin is the date distributions actually commence.

(3) **Forms of Distribution.** Unless the Participant’s interest is distributed in the form of an annuity purchased from an insurance company or in a single sum on or before the Required Beginning Date, as of the first distribution calendar year distributions shall be made in accordance with subsections (B) and (C) of this Section. If the Participant’s Account is distributed in the form of an annuity purchased from an insurance company, distributions thereunder will be made in accordance with the requirements of Code Section 401(a)(9) and the Treasury Regulations promulgated thereunder.

(B) **Required Minimum Distributions During Participant’s Lifetime.**

(1) **Amount of Required Minimum Distribution for Each Distribution Calendar Year.** During the Participant’s lifetime, the minimum amount that will be distributed for each distribution calendar year is the lesser of:
a) the quotient obtained by dividing the Participant’s account balance by the distribution period in the Uniform Lifetime Table set forth in Treasury Regulation Section 1.401(a)(9)-9, using the Participant’s age as of the Participant’s birthday in the distribution calendar year; or

b) if the Participant’s sole designated Beneficiary for the distribution calendar year is the Participant’s spouse, the quotient obtained by dividing the Participant’s account balance by the number in the Joint and Last Survivor Table set forth in Treasury Regulation Section 1.401(a)(9)-9, using the Participant’s and spouse’s attained ages as of the Participant’s and spouse’s birthdays in the distribution calendar year.

(2) **Lifetime Required Minimum Distribution Through Year of Participant’s Death.** Required minimum distributions will be determined under this subsection (B) beginning with the first distribution calendar year and up to and including the distribution calendar year that includes the Participant’s date of death.

(C) **Required Minimum Distributions After Participant’s Death.**

(1) **Death On or After Date Distributions Begin.**

a) **Participant Survived by Designated Beneficiary.** If the Participant dies on or after the date distributions begin and there is a designated Beneficiary, the minimum amount that will be distributed for each distribution calendar year after the year of the Participant’s death is the quotient obtained by dividing the Participant’s account balance by the longer of the remaining life expectancy of the Participant or the remaining life expectancy of the Participant’s designated Beneficiary, determined as follows:

(i) The Participant’s remaining life expectancy is calculated using the age of the Participant in the year of death, reduced by one for each subsequent year.

(ii) If the Participant’s surviving spouse is the Participant’s sole designated Beneficiary, the remaining life expectancy of the surviving spouse is calculated for each distribution calendar year after the year of the Participant’s death using the surviving spouse’s age as of the spouse’s birthday in that year. For distribution calendar years after the year of the surviving spouse’s death, the remaining life expectancy of the surviving spouse is calculated using the age of the surviving spouse as of the spouse’s birthday in the calendar year of the spouse’s death, reduced by one for each subsequent calendar year.

(iii) If the Participant’s surviving spouse is not the Participant’s sole designated Beneficiary, the designated Beneficiary’s remaining life expectancy is calculated using the age of the Beneficiary in the year following the year of the Participant’s death, reduced by one for each subsequent year.

b) **No Designated Beneficiary.** If the Participant dies on or after the date distributions begin and there is no designated Beneficiary as of September 30 of the year after the year of the Participant’s death, the minimum amount that shall be distributed for each distribution calendar year after the year of the Participant’s death is the quotient obtained by dividing the Participant’s account balance by the Participant’s remaining life expectancy calculated using the age of the Participant in the year of death, reduced by one for each subsequent year.
(2) **Death Before Date Distributions Begin**

a) **Participant Survived by Designated Beneficiary.** If the Participant dies before the date distributions begin and there is a designated Beneficiary, the minimum amount that shall be distributed for each distribution calendar year after the year of the Participant’s death is the quotient obtained by dividing the Participant’s account balance by the remaining life expectancy of the Participant’s designated Beneficiary, determined as provided in Section 7.6(c)(1).

