

**University of Wisconsin
403(b) Supplemental Retirement Program
PLAN DOCUMENT**

**Amended and Restated
Effective January 1, 2022**

**Amended and Restated
November 20, 2023**

**UNIVERSITY OF WISCONSIN SYSTEM
780 Regent St. Madison, Wisconsin 53715**

UW 403(b) Supplemental Retirement Program
Investing in Your Financial Future

INTRODUCTION

Defined contribution retirement plan arrangements under Section 403(b) of the Internal Revenue Code are available to employees of Code Section 501(C)(3) tax-exempt organizations such as public colleges, universities and school systems. Subject to various limitations and restrictions, IRC §403(b) allows both tax-deferred contributions as well as Roth 403(b) after-tax contributions to be made through salary reduction contributions by and for employees. IRC §403(b) contributions must be invested in Annuity Contracts issued by life insurance companies or in shares of regulated investment companies (mutual funds) held in custodial accounts for the employee.

Under the arrangement, a portion of the employee's compensation (determined by the employee within the limitations imposed by the Internal Revenue Code) is applied to the employee's annuity contract or mutual fund shares. The pre-tax amounts, together with any investment earnings, are not subject to federal income tax until they are paid to the employee (or beneficiary) in the form of benefits, normally during retirement. The post-tax Roth amounts, together with any investment earnings, may be withdrawn tax-free, normally during retirement, as long as IRS requirements are met.

Participation in the University of Wisconsin 403(b) Supplemental Retirement Program is voluntary. Participating employees make all contributions through the University to the vendor and vehicle(s) they select from among the choices authorized under the plan.

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ARTICLE I – ESTABLISHMENT OF UW 403(b) PLAN

- 1.1 Establishment of Plan.** The Board of Regents (BOR) of the University of Wisconsin System (UWS) established the University of Wisconsin System Tax-Sheltered Annuity (TSA) 403(b) Program as of October 1977 with implementation effective February 1978.

The Plan is now being amended and restated effective January 1, 2022, to make certain discretionary changes. With the adoption of this restated Plan Document, the Plan has officially been renamed the University of Wisconsin 403(b) Supplemental Retirement Program.

This Plan Document sets forth the provisions of this Code Section 403(b) Plan, pursuant to the Internal Revenue Service Code of 1986, as amended, and Section 36.11(15) of the Wisconsin Statutes. 403(b) contributions under this Plan are made under Section 403(b) of the Internal Revenue Code and are invested, at the direction of the Participant, in one or more of the Funding Vehicles available under the Plan. The Plan is a governmental plan within the meaning of Code Section 414(d) and Section 3(32) of the Employee Retirement Income Security Act of 1974, as amended ("ERISA"). As a governmental plan, this Plan is not subject to ERISA under Department of Labor Section 2510.3-2(f).

- 1.2 Governing Structure.** Wis. Stats. §36.11(15) authorizes the BOR to enter into Salary Reduction Agreements with its Employees as provided by IRC §403(b), and to purchase annuities pursuant to these agreements from such annuity providers, both public and private, as the BOR deems appropriate. With the inception of the Plan in 1977, the BOR adopted criteria as guidelines for the initial selection process for TSA 403(b) Plan Vendors.

The BOR established the Tax-Sheltered Annuity Review Committee (TSARC) to act on its behalf. The TSARC has been renamed the Supplemental Retirement Program Advisory Committee (SRPAC). This committee functions as an advisory resource to the University of Wisconsin System (UW System) President and the BOR. In this capacity, the SRPAC reports to the University of Wisconsin System President or his or her designee on an annual basis on matters relating to the Program. The UW System President has assigned the UW System Office of General Counsel to provide legal advice to the SRPAC.

The SRPAC (previously the TSARC), in its organization charter, is:

1. authorized to investigate the feasibility of a 403(b) plan for the UW System with only a single or a limited number of Vendors;
2. responsible for evaluating the performance of the UW System 403(b) Program and the performance of individual 403(b) Vendors, and has the authority to withdraw from any Vendor the privilege of soliciting 403(b) contracts in the UW System; and
3. authorized to set dates for the implementation of any new or revised criteria. As such, the SRPAC is expected to meet once each fall and spring, with additional meetings scheduled as necessary, in order to carry out its functions.

In addition, the UW 403(b) SRPAC has the following responsibilities:

1. Maintain the tax-qualified status of the program through compliance with all applicable federal laws and regulations.
2. Review and modify, with the concurrence of the UW System President or his or her designee, the criteria used to select and monitor UW 403(b) SRP Vendors.
3. Terminate, or limit, with the concurrence of the UW System President or his or her designee, Vendor participation for failure to meet financial, performance, service or other criteria.
4. Maintain and improve the quality and safety of the program.

The UW System President has the authority to set the level of the fee for participation, which covers the administrative costs of the program and appoint nine representatives to the SRPAC from the faculty, academic staff, limited staff, university staff Employee categories, and retired Participants. The normal term for each appointment is three years. Appointments are staggered in order to provide continuity to the function of the SRPAC.

The UW System Administration Office of Trust Funds, serving as staff to the UW System President, has the following responsibilities:

1. Serve as primary resource staff to the SRPAC.
2. Establish procedures and policies necessary for implementation and administration of the UW 403(b) SRP, including compliance with IRS limitations.
3. Evaluate and compile UW 403(b) SRP Funding Vehicle information for communication to UW System Employees.
4. Monitor Vendor compliance with the terms and agreements of all contracts entered into with the UW System.
5. Establish and evaluate the required level of service for UW 403(b) SRP Vendors.
6. Recommend to the UW System President or his or her designee and the SRPAC termination of Vendors for cause.
7. Establish, in conjunction with UW institutions, Vendor educational outreach guidelines and solicitation rules for UW System Employees.
8. Recommend for SRPAC consideration SRP Funding Vehicles in keeping with the Investment Policy Statement established by the SRPAC and based on research.

