Dartmouth College

457(b) Deferred Compensation Plan

2025 Program Description

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Introduction

This *Program Description* summarizes the main features of the Dartmouth College 457(b) Deferred Compensation Plan (the 'Plan') and is intended to give you an understanding of your benefits and rights under the Plan. The actual terms are stated in the Plan Document, the legal document governing the Plan, which is available from the Benefits Office. If there are any conflicts between this *Program Description* and the Plan Document, the Plan Document supersedes. If you have questions about how the Plan applies to you, contact the Benefits Office.

If you have questions about the Plan, please contact the Benefits Office:

Email: human.resources.benefits@dartmouth.edu

Telephone: (603) 646-3588

on Campus: 7 Lebanon Street, Suite 203, Hanover, NH 03755

If you have questions about investment or withdrawal options contact:

Fidelity
(800) 343-0860
www.netbenefits.com/dartmouth

TIAA
(800) 842-2776
www.tiaa.org/dartmouth

About the Plan

The 457(b) Deferred Compensation Plan ("457(b) Plan" or "Plan") is an unfunded deferred compensation plan described under Section 457(b) of the Internal Revenue Code.

As an Eligible Participant in the 457(b) Plan, you voluntarily reduce a portion of your Dartmouth income on a pre-tax basis and invest those amounts in accounts of your choice from a menu of investment options with Fidelity and/or TIAA. You do not pay federal income taxes on salary reduction amounts or associated investment earnings until you receive a distribution from the Plan. Various distribution options are available. Dartmouth does not match your contributions to the 457(b) Plan.

Typically, participants establish 457(b) accounts to enhance their retirement savings or to reach other long-term financial goals. The Internal Revenue Code requires that your 457(b) account remain the property of Dartmouth until it is distributed and, therefore, your account is:

- subject to the claims of Dartmouth creditors;
- not assignable by you to anyone else; and
- not subject to the claims of your creditors.

You are immediately vested in your account.

Eligibility

Under Internal Revenue Service regulations, participation in the 457(b) Plan is limited to a select group of the Dartmouth's highly compensated employees.

Eligibility for the Dartmouth College 457(b) Plan in any calendar year is limited to Dartmouth retirement plan-eligible employees whose prior year Dartmouth compensation is at least 125% of the Social Security Taxable Wage Base for the prior year.

To be eligible to contribute in 2025, your 2024 compensation must be at least $210,750 (or 125% of the $168,600 – the 2024 Social Security Taxable Wage Base.) The eligibility threshold will change as the Social Security Taxable Wage Base changes each year. Once you are in the Plan, if your compensation drops below the eligibility threshold, you will no longer be eligible to contribute in future years.

Eligible compensation excludes any amounts paid as a one-time special bonus outside of the Dartmouth's regular payroll.

Annual Eligibility Review

To ensure that the Plan continues to meet the federal requirement of limiting eligibility to a select group of an employer's management or highly compensated employees, you will not be permitted to contribute to the Plan in any year for which you fail to meet the eligibility criteria outlined above.

Each year, Dartmouth will inform you if your Plan eligibility changes. Dartmouth will discontinue contributions for those who become ineligible. Faculty and staff that are eligible for the first time, or who have eligibility reinstated, must make a salary reduction election. Those who continue to be eligible to participate over consecutive years may not be informed of their continued eligibility and their contributions will continue uninterrupted unless they elect to change or stop their contribution.

Deferral of Receipt of Compensation and Tax Benefits of Deferral

You make 457(b) Plan contributions in accordance with a *Voluntary Compensation Deferral Agreement*. By executing such an agreement, you defer receipt of compensation in the amount of your desired contribution and instruct Dartmouth to credit an amount equal to the deferred compensation into an account in your name. Since you have not received the contribution as salary, you do not pay federal or state income tax on the contribution, thereby lowering your current income tax liability.

Contribution Limits

The annual contribution limit may be adjusted by the Internal Revenue Service from time to time. Contributions to the 457(b) Plan are not affected by the contribution limits for the Supplemental Retirement Account (SRA). The following chart illustrates the fact that contributions can be made to both the SRA and the 457(b) Plan without having one affect the other and it is not required that you contribute the maximum to the SRA to participate in the 457(b) plan.