b) **No Designated Beneficiary.** If the Participant dies before the date distributions begin and there is no designated Beneficiary as of September 30 of the year following the year of the Participant’s death, distribution of the Participant’s entire Account shall be completed by December 31 of the calendar year containing the fifth anniversary of the Participant’s death.

c) **Death of Surviving Spouse Before Distributions to Surviving Spouse are Required to Begin.** If the Participant dies before the date distributions begin, the Participant’s surviving spouse is the Participant’s sole designated Beneficiary, and the surviving spouse dies before distributions are required to begin to the surviving spouse under subsection (A)(2)(a), this subsection (C)(2) shall apply as if the surviving spouse were the Participant.

(D) **Definitions**

(1) **Designated Beneficiary.** The individual who is designated as the Beneficiary under the Plan, including any individual who is a default beneficiary, and is the designated Beneficiary under Code Section 401(a)(9) and Treasury Regulation Section 1.401(a)(9)-1, Q&A-4.

(2) **Distribution calendar year.** A calendar year for which a minimum distribution is required. For distributions beginning before the Participant’s death, the first distribution calendar year is the calendar year immediately preceding the calendar year which contains the Participant’s Required Beginning Date. For distributions beginning after the Participant’s death, the first distribution calendar year is the calendar year in which distributions are required to begin under subsection (A)(2). The required minimum distribution for the Participant’s first distribution calendar year shall be made on or before the Participant’s Required Beginning Date. The required minimum distribution for other distribution calendar years, including the required minimum distribution for the distribution calendar year in which the Participant’s Required Beginning Date occurs, will be made on or before December 31 of that distribution calendar year.

(3) **Life expectancy.** Life expectancy as computed by use of the Single Life Table in Treasury Regulation Section 1.401(a)(9)-9.

(4) **Participant’s Account Balance.** The Participant’s account balance as of the last valuation date in the calendar year immediately preceding the distribution calendar year (valuation calendar year) increased by the amount of any contributions made and allocated or forfeitures allocated to the Participant’s account balance as of dates in the valuation calendar year after the valuation date and decreased by distributions made in the valuation calendar year after the valuation date. The Participant’s account balance for the valuation calendar year includes any amounts rolled over or transferred to the Plan either in the valuation calendar year or in the distribution calendar year if distributed or transferred in the valuation calendar year.
(5) **Required Beginning Date.** The Required Beginning Date of a Participant is April 1 following the calendar year in which the Participant attains age 70 ½ or if later, April 1 following the calendar year in which the Participant retires.

(E) **Election to Allow Participants, Former Participants or Beneficiaries to Elect 5-Year Rule.**

Participants or Beneficiaries may elect on an individual basis whether the 5-year rule or the life expectancy rule in subsections (A)(2) and (C)(2) applies to distributions after the death of a Participant who has a designated Beneficiary. The election must be made no later than the earlier of December 31 of the calendar year in which distribution would be required to begin under Subsection (A)(2), or by December 31 of the calendar year which contains the fifth anniversary of the Participant’s (or, if applicable, surviving spouse’s) death. If neither the Participant nor Beneficiary makes an election under this paragraph, distributions will be made in accordance with subsection (A)(2) and (C)(2).

7.7 **Commencement of Benefits.** Unless the Participant elects otherwise, distribution of benefits will begin no later than the 60th day after the latest of the close of the Plan Year in which:

i) the Participant attains age 65 (or Normal Retirement Age, if earlier);

ii) occurs the 10th anniversary of the year in which the Participant commenced participation in the Plan; or,

iii) the Participant terminates service with the University.

Notwithstanding the foregoing, the failure of a Participant and spouse to consent to a distribution while a benefit is immediately distributable shall be deemed to be an election to defer commencement of payment of any benefit sufficient to satisfy this section.

A Participant who elects to defer receipt of benefits may not do so to the extent that he/she is creating a death benefit that is more than incidental.