ARTICLE II – ELIGIBILITY AND PARTICIPATION

- 2.1 Eligibility and Participation.** All Employees on the UW payroll are eligible to participate in the Plan.
- To participate in this Plan, eligible Employees must complete the necessary enrollment forms with their Vendor(s), as well as a Salary Reduction Agreement (SRA) or EZ Enrollment with UW System or their institution to be effective for Earnings paid on the next pay day or later pay date as permitted by the Employer.
- 2.2 Participation Fee.** Each Participant in the Plan may be charged an annual fee to cover recordkeeping and administrative costs of the Plan.
- 2.3 Termination of Participation.** Participants will continue to participate in the Plan until, (a) the Plan is terminated, or (b) their Account Balance under the Plan has been withdrawn, whichever occurs first. The UW System is authorized to terminate the Participant's salary reduction(s) when contributions in excess of limitations as defined in Sec. 3.7 are imminent or the Participant separates from UW employment.
- 2.4 Designation of Beneficiary.** The Participant has the responsibility to complete and submit the necessary forms to the selected Vendor(s) to establish any Beneficiary or Beneficiaries designated to receive the benefits payable under the Plan in the event of the Participant's death.

ARTICLE III – 403(b) Contributions

- 3.1 UW 403(b) SRP Contributions.** Contributions to this Plan are supplemental to any required contributions that may be made to the Wisconsin Retirement System. To participate, an eligible Employee must enter into a written Salary Reduction Agreement (SRA) or EZ Enrollment with the UW System. Under the agreement, the Employee's salary is reduced and the amount of the reduction is applied as Contributions to the Funding Vehicles available under this Plan. UWS forwards the Contributions to the Vendors.
- 3.2 Salary Reduction Agreement (SRA) Submission.** The University places no limit on the number of Salary Reduction Agreements that the Participant may submit, other than any limit that may be imposed under the Code or federal regulations.
- 3.3 Allocation of Contributions.** A Participant may allocate 403(b) contributions among Funding Vehicles which have been authorized for inclusion.
- 3.4 Pre-Tax vs. Roth Elective Deferrals.** A Participant may specify whether 403(b) contributions are to be characterized as Pre-Tax Elective Deferrals, Roth Elective Deferrals, or a specified combination. A Participant's election will remain in effect until superseded by another election. Elective Deferrals contributed to the Plan as one type, either as Pre-Tax Elective Deferrals or as Roth Elective Deferrals, may not later be reclassified as the other type; however, a Pre-Tax Deferral may be converted to a Roth Deferral by means of an In-Plan Roth Rollover under Section 3.5. A Participant's Roth Elective Deferrals will be deposited in the Participant's Roth Elective Deferral subaccount in the Plan. No contributions other than Roth Elective Deferrals and properly attributable Earnings will be credited to each Participant's Roth Elective Deferral subaccount, and

gains, losses, and other credits will be allocated on a reasonable and consistent basis to such subaccount.

If Participants fail to designate whether their Elective Deferrals are Pre-Tax Elective Deferrals or Roth Elective Deferrals, the Elective Deferrals will be deemed to be Pre-Tax Elective Deferrals.

3.5 Roth 403(b) In-Plan Rollover. In-Plan Roth Rollovers are permissible. An In-Plan Roth Rollover Contribution may be made only by a Direct Rollover. A Plan loan cannot be rolled over in an In-Plan Roth Rollover. Notwithstanding any other Plan provision, an In-Plan Roth Rollover Contribution is not a Rollover Contribution for purposes of the Plan, and mandatory 20% federal income tax withholding does not apply to the In-Plan Roth Rollover Contribution. In-Plan Roth Rollovers are not permitted from a source or under circumstances not permitted by the Vendor's rules. For example, if a Vendor's rules do not permit In-Plan Roth Rollovers from otherwise nondistributable amounts, then the Participant cannot make such rollovers from Investment Arrangements that Vendor provides.

3.6 Contributions Made Promptly. The Employer shall make best efforts to have Elective Deferrals under the Plan transferred to the applicable Funding Vehicle on the date on which the amount would otherwise have been paid to the Participant.

3.7 Limitation on SRP Contributions.

(1) Basic Annual Limitation on SRP 403(b) Contributions. Except as provided in sections (2) and (3), the maximum amount of the Elective Deferral under the Plan for any calendar year shall not exceed the lesser of (a) the applicable dollar amount or (b) the Participant's includible compensation for the calendar year. The applicable dollar amount is the amount established under section 402(g)(1)(B) of the Code, which is \$20,500 for 2022, and is adjusted for cost-of-living after 2021 to the extent provided under section 415(d) of the Code.

(2) Special Section 403(b) Catch-Up Limitation for Employees with 15 Years of Service. Because the Employer is a qualified organization (within the meaning of §1.403(b)-4(c)(3)(ii) of the Income Tax Regulations), the applicable dollar amount under Section 3.7(1) for any "qualified Employee" is increased by the least of:

- (a) \$3,000;
- (b) The excess of:
 - 1. \$15,000, over
 - 2. The total special 403(b) Catch-Up Elective Deferrals made for the qualified Employee by the qualified organization for prior years; or
- (c) The excess of:
 - 1. \$5,000 multiplied by the number of years of service of the Employee with the qualified organization, over
 - 2. The total Elective Deferrals made for the Employee by the qualified organization for prior years.