	Calendar Year 2025 Contribution Limits	
	Under Age 50	***Age 50+***
SRA	$23,500	$31,000
457(b)*	$23,500	$23,500
Total Possible Contribution	$47,000	$54,500

*Does not reflect special 457(b) catch-up contributions described below.

Special 457(b) Catch-up Contributions

If you are within three years of the Plan's normal retirement age (the year containing your 65th birthday,) you may be eligible to make additional contributions. This special catch-up contribution will apply if you have been eligible for the Plan in the past but either did not contribute or did not contribute the maximum contribution allowed for the applicable plan year.

Using this special catch-up contribution, you may make an additional contribution up to the lesser of:

1. twice the normal annual limit for the year, or

2. the annual limit for the year, plus any underutilized 457(b) Plan contributions for all prior years at Dartmouth when you were eligible to contribute to the 457(b) Plan but contributed less than the maximum allowed.

Example: Contribution Possibility for 2025

Age in contribution year	64
Contribution limit	$23,500
Unused contribution possibility through 2024	$0.00
Total Contribution using Special One-Year 457(b) Catch-up	The lesser of $47,000 ($23,500 x 2) or $23,500 ($23,500 + $0.00)
Total Available Contribution	***$23,500***

If you are eligible for the special catch-up contribution, Dartmouth will notify you at the beginning of the calendar year for each year you are eligible for the special catch-up.

Investment Options

When you enroll in the Plan, you will need to establish an account in your name with Fidelity and/or TIAA. Once your account has been opened, you will choose how to allocate your deferred compensation amounts among investment accounts made available by Fidelity and/or TIAA to the Plan. Dartmouth places no restrictions on your allocation. Information about Fidelity investment accounts is available at www.netbenefits.com or at (800) 343- 0860. Information about TIAA investment accounts is available at www.tiaa.org or at 800-842-2252.

As stated above, the balances of your 457(b) account(s) at Fidelity and/or TIAA remain the property of Dartmouth until distributed so that the Plan remains unfunded as required by law.

Distributions Upon Severance of Employment

You have access to your funds upon severance of your employment from Dartmouth.

You must take action within 90 days following your date of termination

You may commence a withdrawal of your funds at any time within ninety (90) days after the date of severance from employment. Distributions from the 457(b) Plan are not eligible for rollover to an Individual Retirement Account (IRA) and, therefore, are subject to federal and potentially state income taxes at the time of distribution.

Alternatively, you may elect to defer your distribution (and therefore payment of taxes) to a later date through either:

- Submitting an election to defer the distribution to a specified date with the vendor(s) that administer your 457(b) Plan account(s) or

- Requesting a plan-to-plan transfer to another eligible 457(b) plan, subject to prior approval from that plan's administrator.

It is your responsibility to contact each vendor to complete your election to defer or initiate a plan-to-plan transfer within 90 days of your termination date. Failure to do so will result in a lump sum distribution of your 457(b) Plan accounts shortly after the 90-day window closes. Unless a direct deposit is authorized for your account, a check will be issued and sent to the address the vendor has on file.

Option for an additional one-time election to defer

If you elect to defer payment during the initial ninety-day period following your termination, you may subsequently make an additional one-time written election to defer commencement of benefits to a specified later date. To do so, contact the vendor(s) administering your account to file the additional one-time election.

Tax on Distributions

For purposes of federal income tax, payments will be treated as regular income in the year in which they are paid.

Forms of Distribution

You may elect to receive all or a part of your 457(b) Plan balances, in a single lump sum or you may be paid by any method of payment provided by the investment provider. These may include:

- Lump Sum Distribution - The full value of your account will be paid to you on the date selected by you during the ninety-day period following your severance from employment. The total withdrawal will be subject to income tax in the year it is paid. You may not receive payment earlier.

- Installment Distributions - You may elect to receive the balance in the form of installment payments in amounts and at a frequency that will be determined upon severance from employment.

- Other Distribution Forms - You may elect to receive a distribution in accordance with any payment offered in connection with the investment fund in which your account is invested.

If you choose to submit an election to defer your distribution, you will have the option of selecting one of the Forms of Distribution listed above.