7.8 **Joint and Survivor Annuity Requirements.** The provisions of this section shall apply to any Participant who is credited with one Hour of Service at the University on or after August 23, 1984. However, any Participant in this Plan not receiving benefits as of August 23, 1984 may elect to have benefits paid in a manner described herein.

**Pre-retirement Spousal Entitlement.** Unless a Qualified Election is made, if a married Participant dies before the date benefits commence, the Participant’s vested Account shall be applied toward the purchase of a Qualified Pre-retirement Survivor Annuity. The surviving spouse may elect to have such annuity distributed within a reasonable period after the Participant’s death.

**Notification of Pre-retirement Spousal Entitlement.** In the case of a Qualified Pre-retirement Survivor Annuity, the University shall provide each Participant, within the applicable period for such Participant, a written explanation of the Qualified Pre-retirement Survivor Annuity in such terms and in such manner as would be comparable to the explanation provided for meeting the requirements for notification of a Qualified Joint and Survivor Annuity.

The applicable period for a Participant is whichever of the following periods ends last: (a) the period beginning with the first day of the Plan Year in which the Participant attains age 32 and ending with the close of the Plan Year preceding the Plan Year in which the Participant attains age 35; (b) a reasonable period after an Eligible Employee becomes a Participant; or (c) a reasonable period ending after this section first applies to the Participant. Notwithstanding the foregoing, notice must be provided within a reasonable period ending after separation of service in the case of a Participant who separates from service before attaining age 35.
For applying the preceding paragraph, a reasonable period ending after the enumerated events is the end of the two-year period beginning one year before the date the applicable event occurs, and ending one year after that date. For a Participant who separates from service before the Plan Year in which age 35 is attained, notice should be provided within the two-year period beginning one year before separation and ending one year after separation. If such a Participant thereafter returns to employment with the University, the applicable period for such Participant shall be re-determined.

**Post-retirement Spousal Entitlement.** Unless a Qualified Election is made within the 180-day period ending on the date benefits commence, a married Participant’s vested Account will be paid in the form of a Qualified Joint and Survivor Annuity and an unmarried Participant’s vested Account will be paid in the form of a single life annuity.

**Notification of Post-retirement Spousal Entitlement.** In the case of a Qualified Joint and Survivor Annuity, the University shall no less than 30 days and no more than 180 days before the date benefits commence provide each Participant a written explanation of: (a) the terms and conditions of a Qualified Joint and Survivor Annuity; (b) the Participant’s right to make and the effect of an election to waive the Qualified Joint and Survivor Annuity form of benefit; (c) the rights of a Participant’s spouse; and (d) the right to waive a Qualified Joint and Survivor Annuity.

If the Participant, after receiving the explanation, elects a form of benefit and the spouse consents to the benefit (if necessary), the Plan will not fail to satisfy the requirements of this paragraph merely because the annuity starting date is less than 30 days after the written explanation is given to the Participant provided (1) the explanation is provided prior to the annuity starting date; (2) the distribution does not commence before the expiration of the 7-day period that begins the day after the explanation is provided to the Participant; and (3) prior to the expiration of the 7-day period, or the annuity starting date, if later, the Participant may revoke the distribution election.

7.9 **Loans.** Loans from the Plan are not available to Participants.

7.10 **Distribution Upon Termination of Employment.** You may elect to take a total distribution of your Account upon termination of employment with the University.

**Article VIII: Administration**

8.1 **Plan Administrator.** Whitworth University (the “University”) shall be the Plan Administrator of the Plan. The Plan Administrator shall be the named fiduciary of the Plan. The Plan Administrator shall discharge its duties with respect to the Plan pursuant to the requirements of applicable Federal law. Neither the Plan Administrator nor any of its delegates shall be liable for any loss or for any breach of fiduciary responsibility that results from a Participant’s exercise of control over his/her Account to the fullest extent permitted under Federal law.