For purposes of this Section 3.7 (2), a "qualified employee" means an Employee who has completed at least 15 years of service taking into account only employment with the Employer.

- (3) **Age-50 Catch-Up Elective Deferral Contributions.** A Catch-Up Eligible Participant is a Participant who is eligible to make Elective Deferrals and who has attained age 50 or who will attain age 50 before the end of the Taxable Year in which he/she will make a Catch-Up Deferral. A Participant who dies or who incurs a Separation from Service before actually attaining age 50 in such Taxable Year is a Catch-Up Eligible Participant. A Participant's Age-50 Catch-Up Deferrals for a Taxable Year may not exceed the lesser of: (a) 100% of the Participant's Compensation for the Taxable Year when added to the Participant's other Elective Deferrals; or (b) the Catch-Up Deferral dollar limit in effect for the Taxable Year (\$6,500 for 2022). Age-50 Catch-Up Deferrals are not: (a) subject to the Annual Additions Limit under 415(c)(1) of the Code or (b) subject to the section 402(g)(1)(B) of the Code (\$20,500 for 2022).
- (4) **Coordination.** Amounts in excess of the limitation set forth in Section 3.7(1) shall be allocated first to the special 403(b) Catch-Up under Section 3.7(2) and next as an Age-50 Catch-Up contribution under Section 3.7(3). However, in no event can the amount of the Elective Deferrals for a year be more than the Participant's compensation for the year.
- (5) **Special Rule for a Participant Covered by another Section 403(b) Plan.** For purposes of this Section 3.7, if the Participant is known to the Employer to be or have been a Participant in one or more other plans under section 403(b) of the Code (and any other plan that permits Elective Deferrals under section 402(g) of the Code), then this Plan and all such other plans shall be considered as one plan for purposes of applying the foregoing limitations of this Section 3.7.
- (6) **Protection of Persons Who Serve in a Uniformed Service.** Employees whose employment is interrupted by qualified military service under section 414(u) of the Code or who is on a leave of absence for qualified military service under section 414(u) of the Code may elect to make additional Elective Deferrals upon resumption of employment with the Employer equal to the maximum Elective Deferrals that the Employee could have elected during that period if the Employee's employment with the Employer had continued (at the same level of compensation) without the interruption or leave, reduced by the Elective Deferrals, if any, actually made for the Employee during the period of the interruption or leave. Except to the extent provided under section 414(u) of the Code, this right applies for five years following the resumption of employment (or, if sooner, for a period equal to three times the period of the interruption or leave).

3.8 Return of Excess SRP contributions. In the event that, during a calendar year, a Participant makes UW 403(b) SRP contributions in excess of the dollar limits imposed by Code sections 402(g)(4), 403(b)(2), and 415(c)(1), the Employer or the Participant may request a corrective distribution from the Vendor in accordance with applicable provisions of the Code, federal regulations, and Internal Revenue Service (IRS) Revenue Procedures 99-13, 2000-16, and subsequent guidance that the IRS may issue.

Excess Deferrals. An excess deferral occurs when a Participant's contributions for the year exceed the limit under effect under Code section 402(g)(4) and (8).

1. **Corrective distributions.** Corrective distributions of the excess deferral, including any Earnings or losses from the taxable year, may be made to the Participant in accord with Code section 402(g). Corrective distributions are not permitted after April 15 following the close of the taxable year in which the excess deferral was made.

2. **Notification and distribution.** It is the Participant's responsibility to notify each Vendor of excess contributions not later than March 1 following the close of the taxable year in which the excess contribution was made. Upon request by the Employer or the Participant, it is the Vendor's responsibility to distribute the excess contribution, including any Earnings or losses from the taxable year, not later than April 15th following the close of the taxable year in which the excess contribution was made.
3. **Tax consequences.** The Vendor shall issue a 1099(R) for each affected tax year to the Participant. The Participant shall report the refunded contribution as income in the year contributed and Earnings or losses as income in the year received on his or her tax return. The Participant shall have total responsibility for any resulting taxation consequences.

Excess Amounts. An excess amount is a contribution to the Plan that exceeds the overall controlling contribution limit for that year, whether that limit is in effect under Code section 415(c)(1) or Code section 403(b)(2).

1. **Corrective distributions.** If Code section 415(c)(1) is the overall controlling limit for that year, the Vendors may make corrective distributions to the Participant in accordance with Treasury Regulation 1.415-6(b)(6), if applicable, or with IRS Revenue Procedure 2000-16, sec. 6.02(4)(b)(i). If Code section 403(b)(2) is the overall controlling contribution limit for that year, the Vendors may make corrective distributions to the Participant in accordance with IRS Revenue Procedure 2000-16, sec. 6.02(4)(b)(i).
2. **Notification and distribution.** Upon notification by the Employer or the Participant, the Vendor shall distribute the excess amount, including any Earnings, to the Participant.
3. **Tax consequences.** The Vendor shall issue a 1099(R) for the affected tax year to the Participant. The Participant shall report the refunded contribution with Earnings as income in the year received on his or her tax return. The Participant shall have total responsibility for any resulting taxation consequences.

3.9 In-Plan Transfer of Plan Accumulations from Active or Former Vendors in the Plan.

Participants may voluntarily transfer Plan accumulations from active or former Vendors to ONLY those Vendors and Funding Vehicles which have been currently authorized by the SRPAC.

3.10 Transfers for Purchase of Service under a Governmental Defined Benefit Plan. If the governmental plan permits, a Participant may make a direct trustee-to-trustee transfer from an Account to a defined benefit governmental plan for the purchase of permissive service credit (as defined in s. 425(n)(3) of the Code) under the plan or as a repayment of a cash-out under the plan.