Required Minimum Distributions

You must take your first Required Minimum Distribution (RMD) from this Plan by the April 1st of the year following the year in which you reach age 73. For each year after age 73, the RMD must be withdrawn from your account by December 31st. For example, if you reach age 73 in 2024, you must take your first RMD by April 1, 2025, and then again by December 31, 2025 (and by December 31st each year thereafter.) RMDs are required to satisfy the federal minimum distribution requirements.

You are responsible for making sure the vendors that administer your account(s) distribute the RMD to you in a timely manner. If you do not receive your RMD when required, the Internal Revenue Service may assess you with an excise tax of up to 25%.

Unforeseeable Emergency

You may be able to take a distribution due to an unforeseeable emergency. An "Unforeseeable Emergency" means severe financial hardship to you resulting from a sudden and unexpected illness or accident of you or a dependent of yours, loss of property due to casualty, or other similar extraordinary and unforeseeable circumstances arising as a result of events beyond your control. The circumstances that will constitute an Unforeseeable Emergency will depend on the facts of each case. Unforeseeable Emergency payments may not be made to the extent that such hardship is or may be relieved:

- through reimbursement or compensation by insurance or otherwise;
- by liquidation of your assets, to the extent that liquidation of such assets would not itself cause severe financial hardship; or
- by cessation of deferrals under the Plan.

Expenses not considered an Unforeseeable Emergency

The following are examples of expenses that, standing on their own, ordinarily would not qualify as a severe financial hardship because there is no unforeseeable emergency involved.

- Cost of education/tuition for yourself, your children, dependents, etc.
- Cost of purchasing a home
- Normal monthly expenses – i.e., utility bill, mortgage or rent payment
- Payment of credit cards or loans
- Payment of federal, state, local or property taxes
- Cost associated with divorce or separation
- Purchase or maintenance of automobile
- Bankruptcy
- Child support payments

Request for Unforeseeable Emergency Distribution

A written request and all necessary and requested supporting proof and documentation must be submitted to the Benefits Office. If the request is approved, the Benefits Office will reach out to you to discuss the distribution processing.

A distribution is generally taxed as ordinary income in the year in which it is paid. The vendor(s) administering your 457(b) Plan accounts may withhold minimum federal taxes when processing your distribution.

In the event of your death

If your spouse is the sole designated beneficiary, the funds must be distributed by the later of the December 31st of the 5th year after your death or the December 31st of the calendar year in which you would have attained normal retirement age, which is currently age 65.

If your spouse is not the sole beneficiary or if there is no designated beneficiary, the funds must be distributed by December 31st of the calendar year containing the first anniversary of your death to the estate according to probate law.

The full value of your account will be payable upon your death to the beneficiary(ies) you have named. However, if you were receiving annuity payments prior to your death, survivor benefits will depend on the annuity option you chose. You may update your beneficiary designations at any time. Be sure to keep them up to date so that, in the event of your death, your benefits are paid according to your wishes.

In the event of your divorce

Under the terms of a domestic relations order, the Plan may be required to transfer all or part of your account to your former spouse as part of a marital property settlement or to satisfy your child support obligations.

Managing your salary deferral election

If you are newly eligible for the Plan, or have had your eligibility reinstated

- You must elect your 457(b) Plan contribution amount through NetBenefits at www.netbenefits.com. Your election will go into effect as soon as administratively possible.
- If you have not done so already, select the investment provider(s) (Fidelity or TIAA) to hold your accounts and the funds where you would like your contributions invested.
- Add or update your beneficiaries.
- If you have selected both Fidelity and TIAA, you will need to choose your funds and add/update your beneficiaries in each account.

Updating your salary deferral election during the year

You may update your salary deferral election at any time during the year. To do so, use www.netbenefits.com to update your election. Your election will be updated as soon as administratively possible.

To update your investment options

Fidelity investors can change their investments at: www.netbenefits.com/dartmouth.
TIAA investors can change their investments at: www.tiaa.org/dartmouth.

Deadline

Your election to start, change, or stop contributions must be made at least 10 days before the paycheck you wish to affect.

Future of the Plan

Dartmouth expects to continue the Plan as a benefit to participants, but it reserves the right to change or terminate the Plan at its sole discretion at any time.

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