

# **SUMMARY PLAN DESCRIPTION**

**Of the**

**Arthritis Foundation Defined Contribution Retirement Plan**  
Revised January 1, 2013

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## INTRODUCTION

The Arthritis Foundation Defined Contribution Retirement Plan, (the “Plan”) is sponsored by **the Arthritis Foundation, Inc.** (the “Foundation”) and is designed to provide retirement benefits to eligible employees of the Foundation. The Plan is designed to help you achieve financial security upon retirement and provides you with an opportunity to save for your retirement on a tax-deferred basis.

The Plan is a defined contribution plan and is intended to comply with the qualification requirements of Sections 401(a) and 401(k) of the Internal Revenue Code, as amended (the “Code”) and the Employee Retirement Income Security Act of 1974, as amended (“ERISA”).

The Plan provides that the Foundation may make discretionary Employer Contributions to the Plan on your behalf and includes a 401(k) feature, which allows you to make tax-deferred salary reduction contributions to the Plan.

The Plan, the Adoption Agreement for the Plan and any amendments to these documents set forth the terms of the Plan. Together, they are referred to as the “Plan documents.” With respect to benefits provided by TIAA-CREF annuity contracts or certificates, all rights of a participant to Plan benefits under the contracts and certificates will be determined by the terms of such contracts and certificates, respectively.

This Summary Plan Description (“SPD”) explains the major features of the Plan and how they apply to you. This SPD is a summary only. It does not discuss every detail of the Plan and it does not present some technical aspects of the Plan that may affect your right to participate in or receive benefits under the Plan. You should refer to the Plan for all details of the Plan’s operation. If there is any ambiguity or inconsistency between the Plan document and this SPD, the provisions of the Plan documents will govern. The Plan documents may be examined during regular business hours in the Plan Administrator’s office.

You are encouraged to read this SPD carefully so that you will understand the Plan as it applies to you and your beneficiaries. If you have any questions that are not answered by this SPD, please contact the Plan Administrator. Only the Plan Administrator is authorized to answer questions about the Plan.

You may also obtain a current SPD (including any modifications to the SPD) from the Plan Administrator upon request and without charge.

## **PART I- Information about the Plan**

### **1. Information About the Plan**

The Plan was established by the Arthritis Foundation effective on **January 1, 1999**. The purpose of the Plan is to provide retirement benefits for eligible employees. Benefits are provided through:

- Teachers Insurance and Annuity Association of America (TIAA). TIAA provides a traditional annuity and a variable annuity through its Real Estate Account. You can receive more information about TIAA by writing to: TIAA, 730 Third Avenue, New York 10017. You can also receive information by calling 1 800 842-2733.
- College Retirement Equities Fund (CREF). CREF is TIAA's companion organization, providing variable annuities. You can receive more information about CREF by writing to: CREF, 730 Third Avenue, New York 10017. You can also receive information by calling 1 800 842-2733.

For more detailed information about the fund sponsors and funding vehicles available under the Plan, please refer to Part II of this SPD.

The Arthritis Foundation is the administrator of the Plan and is responsible for Plan operation.

### **2. Who is Eligible to Participate in the Plan?**

All employees of the National Office of the Arthritis Foundation are eligible to participate in the Plan, except leased employees, independent contractors, nonresident aliens and employees included in a unit of employees covered by a collective bargaining agreement.

### **3. What are the Eligibility Requirements to Participate in the Plan?**

You are eligible to participate in this Plan for purposes of receiving Base Contributions and making Salary Reduction Contributions upon completion of one "Year of Service" and upon reaching age 21.

Prior employment with an Arthritis Foundation affiliated Region or Chapter preceding your employment with the Foundation will be counted for purposes of this eligibility requirement, provided you completed 1,000 or more hours of service during each year credited.

A "Year of Service" for eligibility purposes is the 12-month computation period during which you complete 1,000 hours or more of service and starts with your date of

employment. If you do not complete 1,000 hours during your first 12-month period, the eligibility computation period will be any subsequent 12-month period of service beginning on the anniversary of your employment date.

#### **4. When May I Become a Participant in the Plan?**

You may begin participation in the Plan on the first day of the pay period coinciding with or immediately following the date you satisfy the eligibility requirements.

The Foundation will notify you when you have satisfied the eligibility requirements needed to participate in the Plan. The Foundation will make all determinations about eligibility and participation. The Foundation will base its determinations on its records and the Plan documents.

Once you are eligible to participate, you will be automatically enrolled in the Plan for purposes of receiving Base Contributions (See Section 5, below) from the Foundation. You will also be automatically enrolled for purposes of making Salary Reduction Contributions in an amount of 4% of your Compensation unless you affirmatively elect not to make Salary Reduction Contributions or unless you affirmatively elect to make Salary Reduction Contributions in an amount less than 4% of your Compensation. Please see Section 6(B) of this SPD for more information concerning this automatic enrollment feature.

If your employment terminates and you subsequently become reemployed by the Foundation as an eligible employee, you will be eligible to participate in the Plan immediately upon reemployment if you had a non-forfeitable benefit in the Plan at the time your employment terminated. If you did not have a non-forfeitable benefit in the Plan when your employment terminated, you will be eligible to participate in the Plan upon completion of the eligibility requirements. For purposes of determining your eligibility to participate in the Plan, Years of Service with the Foundation prior to termination of your employment will be counted if the number of one-year breaks in service did not exceed the greater of your previous Years of Service with the participating employer or five. Years of Service do not include earlier Years of Service that have been disregarded due to earlier breaks in service.