3.11 Rollovers to the Plan from Other Plans.

(1) Direct Rollovers. The Plan will accept a direct rollover of an eligible rollover distribution for a Participant from:

- (a) a qualified plan described in section 401(a) or 403(a) of the Code, excluding after-tax employee contributions, including pension plans, profit-sharing plans, 401(k) plans, Thrift Savings Plans, ESOPs, and Keogh plans. The Plan will accept a Rollover Contribution from a Roth Elective Deferral account under an applicable retirement plan described in Code Section 402A(e)(1) only to the extent the rollover is permitted under the rules of Code Section 402(c). A rollover of an Eligible Rollover Distribution that includes Roth Elective Deferrals shall only be accepted if the Vendor obtains information regarding the Participant's tax basis under Code Section 72 in the amount rolled over.

- (b) an Annuity Contract described in section 403(b) of the Code, excluding after-tax employee contributions.
- (c) an eligible plan under section 457(b) of the Code which is maintained by a state, political subdivision of a state, or any agency or instrumentality of a state or political subdivision of a state.

- (2) Participant Rollover Contributions from Other Plans.** The Plan will accept a Participant contribution of an eligible rollover distribution from:
- (a) a qualified plan described in section 401(a) or 403(a) of the Code, including pension plans, profit-sharing plans, 401(k) plans, Thrift Savings Plans, ESOPs, and Keogh plans.
 - (b) an Annuity Contract described in section 403(b) of the Code.
 - (c) an eligible plan under section 457(b) of the Code which is maintained by a state, political subdivision of a state, or any agency or instrumentality of a state or political subdivision of a state.
- (3) Participant Rollover Contributions from IRAs.** The Plan will accept a Participant Rollover Contribution of the portion of a distribution from a SEP (Simplified Employee Pension) IRA or a SIMPLE (Savings Incentive Match Plan for Employees) IRA that has been established for at least two years, or an individual retirement account or annuity described in section 408(a) or 408(b) of the Code that is eligible to be rolled over and would otherwise be includible in gross income.
- (4)** Except as otherwise provided by the Code, the Plan will treat Rollover Contributions accepted under Sections 3.11(1), (2), or (3) as 403(b) moneys governed by the provisions of section 403(b) and related sections of the Code.
- (5)** A Participant may receive a distribution of any Rollover Contribution and of associated Earnings. Rollover Contributions and associated Earnings may be distributed while the Participant is employed by the University of Wisconsin.

3.12 Contributions during Leaves of Absence. During a leave of absence with pay, SRP contributions will continue to be made in accordance with the Salary Reduction Agreement. No SRP contributions will be made during a leave of absence without pay.

ARTICLE IV – VENDORS/FUNDING VEHICLES

- 4.1 Vendors/Funding Vehicles.** SRP contributions are invested with one or more of the Vendors and their respective Funding Vehicles which have been authorized for Participants under this Plan. The Plan's current selection of Vendors and Funding Vehicles is not intended to limit future additions or deletions of Vendors and Funding Vehicles.
- 4.2 UW 403(b) SRP Investment Policy Statement.** Vendor participation and Funding Vehicle approval are subject to specific criteria outlined in the Investment Policy Statement recommended by the SRPAC and approved by the President of the UW System or his or her designee.
- 4.3 Current and Former Vendors.** The Employer shall maintain a list of all Vendors under the Plan. Such list is hereby incorporated as part of the Plan. Each Vendor and the Employer shall exchange such information as may be necessary to satisfy section 403(b) of the Code or other requirements of applicable law. In the case of a Vendor which has ceased to be a Vendor eligible to receive Elective Deferrals under the Plan, the Employer shall keep the Vendor informed of the name and contact information of the Employer in order to coordinate information necessary to satisfy section 403(b) of the Code or other requirements of applicable law.

ARTICLE V – VESTING

- 5.1 **Vesting.** The Participant is fully and immediately vested in all 403(b) contributions made under this Plan.

ARTICLE VI – BENEFIT DISTRIBUTIONS

- 6.1 **Benefit Distributions At Severance from Employment or Other Distribution Event.** Except as permitted under Section 3.8 (relating to excess Elective Deferrals), Section 3.11 (5) (relating to withdrawals of amounts rolled over into the Plan), Section 6.3 (relating to hardship), Section 6.11 (relating to reservists called to Active Duty), Section 6.12 (relating to birth or adoption) or Section 8.1 (relating to termination of the Plan), distributions from a Participant's Account may not be made earlier than the earliest of the date on which the Participation has a Severance from Employment, dies, becomes Disabled, or attains age 59 ½. Distributions shall otherwise be made in accordance with the terms of the Individual Agreements. The Participant is entitled to receive benefits under any of the options offered by the Funding Vehicles. However, distributions attributable to amounts accrued in an Annuity Contract after December 31, 1988, and amounts accrued in a mutual fund custodial account regardless of date may not be paid until a Participant attains age 59 ½, separates from service, dies, becomes disabled, turns 55 and retires, or satisfies the Vendor requirements for a hardship or QDRO distribution. Hardship distributions are subject to the rules and restrictions set forth in Section 6.3. Distributions to a Participant made prior to attaining age 59 ½ may be subject to early withdrawal penalties under the Internal Revenue Code.
- 6.2 **Death Benefits.** If the Participant dies before retirement benefit payments begin, the entire value of the accumulation Account(s) is (are) payable to the Beneficiary or Beneficiaries named by the Participant under the options offered by the Vendors.
- The Participant has the responsibility to complete and submit the necessary forms to the selected Vendor(s) to establish any Beneficiary or Beneficiaries designated to receive the benefits payable under the Plan in the event of the Participant's death. If the Participant fails to file a valid beneficiary designation, or if all persons designated as the Beneficiary shall have predeceased the Participant, the Vendor shall determine the Beneficiary or Beneficiaries in accord with applicable contract provisions and Wisconsin state law (docs.legis.wisconsin.gov/statutes/statutes/40/I/02/8/a). This is called Standard Sequence and will pay as follows:
 - Employee's surviving spouse, otherwise;
 - Employee's surviving children equally, otherwise;
 - Employee's surviving grandchildren equally, otherwise;
 - Employee's surviving parents equally, otherwise;
 - Employee's surviving siblings equally, otherwise;
 - Employee's estate.
- 6.3 **Hardship Distributions.** Hardship distributions are permitted under the Plan; however, in no event will a hardship distribution be available under an Investment Arrangement which does not provide for hardship distributions. All hardship distributions must comply with Treas. Reg. §1.401(k)-1(d)(3). Hardship distributions will conform to the safe harbor need and safe harbor necessity rules. A hardship distribution from an Investment Arrangement attributable to a Participant's Elective Deferrals is limited to the aggregate dollar amount of the Participant's Elective Deferrals under the Investment Arrangement (and may not include any income thereon),

