

INSTRUCTIONS FOR DISTRIBUTION OF SUMMARY PLAN DESCRIPTION

► **Required Distribution Date:** A new participant is required to receive a summary plan description (SPD) within 90 days after becoming a participant. In the case of a participant's death, the spouse and/or designated beneficiary is required to receive an SPD within 90 days after first receiving benefits. However:

- (a) For a *new* plan, the last date for distribution of an SPD is 120 days after the adoption date (or if later 120 days after the plan effective date).
- (b) For an *amended* plan, the last date for distribution of a Summary of Material Modifications (SMM) or an amended SPD is 210 days after the end of the plan year in which the amended or restated plan is effective. However, some practitioners are of the opinion that the SMM or SPD should be provided no later than 60 days after the later of the adoption date or effective date of the amendment.

► **Form of SPD Distribution:** The SPD should be delivered by hand at the employee's work site. The SPD may also be distributed electronically by fax or e-mail, with the same applicable due date(s) as above, provided actual receipt at the participant's work site is ensured and it is made known that a free paper copy of the SPD is available. If mailed, first, second or third class mail is permitted. However, if second or third class mail is used, return and forwarding postage must be guaranteed, address correction must be requested, and any returns must either be forwarded by first class mail or delivered directly to the person. When using mail delivery, sufficient time must be allowed to assure timely delivery by the above due date(s).

► **Foreign Language Employees:** If as of the first day of a plan year the plan covers either (a) fewer than 100 participants, 25% or more of whom are only literate in a single common foreign language, or (b) 100 or more participants, of whom 10% or more (or 500 if less) are only literate in a single common foreign language, then if the distributed SPD is not also provided translated into that common foreign language, the English SPD must be accompanied by a notice written in the common foreign language offering assistance and clearly setting forth the procedures to be followed to obtain such assistance.

► **Filing With the Labor Department:** Per the Taxpayer Relief Act of 1997, it is no longer required to submit an SPD or SMM to the Department of Labor; but if requested by the Department of Labor, one must be provided within 30 days in order to avoid a penalty of \$110 per day (maximum \$1,100).

► **Sample Cover Letter or Notice:** All or a part of the following may be considered for inclusion in the cover letter accompanying distribution or mailing of the SPD. The letter should be sent on the letterhead of the sponsoring employer; or in the case where the sponsoring employer is not the plan administrator, it may be sent by the plan administrator.

This is a summary in English of your rights and benefits under the provisions of the _____ (*name of plan*). If you have any difficulty in understanding any part of this summary plan description, please contact _____ during regular business hours at his or her office at _____; by telephone at _____; or by e-mail at _____.

Optional clause:

We suggest you also review the U.S. Labor Department publication called "*WHAT YOU SHOULD KNOW ...about your pension rights*" on the web at <http://www.dol.gov/ebsa/publications/wyskapr.html>, or you can obtain a copy by calling toll free at (866) 444-3272.

NOVA SOUTHEASTERN UNIVERSITY

PUERTO RICO PLAN

SUMMARY PLAN DESCRIPTION

EFFECTIVE JANUARY 1, 2012

TABLE OF CONTENTS

Introduction

Type of Plan	1
Plan Sponsor	1
Purpose of the Summary	1

Plan Administration

Plan Trustees	1
Plan Administrator	1
Plan Number	1
Plan Year	2
Service of Legal Process	2

Eligibility Requirements

How You Become a Participant	2
Eligible Employees	2
Age Requirement	2
Service Requirement	2
Entry Date	2
Transfer to an Eligible Class of Employees	2
Transfer to an Ineligible Class of Employees	2
Rehire After Termination of Employment	2

Salary Reduction Contributions

How the Contribution is Determined	3
Salary Deferral Agreements	3
Automatic Deferral	3
Automatic Deferral Provisions	3
How Your Vested Interest is Determined	4

Matching Contributions

How the Contribution is Determined	4
Compensation	4
Example	4
How You Qualify for a Contribution Allocation	4
Active Participants	4
Terminated Participants	4
How Your Vested Interest is Determined	4

Employer Contributions

How the Contribution is Determined	5
Compensation	5
How You Qualify for a Contribution Allocation	5
How the Contribution is Allocated	5
Example	5
How Your Vested Interest is Determined	5
Normal Retirement Age and Early Retirement Age	5
Maximum Allocation Limitations	5
Rollover Contributions	5