#### **5. Will The Foundation Make Contributions to this Plan on My Behalf?**

After you begin participation in the Plan, the Foundation may, in its sole and absolute discretion, make discretionary contributions (“Base Contributions”) to the Plan on your behalf, which will be invested in the funding vehicles you have chosen. These Base Contributions, if made, will be based on a percentage of your Compensation earned as a participant during the plan year. If you participate in the Plan for only a part of the year, the contribution that is made on your behalf will be based on only the Compensation you earn while you are a participant.

Prior service with the National Office of the Foundation or an affiliated Region or Chapter is counted for purposes of the Base Contribution, provided you were employed by the National Office or affiliated Region or Chapter. The following is the service-graded contribution schedule that is not based upon any matching formula:

Years of Service	Base Contribution
1-4	2%
5-9	4%
10 or more	6%

## 6. Can I Contribute to the Plan?

**A. Salary Reduction Contributions.** You may make contributions to the Plan by reducing the amount of your Compensation during the Plan Year from 1% to 4% and contributing that amount to the Plan. This is known as a “cash or deferred arrangement” (CODA) under Section 401(k) of the Code. You may begin making these “Salary Reduction Contributions” by completing a salary reduction agreement. Your Salary Reduction Contributions will be deducted from your paycheck each pay period and credited to your Account in the Plan.

You can increase or decrease the amount of your Salary Reduction Contributions by submitting a revised salary reduction agreement to the plan administrator at least 14 days prior to the effective date of the change. The change will be effective for the payroll period following the date you give the 14-day notice.

You may also suspend your Salary Reduction Contributions by giving at least 14 days prior written notice to the Plan Administrator.

**B. Automatic Enrollment Feature.** New participants in the Plan will be automatically enrolled in the Plan for purposes of making Salary Reduction Contributions and will be deemed to have made a cash deferral election in an amount equal to four percent (4%) of Compensation earned while you are a participant during the Plan Year. If you would like to opt out of this automatic enrollment feature or would like to make Salary Reduction Contributions to the Plan in an amount less than 4% of your Compensation, you must affirmatively complete a salary reduction agreement.

If you are a current participant in the Plan who has completed a salary reduction agreement with the Plan Administrator, you will not be affected by the automatic enrollment feature described above. Should you desire, you may change your contribution percentage (as described below) by completing a new salary reduction agreement with the Plan Administrator.

**C. Limitations on Salary Reduction Contributions.** The total of your Salary Reduction Contributions during a Plan Year cannot exceed a specified dollar limit, which is adjusted from year to year based on an IRS cost of living index. You cannot contribute

to this Plan (or similar plans) by means of a salary reduction agreement for any calendar year an amount in excess of the following amounts:

<u>For taxable years beginning in:</u>	<u>The applicable dollar limit:</u>
2012	\$17,000
2013 and thereafter	\$17,500 (adjusted annually by cost of living index)

In applying the above dollar limits, you must take into account any pre-tax contributions that you have made under any other cash-or-deferred arrangement or Section 401(k) plan, any tax-sheltered annuity or any simplified employee pension plan in which you may participate. If the amount you contribute to this Plan (and similar plans) for any year exceeds the applicable dollar limit, you must notify the Plan Administrator before March 1 of the following year so a timely refund can be made to protect you from possible adverse tax consequences.

There is an additional legal limitation based on amounts that other participants elect to have contributed to their accounts. This means that all Salary Reduction Contributions are subject to adjustment by the Plan Administrator, if necessary, to permit the Plan to meet certain tests imposed on such plans by the Internal Revenue Code. If you are interested in learning how this limitation is applied, you may review the Plan document.

**D. Income Tax Withholding.** Your Salary Reduction Contributions are not immediately subject to federal income taxes, and you will not pay taxes on your Salary Reduction Contributions (or on the earnings generated by the investment of your Salary Reduction Contributions) while they remain invested in the Plan. In some locations, state and local income taxes also are not withheld from Salary Reduction Contributions. However, your Salary Reduction Contributions will be subject to Social Security taxes, and your Social Security benefits will not be reduced as a result of participation in the Plan.

## **7. Can I Rollover Funds from Other Plans?**

In general, if your previous employer maintained or contributed to a “qualified employee plan” (such as a Section 401(k) plan or a Code Section 403(b) plan), and if you are eligible to receive a distribution from that plan, you may rollover the amount of the distribution from that plan to this Plan, excluding after-tax employee contributions. Since the rollover provisions in the Plan and under the law are complex, you should consult your own accountant, legal counsel or other financial adviser before making a rollover contribution.

## **8. Will the Foundation Make Any Matching Contributions?**

If you enter into a salary reduction agreement, the Foundation will also contribute fifty percent (50%) of the first 4% of your Compensation contributed to the Plan during the

year (“Employer Matching Contribution”). The effect of this is to increase your savings by the amount of the match. The Foundation may also, in its sole and absolute discretion, make supplemental Employer Matching Contributions based on the amount you elect to contribute as a Salary Reduction Contribution.

**A. Legal Limitations of the Employer Matching Contributions.**

No match will be provided on any of your contributions that are returned to you because they exceed the legal limitations on permitted contributions (See Section 6(C) above) and, if such Employer Matching Contributions had been made previously, they will be forfeited.

In addition to the legal limitations on the amounts that you can contribute as Salary Reduction Contributions, there is a limitation on the amount that the Foundation can contribute as an Employer Matching Contribution to your Account. The legal limitation is based on amounts that other participants receive as Employer Matching Contributions. If you are interested in learning how this limitation is applied, you may review the Plan document.

**B. Annual Limit on Contributions.** The total amount of Salary Reduction Contributions and all Base Contributions and Employer Matching Contributions which may be allocated to your Account during the Plan Year on your behalf cannot exceed either (i) the lesser of \$51,000, as adjusted for cost of living increases; or (ii) 100% of your Compensation for the calendar year.

If you are affected by this limitation, you will be notified by the Plan Administrator and you may receive a refund of some of your Salary Reduction Contributions.