reduced by the aggregate dollar amount of the distributions previously made to the Participant from the Investment Arrangement. A hardship distribution may only be made on account of an immediate and heavy financial need of the Participant and where the distribution is necessary to satisfy the immediate and heavy financial need.

- (1) After the Effective Date, Participants do not need to take Plan loans before taking hardship distributions.
- (2) Hardship needs include residential casualty losses (without regard to whether the casualty was in a federally declared disaster area) and disaster losses.
- (3) The Effective Date is the first day of the first Plan Year beginning after December 31, 2021, or as soon as administratively feasible thereafter.
- (4) Effective January 1, 2020, the Participant must represent in writing, by an electronic medium or in such other form as may be prescribed by applicable law, that the Participant has insufficient cash or other liquid assets to satisfy the immediate and heavy financial need for which the hardship is being sought (and the applicable Vendor shall be entitled to rely on such representation unless such Vendor has actual knowledge to the contrary).

All hardship distributions from the Plan will be approved and monitored directly by the Vendors; the Plan Administrator will not be involved in determining immediate and heavy financial need of the Participant.

6.4 In-Service Distributions from Rollover Account. As established in Section 3.11(5), if a Participant has a separate Account attributable to Rollover Contributions to the Plan, to the extent permitted by the applicable Individual Agreement, the Participant may at any time elect to receive a distribution of all or any portion of the amount held in the rollover Account.

6.5 Required Minimum Distributions. All distributions under this Plan will be made in accordance with the regulations under Code Section 401(a)(9) and the regulations thereunder. For purposes of applying the distribution rules of section 401(a)(9) of the Code, each Individual Agreement is treated as an individual retirement account (IRA) and distributions shall be made in accordance with the provisions of §1.408-8 of the Income Tax Regulations, except as provided in §1.403(b)-6(e) of the Income Tax Regulations.

The entire interest of each Participant will begin to be distributed no later than April 1 of the calendar year following the calendar year in which the Participant attains age 73 (72 if the Participant was born July 1, 1949 and after but before January 1, 1950 or 70 ½ if the Participant was born before July 1, 1949), or April 1 following the calendar year in which the Participant retires, if later, over a period not to exceed the life (or life expectancy) of the Participant or over the lives (or life expectancies) of the Participant and a designated Beneficiary.

6.6 Application for Benefits. Procedures for receipt of benefits are initiated by contacting the Vendor(s) directly. Benefits will be payable by the Vendor(s) upon receipt of a satisfactorily completed application for benefits and supporting documents. The forms, if necessary, will be provided to the Participant, the surviving spouse, or the Beneficiary by the Vendor(s).

6.7 Non-Assignability. Except as provided in Section 6.8, the interests of each Participant or Beneficiary under the Plan are not subject to the claims of the Participant's or Beneficiary's creditors; and neither the Participant nor any Beneficiary shall have any right to sell, assign, transfer, or otherwise convey the right to receive any payments hereunder or any interest under the Plan, which payments and interest are expressly declared to be non-assignable and non-transferable.

6.8 QDRO Distributions. Notwithstanding Section 6.7, if a judgment, decree or order (including approval of a property settlement agreement) that relates to the provision of child support, alimony payments, or the marital property rights of a spouse or former spouse, child, or other dependent of a Participant is made pursuant to the domestic relations law of any State (“domestic relations order”), then the amount of the Participant’s Account Balance shall be paid in the manner and to the person or persons so directed in the domestic relations order. Such payment shall be made without regard to whether the Participant is eligible for a distribution of benefits under the Plan.

Responsibility lies with the Vendors to determine that Participants in the Plan have provided proper authorization to request distributions on account of domestic matters, including those that result from court orders. Each Vendor shall establish its own rules and procedures for Participants to request such distributions. The UW System shall have no responsibility for determining whether such distributions are appropriate under the Plan.

6.9 Loans.

(1) Availability. Subject to the terms of the Funding Vehicles, loans are available to Participants before the commencement of benefit payments from approved Vendors.

A Participant may make application for a loan to the extent that the loan does not exceed the lesser of

1. \$50,000 reduced by the excess (if any) of the highest outstanding balance of loans to the Participant from the Plan during the one-year period ending on the day before the loan is made, or
2. One-half of the present value of the Participant’s Account or \$10,000, if greater; however, no loan shall exceed the present value of the Participant’s Account.

Such loan shall be in the form of a legally enforceable agreement set forth in writing and shall by its terms require that repayment of principal and interest be amortized in level payments, not less frequently than quarterly, over a period not extending beyond five years from the date of the loan except if the loan is used by the Participant to acquire any dwelling unit which is to be used as a principal residence of the Participant.