Distribution of Benefits	
Distribution for Reasons Other Than Death	6
Cash Out Rule	6
Distributions Upon Death	6
Hardship Distributions	6
Investment of Accounts	
Loans to Participants	7
Investment Fees	7
Administration Fees	7
Transaction-Based Fees	7
Tax Withholding On Distributions	
Income Taxation of Benefits Paid	8
Claims Procedure	8
Other Information	
Attachment of Your Account	9
Amendment or Termination of the Plan	9
Accounts Are Not Insured	9
Payment of Plan Expenses	9
Statement of ERISA Rights	
Your Right to Receive Information	9
Duties of Plan Fiduciaries	9
Enforcement of Rights	9
Assistance With Your Questions	9

INTRODUCTION

TYPE OF PLAN

Effective January 1, 2012, Nova Southeastern University, Inc. adopted the Nova Southeastern University Puerto Rico Plan (which will be referred to in this summary plan description as the "Plan").

PLAN SPONSOR

The sponsor of the Plan is Nova Southeastern University, Inc., and this summary will sometimes refer to Nova Southeastern University, Inc. as the "Employer", "we", "us" or "our". Our address is:

3301 College Avenue
Ft. Lauderdale, FL 33314
954-262-7855
Employer Identification Number: 59-1083502

PURPOSE OF THE SUMMARY

This booklet is called a Summary Plan Description (the *SPD*) and it is meant to describe highlights of the Plan in understandable language. It is not, however, meant to be a complete description of the Plan, nor is it meant to interpret, extend or change the provisions of the Plan in any way. If there is a conflict between this SPD and the Plan, the provisions of the Plan control your right to benefits. A copy of the Plan and related documents are on file with the Plan Administrator and you can read them at any reasonable time. Also, no provision of the Plan or this SPD is intended to give you the right to continued employment or to prohibit changes in the terms or conditions of your employment. If you have any questions that are not addressed in this summary, you can contact the Plan Administrator (who is described in the next section) during normal business hours.

PLAN ADMINISTRATION

PLAN TRUSTEES

The Plan is administered by a written plan and trust agreement, and the trustee of that agreement is responsible for management of the Plan's assets. The Trustee is John Reyes (hereafter referred to as the "Trustee") whose address is:

Nova Southeastern University, Inc.
Office of Human Resources
3301 College Avenue
Ft. Lauderdale, FL 33314

PLAN ADMINISTRATOR

All other matters concerning the operation of the Plan are the responsibility of the Administrator. The Administrator of the Plan is:

Nova Southeastern University, Inc.
3301 College Avenue
Ft. Lauderdale, FL 33314
ATTN: Diane Emery
954-262-7855

The Plan Administrator has the power and authority to interpret the terms of the Plan based on the Plan document and existing laws and regulations, as well as the power to determine all questions that arise under the Plan. Such power and authority include, for example, the administrative discretion necessary to resolve issues with respect to an employee's eligibility for benefits, credited service, Disability, and retirement, or to interpret any other term contained in the Plan and related documents. The Plan Administrator's interpretations and determinations are binding on all Participants, employees, former employees, and their beneficiaries.

PLAN NUMBER

The assigned Plan Number is #005.

PLAN YEAR

January 1st to December 31st

SERVICE OF LEGAL PROCESS

If you have to bring legal action against the Plan for any reason, legal process can be served on the Plan Administrator.

ELIGIBILITY REQUIREMENTS

HOW YOU BECOME A PARTICIPANT

To become a Participant in the Plan, you must satisfy the following criteria:

ELIGIBLE EMPLOYEES

All persons who are our Employees are considered Eligible Employees for purposes of the Plan, except the following ineligible class:

- (1) Non-resident aliens;
- (2) Leased Employees;
- (3) Any Employee whose employment is governed by the terms of a collective bargaining agreement;
- (4) Cluster/field based Employees as defined in the Employer's Policy Manual;
- (5) Independent Contractors;
- (6) Temporary Employees;
- (7) Employees with agreements not to participate in the Plan;
- (8) Part-time Employees who work less than 19.2 hours per week; and
- (9) All Employees eligible to participate in the Nova Southeastern University 401(k) Plan.