**9. How is Compensation Defined by the Plan?**

For purposes of this Plan, Compensation is defined as base salary paid by the Foundation including overtime, but not including deferred compensation, contributions to, or benefits paid under this Plan or any other employee benefit plan currently existing or adopted in the future.

Compensation taken into account under the Plan cannot exceed the limit imposed by Section 401(a)(17) of the Code. This means that for Plan purposes, Compensation cannot exceed the legal limit of \$255,000 for 2013. This amount may be adjusted by the Secretary of Treasury for cost of living increases for future years. Any Compensation earned in excess of this specified limit must be disregarded for Plan purposes.

**10. When Do My Plan Contributions Become Vested?**

Vesting is a term that describes ownership rights to contributions made to the Plan.



You are always 100% vested in the portion of your Plan Account that is attributable to Salary Reduction Contributions and in any amounts attributable to Rollover Contributions. Such amounts are non-forfeitable at all times.

You will become vested in all Base Contributions and Employer Matching Contributions as follows:

<u>Completed Years of Service for Vesting</u>	<u>Vested Percentage</u>
Less than 3 years	0%
3 years or more	100%

Regardless of the vesting schedule set forth above, the portion of your Plan Account attributable to Base Contributions and Employer Matching Contributions will become 100% vested upon your death or your disability (as defined in the Plan).

Prior employment with the National Office or an Arthritis Foundation affiliated Region or chapter will be counted for purposes of the vesting requirement.

#### **Elapsed Time Method of Determining Years of Vesting Service.**

Years of Service for vesting purposes will be determined under an “elapsed time method”. Under this method, you will receive credit for the aggregate of all time period(s) commencing with your first day of employment or reemployment and ending on the date a Break in Service begins. A Break in Service is a period of at least 12 consecutive months during which you are not employed by the Foundation. Your first day of employment or reemployment is the first day on which you complete one Hour of Service. Fractional periods of service will be expressed in terms of days and will be aggregated to provide your total Years of Service for Vesting.

If you terminate employment with the Foundation prior to becoming 100% vested, the portion of your Account attributable to Base Contributions and Employer Matching Contributions will be forfeited when you have a Break in Service (defined above) or, if earlier, when you receive a distribution of your Account. If you do not take a distribution, but later return to Employment with the Foundation prior to having a Break in Service, your entire Account, unreduced by any forfeiture, becomes your beginning Account balance. If you take a distribution, but later return to employment, you may be entitled to repay your prior distribution to the Plan and have any forfeited amounts restored. For more information, contact the Plan Administrator.

### **11. When Will I Receive My Benefits?**

Your benefits will be available to you for distribution, as soon as administratively feasible following:

Your termination of employment;

Your retirement at or after normal retirement age (age 65);

Your death; or

You may not receive any distributions under this Plan while you are employed by the Foundation.

If the value of your Account balance does not exceed \$1,000 at the time you are entitled to a distribution, the Plan Administrator will distribute your Account to you as soon as administratively feasible in a lump sum without your consent. However, if your Account balance under the Plan is greater than \$1,000, distribution may not be made to you prior to age 70 ½ without your consent.

In any event, benefits must generally commence to be paid to you no later than the April 1<sup>st</sup> following the calendar year in which you reach age seventy and one-half (70 1/2), or, if later, the April 1<sup>st</sup> following the calendar year in which you retire. Failure to begin receiving benefits by the required beginning date may subject you to a substantial federal tax penalty.

If you die before the distribution of benefits has begun, your benefits will be distributed to your Beneficiary.

The payment of benefits according to the above rules is extremely important. Federal tax law imposes a 50% excise tax on the difference between the amount of benefits required by law to be distributed and the amount actually distributed if it is less than the required minimum amount.

The Plan Administrator will contact you before the date your benefits are scheduled to begin. You may decide, however, to begin receiving your distribution sooner, in which case you should notify the Plan Administrator in advance of that date.

## **12. What Options are Available for Receiving Retirement Income?**

You may choose from among several distribution options when you become entitled to receive benefits under the Plan. However, if you are married, your right to choose an optional form of payment (such as fixed period payments or a lump sum option) will be subject to your spouse's right (under Federal law) to survivor benefits as discussed in Question 15 below, unless this right is waived by your spouse. The following income options are available:

***A Single Life Annuity.*** This option pays you an income for as long as you live, with payments stopping at your death. A single life annuity provides you with a larger monthly income than other options. This option is also available with a 10, 15, or 20 year guaranteed payment period (but not exceeding your life expectancy at the time you begin annuity income). If you die during the guaranteed period, payments in the same

amount that you would have received continue to your beneficiary(ies) for the rest of the guaranteed period.

***Fixed Period Payments.*** This option pays you principal and interest for a fixed period, as provided under the terms of your contract, with payments stopping at the end of the fixed period. If you die during the fixed period, monthly payments in the same amount that you would have received continue to your beneficiary (ies) until the end of the fixed period.

***A Survivor Annuity.*** This option pays you a lifetime income, and if your annuity partner lives longer than you, he or she continues to receive an income for life. The amount continuing to the survivor depends on which of the following three options you choose:

- ***Two-thirds Benefit to Survivor.*** At the death of either you or your annuity partner, the payments are reduced to two-thirds the amount that would have been paid if both had lived, and are continued to the survivor for life.
- ***Full Benefit to Survivor.*** The full income continues as long as either you or your annuity partner is living.
- ***Half Benefit to Second Annuitant.*** The full income continues as long as you live. If your annuity partner survives you, he or she receives, for life, one-half the income you would have received if you had lived. If your annuity partner dies before you, the full income continues to you for life.

All survivor annuities are available with a 10, 15, or 20 year guaranteed period, but not exceeding the joint life expectancies of you and your annuity partner. The period may be limited by Federal law.