In the event that a Participant fails to repay a loan according to its terms and the loan is declared to be in default, a distributable event shall be deemed to occur for the entire outstanding balance of the loan. The Participant must include the deemed distribution in gross income in the year of the failure to repay.

Loan repayments will be suspended under the Plan as permitted under Code Section 414(u)(4) (USERRA).

(2) Information Coordination Concerning Loans. Each Vendor is responsible for all information reporting and tax withholding required by applicable federal and state law in connection with distributions and loans. To minimize the instances in which Participants have taxable income as a result of loans from the Plan, the Employer shall take such steps as may be appropriate to coordinate the limitations on loans set forth in Section 6.9, including the collection of information from Vendors, and transmission of information requested by any Vendor, concerning the outstanding balance of any loans made to a Participant under the Plan. The Employer shall also take such steps as may be appropriate to collect information from Vendors, and transmission of information to any Vendor, concerning any failure by a Participant to repay timely any loans made to a Participant under the Plan.

6.10 Rollover Distributions.

(a) A Participant or the Beneficiary of a deceased Participant (or a Participant's spouse or former spouse who is an alternate payee under a domestic relations order, as defined in section 414(p) of the Code) who is entitled to an eligible rollover distribution may elect to have any portion of an eligible rollover distribution (as defined in section 402(c)(4) of the Code) from the Plan paid directly to an eligible retirement Plan (as defined in section 402(c)(8)(B) of the Code) specified by the Participant in a direct rollover. In the case of a distribution to a Beneficiary who at the time of the Participant's death was neither the spouse of the Participant nor the spouse or former spouse of the Participant who is an alternate payee under a domestic relations order, a direct rollover is payable only to an individual retirement account or individual retirement annuity (IRA) that has been established on behalf of the Beneficiary as an inherited IRA (within the meaning of section 408(d)(3)(C) of the Code).

(b) Each Vendor shall be separately responsible for providing, within a reasonable time period before making an initial eligible rollover distribution, an explanation to the Participant of his or her right to elect a direct rollover and the income tax withholding consequences of not electing a direct rollover.

6.11 Withdrawals for Reservists when called to Active Duty. To the extent permitted by the Individual Agreements, Participants may take penalty-free qualified reservist distributions from the Plan. A qualified reservist distribution means any distribution to a Participant if 1) such distribution is made from Elective Deferrals, 2) such Participant was ordered or called to active duty for a period in excess of 179 days or an infinite period, and 3) such distribution is made during a period beginning on the date of such order or call and ending at the close of active duty period. The Participant must have been ordered or called to active duty after September 11, 2001.

6.12 Withdrawal for Birth or Adoption of a Child.

(1) This Section shall be interpreted in a manner consistent with Code Section 72(t)(2)(H), as added by the Setting Every Community Up for Retirement Enhancement Act of 2019 (the "SECURE Act"), and any Treasury Regulations and/or other authoritative guidance issued thereunder.

(2) In accordance with the SECURE Act, the Administrator shall permit the withdrawal by a Participant from that portion of a Participant's Plan benefit attributable to his or her salary reduction contributions in the form of a "qualified birth or adoption distribution", as described in Code Section 72(t)(2)(H).

(3) The aggregate amount which may be treated as qualified birth or adoption distributions by any Participant with respect to any birth or adoption shall not exceed five thousand dollars (\$5,000).

(4) A Participant who receives a Qualified Birth or Adoption Distribution may, at any time after receiving the Distribution, recontribute up to the aggregate amount of the Qualified Birth or Adoption Distributions hereunder to the Plan.

(5) For purposes of this Section, a "qualified birth or adoption distribution" means any distribution from the Plan to a Participant if made during the one (1)-year period beginning on the date on which a child of the Participant is born or which the legal adoption by the Participant of an eligible adoptee is finalized. An "eligible adoptee" for purposes of the preceding sentence means any individual (other than the child of the Participant's spouse) who has not attained age eighteen (18) or is physically or mentally incapable of self-support.

- 6.13 Distribution of Small Account Balances.** The terms of the Individual Agreement may permit distributions to be made in the form of a lump-sum payment, without the consent of the Participant or Beneficiary, but no such payment may be made without the consent of the Participant or Beneficiary unless the Account Balance does not exceed \$1,000 (determined without regard to any separate account that holds Rollover Contributions under Section 6.1) and any such distribution shall comply with the requirements of section 401(a)(31)(B) of the Code (relating to automatic distribution as a direct rollover to an individual retirement plan for distributions in excess of \$1,000).

ARTICLE VII – Administration

- 7.1 Plan Administrator.** The UW 403(b) SRPAC, c/o UW System Office of Trust Funds, located at 780 Regent St., Madison, Wisconsin 53715, is the Administrator of this Plan.

The UW 403(b) SRPAC is also the agent for the service of legal process.

ARTICLE VIII – AMENDMENT AND TERMINATION

- 8.1 Amendment and Termination.** While it is expected that this Plan will continue indefinitely, the UW System reserves the right at any time to amend or terminate the Plan, or to discontinue any further 403(b) SRP Contributions or payments under the Plan, by resolution of its BOR. If the Plan is terminated or if Contributions are discontinued, the UW System will notify all Participants, and any agreements for salary reduction that have been entered into will become void with respect to salary amounts yet to be earned.
- 8.2 Limitation.** Notwithstanding the provisions of Section 8.1, the following conditions and limitations apply:
- (a) No amendment will be made which will operate to recapture for the UW System any Contributions previously made under this Plan. However, 403(b) SRP Contributions which were made based on a mistake of fact may be returned to the UW System or Participant for appropriate disposition within one year of the date on which the Contribution was made; and
 - (b) No amendment will deprive, take away, or alter any accrued right of any Participant insofar as 403(b) Contributions previously made under the Plan are concerned.