In addition, part-time project faculty a/k/a adjunct faculty are excluded for purposes of the Employer Matching Contribution and the Employer Contribution, but are eligible to make Elective Deferrals.

AGE REQUIREMENT

You must be at least 21 years of age.

SERVICE REQUIREMENT

You must be credited with at least 1 Year of Service.

ENTRY DATE

You will enter the Plan as a Participant on the first day of the month coincident with or following the date the requirements set forth above are satisfied provided you are still an Eligible Employee on such Entry Date.

TRANSFER TO AN ELIGIBLE CLASS OF EMPLOYEES

Hours of Service will be credited for eligibility purposes during a period of time that you are an ineligible Employee (other than when performing services as an Independent Contractor). If you transfer to a class of Eligible Employees, you will enter the Plan as a Participant on the Entry Date following the date you become an Eligible Employee (or satisfy the eligibility requirements, if later).

TRANSFER TO AN INELIGIBLE CLASS OF EMPLOYEES

If you transfer to a class of Employees who are not eligible to participate in the Plan, you can no longer make contributions to the Plan and no further Employer contributions will be made. You will continue to earn credit for Hours of Service (other than when performing services as an Independent Contractor) for Vesting purposes. If you transfer to a class of Eligible Employees, your participation will resume.

REHIRE AFTER TERMINATION OF EMPLOYMENT

If you terminate employment after becoming a Participant in the Plan and later return to employment, you will re-enter the Plan on your re-employment date.

Also, if you terminate employment after satisfying the Plan's eligibility conditions but before actually becoming a participant in the Plan, you will become a participant in the Plan on the later of your scheduled Entry Date or your re-employment date.

SALARY REDUCTION CONTRIBUTIONS

HOW THE CONTRIBUTION IS DETERMINED

Your Salary Reduction Contributions for any calendar year cannot exceed the maximum dollar amount specified under the Puerto Rico Internal Revenue Code.

For taxable years commencing on and after January 1, 2012, the limit on Salary Reduction Contributions is \$13,000 and for taxable years commencing on and after January 1, 2013, this limit is increased to \$15,000. The limit on Salary Reduction Contributions is not reduced by contributions you make to a Puerto Rico individual retirement account ("IRA").

If you are a "catch-up eligible" Participant, you can make additional "catch-up contributions" to the Plan in excess of the limits on Salary Reduction Contributions described above. You are a catch-up eligible Participant for any calendar year in which you have reached (or will reach) at least age 50 by the end of that calendar year. The catch-up contribution limit is \$1,500 for calendar year 2012, and may be adjusted via subsequent legislation or regulation. Any such adjustment is incorporated herein by reference.

SALARY DEFERRAL AGREEMENTS

You must file a Salary Deferral Agreement with the Administrator before you can begin making Salary Deferral Contributions to the Plan. The Plan Administrator will provide you with additional information and directions as to how to make your election.

After your initial election, you can change your Salary Deferral Agreement by filing a new agreement with the Plan Administrator at such times as set forth by the Plan Administrator. You can also cancel your Salary Deferral Agreement at any time by giving written notice to the Plan Administrator. The Plan Administrator from time to time will establish additional administrative procedures (or change existing procedures) concerning deferral elections, in which case you will be appropriately notified.

The Plan Administrator can temporarily suspend your deferral agreement if you reach the maximum amount that is permitted by law, or if the Plan Administrator believes the Plan may fail the ADP Test. You will be notified if your Salary Deferral Agreement is temporarily suspended.

If you have not elected in your Salary Deferral Agreement to withhold at the maximum rate permitted for a Plan Year and you want to increase the total amount withheld for that Plan Year up to the maximum permitted rate, then you can make a supplemental election at any time during the last two months of the Plan Year to withhold an additional amount for one or more pay periods.

If your Salary Reduction Contributions for a particular calendar year exceed the dollar limitation in effect for that calendar year, the Plan will refund the excess amount to you, plus any earnings (or loss) allocated to that excess amount. The Form W-2PR you receive from your employer for the calendar year will report the amount of your Salary Reduction Contributions for that calendar year under the Plan.

AUTOMATIC DEFERRAL

The Plan includes an automatic salary deferral feature. Accordingly, unless you make an alternative salary deferral election, your Employer will automatically withhold a portion of your compensation from your pay each payroll period and contribute that amount to the Plan as a salary deferral.