***A Minimum Distribution Option (MDO).*** The MDO is for participants age 70 1/2 or older. With the MDO, you'll receive the minimum distribution that is required by Federal law while preserving as much of your accumulation as possible. The minimum distribution will be paid to you annually unless you elect otherwise. This option is generally available in the year you attain age 70 1/2 or retire, if later.

***Interest Payment Retirement Option (IPRO).*** IPRO is for TIAA participants between ages 55 and 69 1/2 with a TIAA Traditional Annuity accumulation of at least \$10,000. Under IPRO, you will receive monthly payments equal to the interest (guaranteed plus dividends) that would otherwise be credited to your TIAA Traditional Annuity. Payments will be made at the end of each month. Your accumulation is not reduced while you are receiving interest payments. Payments under the IPRO will consist of the contractual interest rate, plus dividends as declared by TIAA's Board of Trustees. Dividends are declared each March for the following 12-month period and are not guaranteed after the 12-month period has expired. If you elect the IPRO, these rates will be used to determine your monthly payment rather than be credited to your annuities.

Interest payments made under the IPRO must continue for at least 12 months. Once you start receiving interest income payments, you must continue receiving them until you begin receiving your accumulation under an annuity income option. Usually, you may delay beginning your annuity income benefits as late as permitted under Federal law. When you do begin annuity income from your TIAA Traditional Annuity accumulation, you may choose any of the lifetime annuity income options available under your TIAA contract. If you die while receiving interest payments under the IPRO, your beneficiary will receive the amount of your starting accumulation, plus interest earned but not yet paid. If you die after you've begun receiving your accumulation as an annuity, your beneficiary will receive the benefits provided under the annuity income option you've selected.

NOTWITHSTANDING ANYTHING HEREIN TO THE CONTRARY, ALL PAYMENTS ARE SUBJECT TO YOUR SPOUSE'S RIGHTS AND WRITTEN CONSENT AND ARE ALSO SUBJECT TO THE RULES OF TIAA AND CREF INSURANCE CONTRACTS.

**13. May I Receive a Lump Sum Cash Payment as an Optional Form of Benefit?**

Yes, you may receive all of your TIAA and CREF accumulations allocable to a TIAA-CREF Group Retirement Annuities (GRA) contract as a lump sum cash withdrawal, provided that any lump sum cash withdrawal of TIAA Traditional Annuity accumulations may only be made within 120 days following termination of employment and is subject to a surrender charge (currently 2 ½%). Lump sum cash withdrawals of CREF accumulations and TIAA Real Estate Account accumulations are not subject to the 120-day time limit and will not be subject to a surrender charge.

**14. If I Only Have a “Small Sum” in My TIAA-CREF Contracts After Termination of Employment, May I Receive It In a Single Sum?**

Yes, you may receive your TIAA-CREF GRA accumulations in a single sum provided you have terminated employment. In addition, all of the following conditions must apply at the time you make your request for a “small sum” payment:

1. Your total TIAA Traditional Annuity GRA accumulation is \$2,000 or less.
2. You don't have a TIAA Transfer Payout Annuity (TPA).

Withdrawals from the TIAA Traditional Annuity are subject to a surrender charge (currently 2 ½%).

Upon request for the small lump sum payment, the amount paid to you will be in full satisfaction of your rights and your spouse's rights to retirement and survivor benefits from TIAA-CREF on such amounts.

## **15. What Are Your Spouse's Rights Under this Plan to Survivor Benefits?**

If you are married, distribution of your benefits will be made in the form of a joint and survivor annuity which will provide you with a monthly income for your life and, upon your death, your surviving spouse will continue to receive a monthly income that is one-half of the monthly income that was payable to you. If you die before your annuity starting date, your surviving spouse will receive a death benefit that is one-half of the full current value of your annuity accumulation, payable in a single sum or under one of the options offered by the fund sponsor (pre-retirement survivor annuity).

If you are married, benefits must be paid to you as described above, unless your written waiver of the benefits and your spouse's written consent to the waiver is filed with the fund sponsor on a form approved by the fund sponsor.

A waiver of the joint and survivor annuity may be made only during the 90-day period before the commencement of benefits. The waiver also may be revoked during the same period. It may not be revoked after annuity income begins.

The period during which you may elect to waive the pre-retirement survivor benefit begins on the first day of the plan year in which you attain age 35. The period continues until the earlier of your death or the date you start receiving annuity income. If you die before attaining age 35 that is, before you have had the option to make a waiver, at least half of the full current value of the annuity accumulation is automatically payable to your surviving spouse in a single sum, or under one of the income options offered by the fund sponsor. If you terminate employment before age 35, the period for waiving the pre-retirement survivor benefit begins no later than the date of termination. The waiver also may be revoked during the same period.

All spousal consents must be in writing and either notarized or witnessed by a plan representative and contain an acknowledgment by your spouse as to the effect of the consent. All such consents are irrevocable. A spousal consent is not required if you can establish to the Foundation's satisfaction that you have no spouse or that he or she cannot be located. Unless a Qualified Domestic Relations Order (QDRO), as defined in Code Section 414(p), requires otherwise, your spouse's consent will not be required if you are legally separated or you have been abandoned (within the meaning of local law) and you have a court order to such effect.

The spousal consent must specifically designate the beneficiary or otherwise expressly permit designation of the beneficiary by you without any further consent by your spouse. If a designated beneficiary dies, unless the express right to designate a new one has been consented to, a new consent is necessary.

Consent to an alternative form of benefit must either specify a specific form or expressly permit designation by you without further consent.

Consent is only valid so long as your spouse at the time of your death, or earlier benefit commencement, is the same person as the one who signed the consent.