ARTICLE IX – MISCELLANEOUS

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

9.2 Claims of Other Persons. No provisions in this Plan will be construed as giving any Participant or any other person, firm, or corporation any legal or equitable right against the UW System, its officers, Employees, or directors, except for the rights that are specifically provided for in this Plan or created in accordance with the terms and provisions of this Plan.

Any claimant bringing claims against the Plan or a Vendor in the Plan must exhaust all administrative remedies under the Plan before seeking judicial review; the claimant has 90 days to bring a legal action (including, but not limited to, a civil action under Section 502(a) of ERISA with respect to any ERISA Plan) following a final decision of an adverse benefit determination (or, in the absence of such a final decision, within a reasonable period following the date the final decision should have been issued under the Plan); and the claimant is prohibited against presentation in any legal action of evidence not timely presented to the Administrator as part of the Plan's administrative review process.

9.3 Contracts – Incorporation by Reference. The terms of the contracts between the Vendors and the UW System and/or the Participants and any certificates issued to a Participant in accordance with the provisions of Section 4.1 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.

9.4 Insurance. The benefits under the Plan are not insured by the Pension Benefit Guaranty Corporation (PBGC). The Plan is not subject to the terms of the Employee Retirement Income Security Act (ERISA).

9.5 Payout of Forfeiture/Suspense Account. Moneys in a Vendor forfeiture or suspense account will be reviewed annually and may be paid out to compensate for Plan expenses, especially to pay for Participant education.

ARTICLE X – DEFINITIONS

The words and phrases defined in this Article have the following meanings throughout this Plan Document:

Account means the account(s) maintained for the benefit of any Participant, Beneficiary, or Alternate Payee under one or more Investment Arrangements. Unless required due to an Investment Arrangement, the term "separate Account" means a separate accounting for recordkeeping purposes.

Account Balance means the total benefit to which a Participant, Beneficiary, or Alternate Payee is entitled under an Investment Arrangement, taking into account all Contributions made to the Investment Arrangement and all Earnings or losses (including expenses) that are allocable to the Account, any Rollover Contributions or transfers held under the Account, and any distribution made to the Participant, the Beneficiary, or an Alternate Payee. The Account Balance includes any part of the Account that is treated under the Plan as a separate contract to which Code §403(c) (or another applicable provision of the Code) applies. In the case of an Annuity Contract that provides additional benefits, to the extent required under the Code, such term also will include the actuarial value of the Participant's vested interest in such other benefits as determined by the Vendor.

Accumulated Benefit means the sum of a Participant's, Beneficiary's or Alternate Payee's Account Balances under all Investment Arrangements under the Plan.

Annuity Contract means a nontransferable group or individual contract as defined in Code §§403(b)(1) and 401(g), established for each Participant by the Employer, or by each Participant individually, that is issued by an Insurance Company qualified to issue annuities in Wisconsin and that includes payment in the form of an annuity. In the case of an Annuity Contract, the term "Individual Account" when used under the Plan will include individual annuity certificates issued on behalf of a Participant or Beneficiary, in addition to individual Annuity Contracts.

Beneficiary means a person or entity designated by a Participant, by the Plan or, in the absence of designation by the Participant or the Plan, under an Investment Arrangement, who is or may become entitled to a benefit under the Plan upon the Participant's death, as identified under the terms governing each Investment Arrangement or in other records maintained under the Plan. A Beneficiary who becomes entitled to a benefit under the Plan remains a Beneficiary under the Plan until the Vendor has fully distributed to the Beneficiary their Plan benefit. A Beneficiary's right to (and the Plan Administrator's duty to provide to the Beneficiary) information or data concerning the Plan does not arise until the Beneficiary first becomes entitled to receive a benefit under the Plan.

BOR means the Board of Regents of the University of Wisconsin.

Code means the Internal Revenue Code of 1986, as amended. All citations to sections of the Code are to such sections as they may from time to time be amended or renumbered.

Compensation means all cash compensation for services to the Employer, including salary, wages, fees, commissions, bonuses, and overtime pay, that is includible in the Employee's gross income for the calendar year, plus amounts that would be cash compensation for services to the Employer includible in the Employee's gross income for the calendar year but for a compensation reduction election under section 125, 132(f), 401(k), 403(b), or 457(b) of the Code (including an election under Article III made to reduce compensation in order to have Elective Deferrals under the Plan).

Contributions means UW 403(b) SRP Contributions by the Participant as described in Article III (See Elective Deferral).

Contribution Types means the Contribution Types required or permitted under the Plan as the Employer elects.

Custodial Account means the group or individual custodial account or accounts, as defined in Code §403(b)(7), established for each Participant by the Employer, or by each Participant individually, to hold assets of the Plan.

Custodial Agreement means a separate written agreement between the Participant (or Employer) and the Custodian which sets forth the terms of the Custodian's engagement.

Custodian means a bank or person who qualifies as a non-bank Custodian under Code §401(f)(2) and who accepts the position of Custodian by executing the Adoption Agreement or by executing a separate Custodial Agreement.

Defined Contribution Plan means a retirement plan which provides for an individual account for each Participant and for benefits based solely on the amount contributed to the Participant's Account, and on any Earnings, expenses, and forfeitures which the Plan may allocate to such Participant's Account.

Direct Rollover means a Rollover Contribution that is paid directly to a Funding Vehicle within the Plan by the other eligible retirement plan.