AUTOMATIC DEFERRAL PROVISIONS

The following provisions apply to these automatic deferrals:

- You may complete a salary deferral agreement to select an alternative deferral amount or to elect not to defer under the Plan in accordance with the deferral procedures of the Plan.
- The amount to be automatically withheld from your pay each payroll period will be the same elective deferral amounts as in place on 12/31/11 for §403(b) plan participants unless you elect to change your deferral amount.

Contact the Administrator if you have any questions concerning the application of this automatic contribution provision.

HOW YOUR VESTED INTEREST IS DETERMINED

Your Vested Interest in your Salary Reduction Contribution Account is 100% upon your entry into this portion of the Plan and at all times thereafter.

MATCHING CONTRIBUTIONS

HOW THE CONTRIBUTION IS DETERMINED

If you are eligible to share in the Employer’s Matching Contribution, your Salary Reduction Contributions that do not exceed 4% of Compensation will be matched by the Employer at a rate of 200%.

COMPENSATION

Compensation for Matching Contribution purposes excludes one-time payments for additional duties and temporary salary adjustments (a/k/a “overload payments”) and Compensation in excess of \$245,000.

EXAMPLE

If you make Salary Reduction Contributions equal to 6% of Compensation, the first 4% of those Salary Reduction Contributions will be matched by the Employer at a rate of 200% which means your Employer Matching Contribution will be equal to 8% of Compensation. Matching Contributions are allocated to your Matching Contribution Account.

HOW YOU QUALIFY FOR A CONTRIBUTION ALLOCATION

Once you become a Participant in this portion of the Plan, you are eligible for a Matching Contribution made for an Allocation Period in which you are an Eligible Employee provided you satisfy the requirements described below. Matching Contributions are allocated to your Matching Contribution Account if you satisfy the requirements described below for that Allocation Period.

ACTIVE PARTICIPANTS

If you are still employed by us as an Eligible Employee on the last day of an Allocation Period, you will be eligible to receive an allocation.

TERMINATED PARTICIPANTS

If you terminate employment with us before the last day of an Allocation Period because of your retirement on or after Normal or Early Retirement Age, or because of your death or Disability, you will be eligible to receive an allocation regardless of your service during the Allocation Period. If you terminate employment with us before the last day of an Allocation Period for any other reason, you will not share in the allocation.

HOW YOUR VESTED INTEREST IS DETERMINED

Your Vested Interest in your Matching Contribution Account is determined based on the following schedule:

YEARS OF SERVICE	VESTED PERCENTAGE
Less than 3	0%
3 or more	100%

In determining your Vested Interest in your Matching Contribution Account, all of your Years of Service are counted.

Also, you will have a 100% Vested Interest in your Matching Contribution Account if you reach Normal Retirement Age (Age 65, or if later, the 5th anniversary of joining the Plan) or Early Retirement Age (Age 55 and 10 Years of Service), die or if you suffer a Disability before you terminate employment with us.

Any part of your Matching Contribution Account which is not vested will be forfeited when you receive a distribution of your Vested Interest (or after you incur 5 consecutive Breaks in Service, if earlier) and will thereafter be used to pay Plan expenses and reduce our future contributions to the Plan.

EMPLOYER CONTRIBUTIONS

HOW THE CONTRIBUTION IS DETERMINED

Each year, we may make a discretionary employer contribution to your Employer Contribution Account of up to 2% of your Compensation.

COMPENSATION

Compensation for Matching Contribution purposes excludes one-time payments for additional duties and temporary salary adjustments (a/k/a “overload payments”) and Compensation in excess of \$245,000.

HOW YOU QUALIFY FOR A CONTRIBUTION ALLOCATION

Once you become a Participant in this portion of the Plan, you are eligible for an Employer Contribution for any Allocation Period in which you are an Eligible Employee regardless of the number of Hours of Service you complete during the Plan Year. Employer Contributions are allocated to your Employer Contribution Account.

HOW THE CONTRIBUTION IS ALLOCATED

Employer Contributions are allocated to your Employer Contribution Account based on your Compensation and whether or not you are a Benefiting Participant for the Allocation Period.

EXAMPLE

If your Compensation is \$30,000 and you are employed by us on the last day of the Plan Year, you may receive an allocation of up to \$600.