If a QDRO establishes the rights of another person to your benefits under this Plan, then payments will be made according to that order. A QDRO may preempt the usual requirements that your spouse be considered your primary beneficiary for a portion of the accumulation. Participants and their beneficiaries may receive, without charge, a copy of the Plan's procedures governing QDROs by making a written request to the Plan Administrator.

## **16. May I Take a Loan from the Plan?**

You may contact TIAA-CREF to request Loans from the Plan. Loans are limited to approximately 45% of your vested account, with a minimum loan amount of \$1,000 and a maximum of \$50,000.

## **17. May I Roll Over My Accumulations to Another Qualified Plan or to an IRA?**

If you are entitled to receive a distribution from your contract, and the distribution is an eligible "rollover distribution" you may roll over all or a portion of it either directly or within 60 days after receipt into another qualified retirement plan described in Code Section 401(a) or 403(a), a tax-sheltered annuity plan described in Code Section 403(b), an eligible plan under Code Section 457(b) plan which agrees to separately account for amounts transferred into such plan from this Plan, or an IRA (including a Roth IRA). An eligible rollover distribution, in general, is any cash distribution other than an annuity payment, a minimum distribution payment or a payment that is part of a fixed period payment over ten or more years. Any amount that is distributed on account of hardship is not eligible to be rolled over. The distribution will be subject to a legally mandated 20% Federal withholding unless it's rolled over directly into another retirement plan or into an IRA. This process is called a "direct" rollover.

If you have the distribution paid to you, then 20% of the distribution must be withheld even if you intend to roll over the money into another retirement plan or into an IRA within 60 days. To avoid withholding, instruct the fund sponsor to directly roll over the funds for you.

## **18. What if I Die Before Starting to Receive Benefits?**

If you die before beginning retirement benefits, the full current value of your annuity accumulation is payable as a death benefit. You may choose one or more of the options

listed in your annuity contracts for payment of the death benefit, or you may leave the choice to your beneficiary. The payment options include:

- Income for the lifetime of the beneficiary with payments ceasing at his or her death.
- Income for the lifetime of the beneficiary, with a minimum period of payments of 10, 15, or 20 years, as selected.
- Income for a fixed period as permitted by the funding vehicle, but not longer than the life expectancy of the beneficiary.
- A single sum payment, subject to the rules of the funding vehicle.
- A minimum distribution option. This option pays the required Federal minimum distribution each year.
- The accumulation may be left on deposit for up to one year, for later payment under any of the options.

Federal law places limitations on when and how beneficiaries receive their death benefits. All payments will also be subject to the rules of the funding vehicle. TIAA-CREF will notify your beneficiary of the applicable requirements at the time he or she applies for benefits.

You should review your beneficiary designation periodically to make sure the person you want to receive the benefits is properly designated. You may change your beneficiary by completing the “Designation of Beneficiary” form available from TIAA-CREF. If you die without having named a beneficiary and you are married at the time of your death, your spouse will automatically receive half of your accumulation. Your estate will receive the other half. If you are not married, your estate receives the entire accumulation.

In addition, see the answer to Question 15 – “What are Your Spouse’s Rights Under this Plan to Survivor Benefits?” for a discussion of your spouse’s rights to a survivor benefit if you are married at the time of your death.

## **19. What are the “Top-Heavy” Rules?**

The “top-heavy” rules are required by law to be included in the Plan. Stated simply, those rules require that if the Plan is found to operate in a manner that disproportionately benefits “key employees,” the Foundation must assure that a minimum level of contributions to the Plan or other plans of the Foundation is made on behalf of all participants.

If the Plan is “top-heavy” in any plan year, you will receive a minimum contribution of 4 percent of Compensation. A “top-heavy” plan is a plan that provides more than 60% of its benefits to “key” employees. Key employees are generally highly compensated officers, shareholders, and owners. The Plan Administrator does not expect the Plan to become “top-heavy.” If it does become top-heavy, you will be contacted by the Plan Administrator.

## **PART II - INFORMATION ABOUT THE FUND SPONSORS**

### **20. What Fund Sponsors and Funding Vehicles are Available?**

The funds contributed to the Plan are held under contracts with TIAA-CREF. You may choose the account or accounts in which you want your allocations and future contributions on your behalf invested. You should evaluate the investment options available under this Plan in the same way you would evaluate any investment to determine whether you are comfortable with the level of investment risk and expected rate of return. Remember, you will share in any gains, as well as any losses, of the investment accounts you choose.

The following investment alternatives are currently available under the Plan.

#### Teachers Insurance and Annuity Association (TIAA):

- TIAA Group Retirement Annuity (GRA)
  - Traditional Annuity
  - Real Estate Account

#### College Retirement Equities Fund (CREF):

- CREF Group Retirement Annuity (GRA)
  - Stock Account
  - Money Market Account
  - Bond Market Account
  - Social Choice Account
  - Global Equities Account
  - Growth Account
  - Equity Index Account
  - Inflation-Linked Bond Account
- TIAA Access Bond Plus Account II T4
- TIAA Access Growth & Income Account T4
- TIAA Access International Equity Account T4
- TIAA Access Large-Cap Growth Account T4
- TIAA Access Large-Cap Value Account T4



TIAA Access Lifecycle Account 2010 T4  
TIAA Access Equity Index Account  
TIAA Access Real Estate Securities Account T4  
TIAA Access Small-Cap Equity Account T4  
TIAA Access Equity Index Account T4  
TIAA Access Lifecycle Account 2020 T4  
TIAA Access Lifecycle Account 2030 T4  
TIAA Access Lifecycle Account 2040 T4  
TIAA Access Lifecycle Account 2050 T4

Any additional accounts offered by TIAA-CREF will automatically be made available to you under this Plan unless the Foundation elects otherwise.