Earnings means the net income, gain or loss earned by a particular Account or with respect to a Contribution or to a distribution, as the context requires.

Elective Deferral also SRP or 403(b) Contributions means a Participant's Pre-Tax Deferrals, Roth Deferrals, and, as the context requires, Age-50 Catch-Up Deferrals and Qualified Organization Catch-Up Deferrals under the Plan, and which the Employer contributes to the Plan at the Participant's election (or automatically) in lieu of cash compensation.

(A) **Pre-Tax Deferral** means an Elective Deferral (including a Catch-Up Deferral or an Automatic Deferral) which is not a Roth Deferral.

(B) **Roth Deferral** means an Elective Deferral (including a Catch-Up Deferral) which a Participant irrevocably designates as a Roth Deferral under Code §402A at the time of deferral and which is subject to income tax when made to the Plan.

(C) **Age-50 Catch-Up Deferral**. See Section 3.7 (3).

(D) **Qualified Organization Catch-Up Deferral**. See Section 3.6 (2).

Eligible Employee means an Employee other than an Excluded Employee.

Employee means any common law Employee of the Employer. Employee does not include an independent contractor.

Employer means the UW System Administration or an institution in the UW System.

ERISA means the Employee Retirement Income Security Act of 1974, as amended, and includes applicable DOL regulations.

Funding Vehicles means the financial instruments issued for the purpose of funding accrued benefits under this Plan and specifically authorized by the UW 403(b) SRPAC for use under this Plan in Article IV of this document.

Includible Compensation means an Employee's actual wages in box 1 of Form W-2 for a year for services to the Employer, but subject to a maximum of \$305,000 (or such higher maximum as may apply under section 401(a)(17) of the Code) and increased (up to the dollar maximum) by any compensation reduction election under section 125, 132(f), 401(k), 403(b), or 457(b) of the Code (including any Elective Deferral under the Plan). The amount of includible compensation is determined without regard to any community property laws.

Individual Agreement means the agreements between a Vendor and the Employer or a Participant that constitutes or governs a Custodial Account.

Investment Arrangement means an Annuity Contract or Custodial Account that satisfies the requirements of Treasury Regulation Section 1.403(b)-3 and that is issued or established for funding amounts held under the Plan and specifically approved by the University for use under the Plan.

Insurance Company means the Insurance Company which issues or provides an Annuity Contract used as an Investment Arrangement hereunder.

IRS means the Internal Revenue Service. When discussing regulations or other guidance, IRS also includes the United States Treasury. IRS Guidance includes Treasury regulations and other guidance of general applicability appearing in the Internal Revenue Bulletin.

Participant means an eligible Employee or former Employee of the UW System who participates in the plan in accordance with Article II and who has an Account Balance under the plan with a participating Vendor. Once an Employee becomes a Participant, they will remain a Participant so long as they have an Account in the Plan.

Participant Rollover means a Rollover Contribution that the Participant contributes to a Funding Vehicle within the Plan within 60 days of receipt from the other eligible retirement plan.

Plan means the University of Wisconsin 403(b) Supplemental Retirement Program, as described in section 403(b) of the Internal Revenue Code.

Plan Year means the calendar year.

Pre-Tax Elective Deferral means an Elective Deferral that is not included in a Participant's gross income at the time deferred. An Elective Deferral will be characterized as a Pre-Tax Elective Deferral unless the Participant designates the deferral as a Roth Elective Deferral.

Rollover Contribution means an eligible rollover distribution, as defined in Section 3.11, from another eligible retirement plan, as defined in Section 3.11, that is rolled over to a Funding Vehicle within the Plan, which the Code permits an Eligible Employee or Participant to transfer directly or indirectly to this Plan from another Eligible Retirement Plan (or vice versa) within the meaning of Code §402(c)(8)(B), except that the Plan may permit an In-Plan Roth Rollover Contribution.

Roth Elective Deferral means an Elective Deferral that is included in a Participant's gross income at the time deferred, which is subject to income tax when made to the Plan, and has been irrevocably designated as a Roth Elective Deferral by the Participant on the Salary Reduction Agreement.

Salary Reduction Agreement (SRA) means the agreement between the Participant and the UW System which allows for 403(b) contributions to be deducted from the Participant's salary and forwarded to the Vendor(s). A Salary Reduction Agreement means a Participant's written election to reduce his or her Compensation (and have that amount contributed as Elective Deferrals to the Plan).

USERRA means the Uniformed Services Employment and Reemployment Rights Act of 1994, as amended.

UW 403(b) SRP means UW 403(b) Supplemental Retirement Program

UW System Administration means the central administrative unit for the UW System.

UWS means the University of Wisconsin System.

Vendor means the provider of an Annuity Contract or Custodial Account, as the context requires, that is approved by the SRPAC and the University for participation in the Plan. With regard to an Investment Arrangement, the Vendor is the provider of that Investment Arrangement. With regard to a Participant, the Vendor is the provider of any Investment Arrangement holding an Account for the Participant.

Year of 403(b) Service means, for purposes of determining Includible Compensation or Special Catch-Up Contributions, each full year during which an individual is a full-time Employee of the Employer, plus fractional credit for each part of a year during which the individual is either a full-time Employee of the Employer for a part of a year or a part-time Employee of the Employer, determined under Treas. Reg. §1.403(b)-4(e). An Employee's number of Years of 403(b) Service equals the aggregate of such years or parts of years. The work period is the Employer's annual work period.

IN WITNESS WHEREOF, the UW 403(b) Supplemental Retirement Program has caused this amended and restated Plan to be executed in its name and on its behalf on the date written below.

University of Wisconsin System

By: 

Jay O. Rothman, President

Date: 11/20/23