HOW YOUR VESTED INTEREST IS DETERMINED

Your Vested Interest in your Employer Contribution Account is determined based on the following schedule:

YEARS OF SERVICE	VESTED PERCENTAGE
Less than 3	0%
3 or more	100%

In determining your Vested Interest in your Employer Account, all of your Years of Service are counted.

NORMAL RETIREMENT AGE AND EARLY RETIREMENT AGE

Also, you will have a 100% Vested Interest in your Employer Contribution Account if you reach Normal Retirement Age (Age 65, or if later, the 5th anniversary of joining the Plan) or Early Retirement Age (Age 55 and 10 Years of Service), die or if you suffer a Disability before you terminate employment with us.

Any part of your Matching Contribution Account which is not vested will be forfeited when you receive a distribution of your Vested Interest (or after you incur 5 consecutive Breaks in Service, if earlier) and will thereafter be used to pay Plan expenses and reduce our future contributions to the Plan.

MAXIMUM ALLOCATION LIMITATIONS

The total amount of contributions and forfeitures that can be allocated to your Account for any Plan Year is limited by law to the lesser of 100% of your Compensation or the annual dollar limit, which is currently \$49,000. This limit does not include Catch-up Contributions or Rollover Contributions you make, if any.

The dollar limitation may be adjusted via subsequent legislation or regulation. Any such adjustment shall be incorporated herein by reference.

ROLLOVER CONTRIBUTIONS

If you participated in another Puerto Rico retirement plan, you may be permitted to roll over any distribution you receive from the other plan to this Plan if all legal requirements (and any requirements imposed by the Plan Administrator) on such rollovers are satisfied.

Do not withdraw funds from any other plan or account until you have received written approval from the Plan Administrator to roll those funds into this Plan. If you do decide to make a rollover contribution and it is accepted by the Plan Administrator, it will be kept in a separate Rollover Account established on your behalf. You will at all times have a 100% Vested Interest in your Rollover Account, and you can make withdrawals from your Rollover Account when you terminate employment and if you satisfy the requirements to receive a hardship distribution from the Plan as described below.

DISTRIBUTION OF BENEFITS

DISTRIBUTIONS FOR REASONS OTHER THAN DEATH

If you terminate employment with us for any reason and your Vested Interest (including your Rollover Account) is \$5,000 or less, it will be distributed in a lump sum as soon as administratively feasible after you terminate employment. The distribution will be made to you or, at your election, will be rolled over either to another Puerto Rico qualified retirement plan that agrees to receive the distribution or to an Puerto Rico individual retirement account (IRA) established by you.

If your Vested Interest is more than \$5,000 and you terminate employment for any reason other than death, your Vested Interest will be distributed within an administratively feasible time after you request payment. Your Vested Interest will be distributed as monthly payments from an insurance company. Monthly payments will cease when you die unless you're married when payments begin, in which case your surviving spouse (if any) will then begin receiving a monthly payment for the balance of his or her life. Your spouse's monthly payment will equal 50% of the monthly payment you are receiving when you die (unless you elect a higher percentage). You can elect any percentage between 50% and 100%, but the amount of each monthly payment you receive will be decreased as the percentage you elect for your spouse is increased.

With your spouse's written consent, you can also elect not to receive monthly payments and instead elect to receive either (a) a lump sum; or (b) substantially equal installment payments over a specified period of time. If you elect installment payments, there are limits on how long the payments can be made, and they will be explained to you at the appropriate time. If you elect a lump sum, it can be paid to you or, at your election, rolled over to another qualified retirement plan that agrees to receive the distribution or to an individual retirement account.

DISTRIBUTIONS UPON DEATH

Your Vested Interest will be distributed to your beneficiary as soon as administratively feasible after your death. If you are not married, you can name anyone to be your beneficiary. If you are married, your spouse is automatically the beneficiary of 100% of your Vested Interest. Your spouse can waive in writing his or her statutory death benefit, in which case you can name one or more other beneficiaries to receive your entire Vested Interest. Any death benefit payable to a non-spouse beneficiary will be distributed to your beneficiary in a lump sum. However, any death benefit payable to your spouse will be distributed as monthly payments until his or her death unless, with your spouse's written consent, you waive the monthly payments, in which case your spouse will receive a lump sum.