The Foundation's current selection of fund sponsors and funding vehicles is not intended to limit future additions or deletions of fund sponsors and funding vehicles. Funds made available to you may be deleted, added or changed from time to time. You will be notified of any deletions, additions, or changes.

## **21. How Do the Retirement Contracts Work?**

***TIAA Traditional Annuity:*** Contributions to the TIAA Traditional Annuity are used to purchase a contractual or guaranteed amount of future retirement benefits for you. Once purchased, the guaranteed benefit of principal plus interest cannot be decreased, but it can be increased by dividends. Once you begin receiving annuity income, your accumulation will provide an income consisting of the contractual, guaranteed amount plus dividends that are declared each year and which are not guaranteed for the future. Dividends may increase or decrease, but changes in dividends are usually gradual.

***CREF and the TIAA Real Estate Account:*** You have the flexibility to accumulate retirement benefits in any of the CREF variable annuity accounts approved for use under the Plan and the TIAA Real Estate Account, as indicated in Question 20 above. Each account has its own investment objective and portfolio of securities. Contributions to a CREF account and the TIAA Real Estate Account are used to buy accumulation units, or shares of participation in an underlying investment portfolio. The value of the accumulation units changes each business day. You may also choose to receive annuity income under the CREF accounts and the TIAA Real Estate Account. There is no guaranteed baseline income or declared dividends when you receive annuity income from these accounts. Instead, your income is based on the value of the annuity units you own, a value that changes yearly, up or down. For more information on the CREF accounts, you should refer to the CREF prospectus. For more information about the TIAA Real Estate Account, you should refer to the TIAA Real Estate Account prospectus.

For a recorded message of the current interest rate for contributions to the TIAA Traditional Annuity, the latest accumulation unit values for the CREF Accounts and the TIAA Real Estate Account, as well as the seven day yield for the CREF Money Market Account, you may call the Automated Telephone Service (ATS) at 1 800 842-2252.

## **22. How do I Allocate My Contributions?**

You may allocate contributions among the TIAA Traditional Annuity, the TIAA Real Estate Account and the CREF Accounts approved for use under the Plan, in any whole number proportion, including full allocation to any Account. You specify the percentage of contributions to be directed to the TIAA Traditional Annuity the TIAA Real Estate Account and/or the CREF Accounts when you begin participation. You may change your allocation of future contributions after participation begins by writing to TIAA-CREF's Home Office at 730 Third Avenue, New York, New York, 10017, by phone using TIAA-CREF's Automated Telephone Service (ATS) at 1 800 842-2252, or via the Internet using TIAA-CREF's Inter/ACT System at [www.tiaa-cref.org](http://www.tiaa-cref.org). However, TIAA-CREF reserves the right to suspend or terminate participants' right to change allocations by phone or the Internet. When you receive your certificates you'll also be sent a Personal Identification Number (PIN). The PIN enables you to change your allocation by using the ATS or the Internet. For more information on allocations, ask for the TIAA-CREF booklet: A Guide to the TIAA-CREF Accounts.

## **23. May I Transfer My Accumulations?**

With regard to amounts allocated to a GRA Contract:

Accumulations may be transferred among the CREF accounts and the TIAA Real Estate Account. Accumulations in the CREF Accounts and the TIAA Real Estate Account also may be transferred to the TIAA Traditional Annuity. Partial transfers may be made from a CREF Account or the TIAA Real Estate Account to the TIAA Traditional Annuity, or among the CREF accounts and the TIAA Real Estate Account as long as at least \$1,000 is transferred each time. There's no charge for transferring accumulations in the TIAA-CREF system, but TIAA-CREF reserves the right to limit transfer frequency.

TIAA Traditional Annuity accumulations may be transferred to any of the CREF accounts and to the TIAA Real Estate Account through the Transfer Payout Annuity (TPA). Transfers will be made in substantially equal annual amounts over a period of 10 years. Transfers made under the TPA contract are subject to the terms of that contract. The minimum transfer from the TIAA Traditional Annuity to a CREF account or to the TIAA Real Estate Account is \$10,000 (or the entire accumulation if it totals less than \$10,000). However, if your total TIAA Traditional Annuity accumulation is \$2,000 or less, you can transfer your entire TIAA Traditional Annuity accumulation in a single sum to any of the CREF accounts or to the TIAA Real Estate Account, as long as you do not have an existing TIAA TPA contract in force. TIAA-CREF reserves the right to limit transfer frequency.

You may complete transfers within the TIAA-CREF system either by phone, the Internet, or in writing. CREF and the TIAA Real Estate Account transfers, as well as premium allocation changes, will be effective as of the close of the New York Stock Exchange (usually 4:00 p.m. Eastern time) on the day the instructions are received by TIAA-CREF,

unless you choose the last day of the current month or any future month. Instructions received after the close of the New York Stock Exchange are effective as of the close of the Stock Exchange on the next business day. The number to reach the ATS is 1 800 842-2252. The Inter/ACT system is accessible on the Internet at [www.tiaa-cref.org](http://www.tiaa-cref.org).

## **24. What Information Do I Regularly Receive About My Contracts?**

Each year, you will receive an annual Annuity Benefits Report from TIAA-CREF that shows the total accumulation value at year-end for your contracts. This is the amount of death benefits your spouse or other beneficiary would have received on that date. It also includes an illustration of the annuity income you would receive at retirement under certain stated assumptions as to future premiums, your retirement age, the income option and payment method selected, TIAA Traditional Annuity dividends, and the investment experience of the TIAA Real Estate Account and the CREF accounts. These factors affect the amount of your retirement income.

TIAA-CREF also sends you a Quarterly Confirmation of Transactions. This report shows the accumulation totals, a summary of transactions made during the period, TIAA interest credited, and the number and value of TIAA Real Estate Account and CREF account accumulation units. You also may receive Premium Adjustment Notices. These notices summarize any adjustments made to your annuities and are sent at the time the adjustments are processed.