8.2 **Authority of the University.** The University has all the powers and authority expressly conferred upon it herein and further shall have discretionary and final authority to determine all questions concerning eligibility and contributions under the Plan, to interpret and construe all terms of the Plan, including any uncertain terms, and to determine any disputes arising under and all questions concerning administration of the Plan. Any determination made by the University shall be given deference, if it is subject to judicial review, and shall be overturned only if it is arbitrary or capricious. In exercising these powers and authority, the University will always exercise good faith, apply standards of uniform application, and refrain from arbitrary action. The University may employ attorneys, agents, and accountants as it finds necessary or advisable to assist it in carrying out its duties. The University will be a “named fiduciary” as that term is defined in section 402(a)(2) of the Employee Retirement Income Security Act for determining eligibility and computing and making Plan Contributions. The University, by action of its Board, may delegate any of its power and duties with respect to the Plan or its amendments to one or more officers or other employees of Whitworth University. Any such delegation shall be stated in writing.
8.3 **Action of the University.** Any act authorized, permitted, or required to be taken by the University under the Plan, which has not been delegated in accordance with the “Authority of the University” section of Article VIII, may be taken by a majority of the members of the Board, either by vote at a meeting, or in writing without a meeting. All notices, advice, directions, certifications, approvals, and instructions required or authorized to be given by the University under the Plan will be in writing and signed by either (i) a majority of the members of the Board, or by any member or members as may be designated by an instrument in writing, signed by all members, as having authority to execute the documents on its behalf, or (ii) a person who becomes authorized to act for the University in accordance with the provisions of the “Authority of the University” section of Article VIII. Any action taken by the University that is authorized, permitted, or required under the Plan and is in accordance with Funding Vehicles contractual obligations are final and binding upon the University, and all persons who have or who claim an interest under the Plan, and all third parties dealing with the University.

8.4 **Indemnification.** The University will satisfy any liability actually and reasonably incurred by any members of the Board or any person to whom any power, authority or responsibility of the University is delegated pursuant to the “Authority of the University” section of Article VIII (other than the Fund Sponsors). These liabilities include expenses, attorney’s fees, judgments, fines, and amounts paid in connection with any threatened, pending or completed action, suit or proceeding related to the exercise (or failure to exercise) of this authority. This in addition to whatever rights of indemnification exist under the articles of incorporation, regulations or by-laws of the University, under any provision of law, or under any other agreement.

8.5 **No Reversion.** Under no circumstances or conditions will any Plan Contributions of the University revert to, be paid to, or inure to the benefit of, directly or indirectly, the University. However, if Plan Contributions are made by the University by mistake of fact, these amounts may be returned to the University within one year of the date that they were made.

8.6 **Statements.** The University will determine the total amount of contributions to be made for each Participant from time to time on the basis of its records and in accordance with the provisions of this Article. When each contribution payment is made by the University, the University will prepare a statement showing the name of each Participant and the portion of the payment that is made for him or her, and will deliver the statement to the appropriate Fund Sponsors with the contributions payment. Any determination by the University, evidenced by a statement delivered to the Fund Sponsors, is final and binding on all Participants, their Beneficiaries or contingent annuitants, or any other person or persons claiming an interest in or derived from the contribution’s payment.

8.7 **Reporting.** Records for each Participant under this Plan are maintained on the basis of the Plan Year. At least once a calendar quarter the Fund Sponsors will send each Participant a report summarizing the status of his/her Account(s). Similar reports or illustrations may be obtained by a Participant upon termination of employment or at any other time by writing directly to the Fund Sponsors.

8.8 **Calendar Year Election.** For purposes of determining the highly compensated employees for the Plan Year, the University may make a calendar year election in accordance with the provisions of the Code and regulations issued thereunder.