Also, once a year you will receive the TIAA-CREF Annual Report. The Annual Report summarizes the year's activity, including details on TIAA and CREF investments, earnings, and investment performance.

## **PART III - ADDITIONAL INFORMATION**

## **25. How is the Plan Administered?**

The official name of the Plan is The Arthritis Foundation Defined Contribution Retirement Plan.

The Plan is sponsored by the Arthritis Foundation, Inc., 1330 West Peachtree Street, Atlanta, GA 30309. Benefits under the Plan are provided by annuity contracts issued to participants by TIAA-CREF. The plan administrator is responsible for enrolling participants, forwarding Plan contributions for each participant to the fund sponsors selected, and performing other duties required for operating the Plan. If you want to contact the Plan Administrator for any reason, write to Plan Administrator, Human Resources Department, Arthritis Foundation, Inc., 1330 West Peachtree Street, Atlanta, GA 30309, and (404) 965-7581.

The Named Fiduciary of the Plan is:

Arthritis Foundation, Inc.  
1330 West Peachtree Street  
Atlanta, GA 30309  
(404) 965-7581

The Employer Identification Number assigned by the Internal Revenue Service to the Foundation is 58-1341679.

The Plan Number is 003.

The Plan's financial records are based on the 12-month period beginning January 1 and ending on the following December 31. This 12-month period is considered the plan year.

Neither this SPD nor your participation in this Plan should be construed as a contract of employment, nor does either give you or any other Plan participant the right to be retained in the employ of the Foundation or the right to interfere with the prerogative of the

Foundation to discharge any individual at any time, with or without cause, except as may be otherwise agreed in writing or provided by applicable law or collective bargaining agreement.

## **26. May the Plan Be Terminated or Its Terms Changed?**

While it is expected that the Plan will continue indefinitely, the Foundation reserves the right to modify or discontinue the Plan at any time, by resolution of its Board or Executive Committee. The Foundation, by action of its Board, also 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 the Foundation. Any such delegation shall be stated in writing. The Foundation will exercise good faith, apply standards of uniform application, and refrain from arbitrary action.

In the event the Plan is terminated for any reason, or contributions are completely discontinued, the Foundation will notify participants of the termination. If the Plan is completely terminated, the rights of all participants to their Plan accounts shall become fully vested and nonforfeitable. In the event of a termination of the Plan only with regard to a group of participants which termination is classified as a "partial termination," the rights of the participants involved in the "partial termination" in their Plan accounts shall become fully vested and nonforfeitable. In the event the vesting schedule is amended, all participants with at least three (3) Years of Service may elect to be governed by the prior vesting schedule. This election must be made within 60 days after the latest of: (1) the day the amendment is adopted, (2) the day the amendment becomes effective, or (3) the day participants are issued written notice of the amendment by the Foundation or Plan Administrator. Upon termination of the Plan without establishment of a successor plan, participants are eligible to receive a distribution of their Plan accounts, subject to any contract restrictions.

**27. Is the Plan Insured by the Pension Benefit Guaranty Corporation (PBGC)?**

No. The Plan is a defined contribution plan, and benefits are based on any employee and employer contributions made to individual accounts. Benefits are not insured by the PBGC, which is a Federal agency that insures certain pension plan benefits upon plan termination, because the benefits you receive under this type of plan are based upon the amount in your account.

**28. Who is the Agent for Service of Legal Process?**

The agent for service of legal process is the Arthritis Foundation, Inc., 1330 West Peachtree Street, Atlanta, GA 30309.

**29. How Do I Get More Information About the Plan?**

Requests for information about the Plan and its terms, conditions and interpretations including eligibility, participation, contributions, or other aspects of operating the Plan should be in writing and directed to: Plan Administrator, c/o Human Resources Department, Arthritis Foundation, Inc., 1330 West Peachtree Street, Atlanta, GA 30309.

**30. What is the Plan's Claim Procedure?**

The following rules describe the claims procedure under the Plan:

***Filing a claim for benefits:*** A claim or request for Plan benefits is filed when the requirements of a reasonable claim filing procedure have been met. A claim is considered filed when a written communication is made to: Arthritis Foundation, Inc., 1330 West Peachtree Street, Atlanta, GA 30309.

Complaints and claims for benefits should be submitted in writing within two (2) years from the earlier of: (i) the date on which the payment was made, or (ii) for all other claims, the date on which the action complained of or grieved or occurred.

***Processing the claim:*** The Plan Administrator must process the claim within 90 days after the claim is filed. If an extension of time for processing is required, written notice must be given to you before the end of the initial 90-day period. The extension notice must indicate the special circumstances requiring an extension of time and the date by which the Plan expects to render its final decision. In no event can the extension period exceed a period of 90 days from the end of the initial 90-day period.

***Denial of claim:*** If a claim is wholly or partially denied, the notification must state the specific reason or reasons for the denial, reference the specific Plan provisions on which the denial is based, and include a description of any additional material or information necessary to perfect the claim and an explanation of why such material or information is

necessary, and appropriate information about the steps to be taken if you wish to submit the claim for review. If notice of the denial of a claim is not furnished within 90 days after the claim is filed or within the additional 90-day extension period, the claim is considered denied and you must be permitted to proceed to the review stage. In the case of a claim for a benefit due to a disability, then the Plan Administrator must notify the claimant of the Plan's adverse benefit determination within a reasonable period of time, but not later than 45 days after receipt of the claim. This period may be extended by the Plan for up to 30 days, provided that the Plan Administrator both determines that such an extension is necessary due to matters beyond the control of the Plan Administrator and notifies the claimant, prior to the expiration of the initial 45-day period, of the circumstances requiring the extension of time and the date by which the Plan Administrator expects to render a decision. If, prior to the end of the first 30-day extension period, the Plan Administrator determines that, due to matters beyond the control of the Plan, a decision cannot be rendered within that extension period, the period for making the determination may be extended for up to an additional 30 days, provided that the Plan Administrator notifies the claimant, prior to the expiration of the first 30-day extension period, of the circumstances requiring the extension and the date as of which the Plan Administrator expects to render a decision. The notice of extension shall specifically explain the standards on which entitlement to a benefit is based, the unresolved issues that prevent a decision on the claim, and the additional information needed or resolve those issues, and the claimant shall be afforded at least 45 days within which to provide the specified information. Failure to provide additional requested information may result in the denial of the claim.