8.9 **Claims Procedure.** The Plan Administrator shall establish a claims procedure which shall be in writing and provided to any Participant or beneficiary whose claim for benefits under the Plan has been denied. The procedure shall provide for adequate notice in writing to the Participant or beneficiary and the notice shall set forth the specific reasons for denial of benefits written in a manner calculated to be understood by the Participant or beneficiary. The procedure shall afford a reasonable opportunity to the Participant or beneficiary for a full and fair review of the decision denying the claim.

**Article IX: Amendment and Termination**
9.1 Amendment and Termination. While it is expected that this Plan will continue indefinitely, the University reserves the right to amend, otherwise modify, or terminate the Plan, or to discontinue any further Plan Contributions or payments under the Plan, by resolution of its Board. In the event of a termination of the Plan or complete discontinuance of Plan Contributions, the University will notify all Participants of the termination.

9.2 Limitation. Notwithstanding the provisions of the “Amendment and Termination” section of Article IX, the following conditions and limitations apply:

(a) No amendment will be made which will operate to recapture for the University any contributions previously made under this Plan. However, Plan Contributions made based on a mistake of fact may be returned to the University within one year of the date on which the Plan Contribution was made.

(b) No amendment will deprive, take away, or alter any then accrued right of any Participant insofar as Plan Contributions are concerned.

Article X: Miscellaneous

10.1 Plan Non-Contractual. Nothing in this Plan will be construed as a commitment or agreement on the part of any person to continue his/her employment with the University, and nothing in this Plan will be construed as a commitment on the part of the University to continue the employment or the rate of compensation of any person for any period, and all employees of the University will remain subject to discharge to the same extent as if the Plan had never been put into effect.

10.2 Claims of Other Persons. The provisions of the Plan will not be construed as giving any Participant or any other person, firm, or corporation, any legal or equitable right against the University, its officers, employees, or trustees, except the rights as specifically provided for in this Plan or created in accordance with the terms and provisions of this Plan.

10.3 Merger, Consolidation, or Transfers of Plan Assets. In the event of a merger or consolidation with, or transfer of assets to, another plan, each Participant will receive immediately after such action a benefit under the plan that is equal to or greater than the benefit he/she would have received immediately before a merger, consolidation, or transfer of assets or liabilities.

10.4 Finality of Determination. All determinations with respect to the crediting of Years of Service under the Plan are made on the basis of the records of the University, and all determinations made are final and conclusive upon employees, former employees, and all other persons claiming a benefit interest under the Plan. Notwithstanding anything to the contrary contained in this Plan, there will be no duplication of Years of Service credited to an employee for any one period of his/her employment.

10.5 Contracts - Incorporation by Reference. The terms of each Funding Vehicle in accordance with the provisions of Article V are a part of the Plan as if fully set forth in the plan document and the provisions of each are incorporated by reference into the Plan. The terms of the Funding Vehicle control in any case where there is any inconsistency or ambiguity between the terms of the Plan and the terms of the Funding Vehicle.

10.6 Non-Alienation of Retirement Rights or Benefits. No benefit under the Plan may, at any time, be subject in any manner to alienation, encumbrance, the claims of creditors or legal process to the fullest extent permitted by law. No person will have power in any manner to transfer, assign, alienate, or in any way encumber his/her benefits under the Plan, or any part thereof, and any attempt to do so will be void and of no effect. However, this Plan will comply with any judgment, decree or order which establishes the rights of another person to all or a portion of a Participant’s benefit under this Plan to the extent that it is a “qualified domestic relations order” under section 414(p) of the Code.
IN WITNESS WHEREOF, the University has caused this Plan to be executed this _____ day of_,
______________, 2008.

WHITWORTH UNIVERSITY

By:_________________________________

Its:________________________________

By:_________________________________

Its:________________________________

Employer Identification Number: 91-0473310
Plan Number: 001
APPENDIX A
FUNDING SPONSORS and VEHICLES

The Funding Sponsors and Funding Vehicles for the Plan are listed below. Plan Contributions are invested in one or more of the following Funding Vehicles which are available to Participants under this Plan.