***Review procedure:*** You or your duly authorized representative has at least 60 days (or 180 days in the case of a disability claim) after receipt of a claim denial to appeal the denied claim to an appropriate named fiduciary or individual designated by the fiduciary and to receive a full and fair review of the claim. As part of the review, you must be allowed to review all Plan documents and other papers that affect the claim and must be allowed to submit issues and comments and argue against the denial in writing.

***Decision or review:*** The Plan must conduct the review and decide the appeal within 60 days (or 45 days in the case of a disability claim) after the request for review is made. If special circumstances require an extension of time for processing (such as the need to hold a hearing if the Plan procedure provides for such a hearing), you must be furnished with written notice of the extension, which can be no later than 120 days (90 days in the case of review of a disability claim) after receipt of a request for review. The extension notice must indicate the special circumstances requiring an extension of time and the date by which the Plan expects to render the determination on review. The decision on review must be written in clear and understandable language and must include specific reasons for the decision as well as specific references to the pertinent Plan provisions on which the decision is based. If the decision on review is not made within the time limits specified above, the appeal will be considered denied. All interpretations, determinations, and decisions of the reviewing entity with respect to any claim under the Plan will be its sole and absolute decision based upon the Plan documents and will be deemed final and conclusive.

You cannot bring legal action against the Plan Administrator or the Foundation without first pursuing the claims procedures described above. Any action, in law or equity, must commence not later than one year from the date of the decision on appeal (or, if no decision is furnished within 120 days of receipt of the request for review, the 120<sup>th</sup> day after receipt of the request for review). Failure to file suit within this time period shall extinguish any right you may have to benefits under the Plan.

### **31. What Are My Rights Under the Employee Retirement Income Security Act of 1974?**

As a participant in the Plan, you are entitled to certain rights and protections under the Employee Retirement Income Security Act of 1974, as amended (ERISA). ERISA provides that all plan participants are entitled to:

#### ***Receive Information About Your Plan and Benefits:***

Examine, without charge, at the Plan Administrator's office and at other specified locations, such as worksites, all documents governing the Plan, including insurance contracts, a copy of the latest annual report (Form 5500 Series) filed by the Plan with the U.S. Department of Labor and available at the Public Disclosure Room of the Employee Benefits Security Administration.

Obtain, upon written request to the Plan Administrator, copies of documents governing the operation of the Plan, including insurance contracts, a copy of the latest annual report (Form 5500 Series), and an updated summary plan description. The Plan Administrator may make a reasonable charge for the copies.

Receive a summary of the Plan's annual financial report. The Plan Administrator is required by law to furnish each participant with a copy of this summary annual report.

Obtain a statement telling whether you have a right to receive a pension at normal retirement age (age 65) and if so, what your benefits would be at normal retirement age if you stop working under the Plan now. If you do not have the right to a pension, the statement will tell you how many more years you have to work to get a right to a pension. This statement must be requested in writing and is not required to be given more than once every twelve (12) months. The Plan must provide the statement free of charge.

#### ***Prudent Actions by Plan Fiduciaries:***

In addition to creating rights for Plan participants, ERISA imposes duties upon the people who are responsible for operating the Plan. The people who operate your Plan, called "fiduciaries" of the Plan, have a duty to do so prudently and in the interest of you and other Plan participants and beneficiaries. No one, including your employer, your union, or any other person, may fire you or otherwise discriminate against you in any way to prevent you from obtaining a pension benefit or exercising your rights under ERISA.

***Enforce Your Rights:***

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

Under ERISA, there are steps you can take to enforce the above rights. For instance, if you request a copy of Plan documents or the latest annual report from the Plan and do not receive them within 30 days, you may file a suit in a Federal court. In such a case, the court may require the Plan Administrator to provide the materials and pay you up to \$110 a day until you receive the materials, unless the materials were not sent because of reasons beyond the control of the administrator. If you have a claim for benefits that is denied or ignored in whole or in part, you may file suit in a state or Federal court. In addition, if you disagree with the Plan's decision or lack thereof concerning the qualified status of a domestic relations order, you may file suit in Federal court. If it should happen that Plan fiduciaries misuse the Plan money, or if you are discriminated against for asserting your rights, you may seek assistance from the U.S. Department of Labor, or you may file suit in a Federal court. The court will decide who should pay court costs and legal fees. If you are successful, the court may order the person you have sued to pay these costs and fees. If you lose, the court may order you to pay these costs and fees, for example, if it finds your claim is frivolous.

***Assistance With Your Questions:***

If you have any questions about your Plan, you should contact the Plan Administrator. If you have any questions about this statement or about your rights under ERISA, or if you need assistance in obtaining documents from the Plan Administrator, you should contact the nearest office of the Employee Benefits Security Administration, U.S. Department of Labor, listed in your telephone directory or the Division of Technical Assistance and Inquiries, Employee Benefits Security Administration (EBSA), U.S. Department of Labor, 200 Constitution Avenue, N.W., Washington D.C. 20210. You may also obtain certain publications about your rights and responsibilities under ERISA by calling the publications hotline of the EBSA.