If your death occurs *before* the date that minimum distributions must begin (as described in the preceding section), the distribution of your Vested Interest to your beneficiary must be made within certain legal timeframes which are dependent upon several factors, including (a) whether you have a designated beneficiary, (b) your relationship to the beneficiary (spousal or non-spousal beneficiary) and (c) certain elections that your beneficiary may make after your death. However, if your death occurs *after* the date that minimum distributions must begin, the minimum death benefit that must be paid to your beneficiary each year after your death is based on the longer of your remaining life expectancy (had you survived) or the remaining life expectancy of your beneficiary. Your beneficiary may also choose to accelerate the payment rate. Please contact the Administrator for more information regarding payments to beneficiaries.

CASH OUT RULE

The cash out rule applies if you terminate employment and receive a total distribution of the vested portion of your account and are re-employed by us. Depending on the length of time you were not working for us, you may be eligible to have the Plan restore your forfeited amount by repaying the portion of the distribution you received that was attributable to Employer contributions. Upon your re-employment with the Employer, you may request the Plan Administrator to provide you a full explanation of your rights regarding this repayment option.

HARDSHIP DISTRIBUTIONS

You may withdraw up to 100% of the Vested Interest in your Elective Deferral Account (excluding any investment earnings) plus your Rollover Contribution Account to pay for a financial hardship caused by one or more of the following circumstances (sufficient evidence that such condition exists must be made available to the Plan Administrator):

- Unreimbursed expenses for medical care (or unreimbursed expenses necessary to obtain medical care) incurred by you, your spouse, your dependents, provided the expenses are the type that are considered tax deductible;
- Costs related to the purchase of your principal residence (excluding mortgage payments);
- Payments necessary to prevent eviction from your principal residence or to prevent foreclosure on the mortgage of your principal residence; or
- Tuition, related educational fees, and room and board, for up to the next 12 months of post-secondary education for you, your spouse, your children, or other eligible dependents.

Before you can apply for a hardship distribution, you first must obtain all other available distributions and all non-taxable loans currently available under the Plan and all other qualified plans maintained by us. Also, you may not make Salary Reduction Contributions to the Plan for the 12-month period following the date of your hardship distribution and a special limitation may apply to the amount of Salary Reduction Contributions you may make to the Plan in the following taxable year.

LOANS TO PARTICIPANTS

You are permitted to borrow from the Plan with the approval of the Administrator. Subject to the requirements of any loan policy established by the Administrator, the maximum amount you can borrow is 50% of your Vested Interest or \$50,000, whichever is less. If a loan is approved, your Account must be pledged as security and your spouse must give written consent. Loans must generally be repaid within 5 years by equal payments made at least quarterly (or more frequently if required by the Loan Policy), but a longer repayment may be permitted for a loan used to buy your principal residence. If a copy of the Plan's loan policy is not attached to this summary, you can obtain one from the Administrator.

INVESTMENT OF ACCOUNTS

Subject to an investment policy established by the Plan Administrator, you can direct how your Account will be invested. You can choose from any investment options offered by the Plan. You can switch between investments as often as is permitted under the investment options you choose. All earnings and losses on your directed investments will be credited directly to your Account. Investment results will reflect any fees and investment expenses for the investments you select. You may request more information on fees associated with an investment option from the Plan Administrator. At the appropriate time, your Employer will provide you with more detailed information about the investment options offered by the Plan.

Investment results will reflect any fees or other investment expenses that may be charged against Participants' Accounts for the alternative investments that you select. You may request more information on fees associated with an Account from the Plan Administrator. Fees and expenses can fall into three basic categories:

INVESTMENT FEES are generally assessed as a percentage of assets invested, and are deducted directly from your investment returns. Investment fees can be in the form of sales charges, loads, commissions, "12b-1" fees, or management fees. You can obtain more information about investment fees from the documents (such as a prospectus) that describe the types of investments that are available to you under this Plan.

ADMINISTRATION FEES cover day-to-day expenses for Plan record keeping, accounting, legal and trustee services, as well as additional services that may be available such as daily valuation, telephone response systems, internet access, retirement planning tools, and educational materials. In some cases, these costs are covered by investment fees that are deducted directly from investment returns. In other cases, these administrative fees are either paid directly by us as your Employer, or are passed through to the participants in the Plan, in which case a record keeping fee will be deducted from your Account.

TRANSACTION-BASED FEES are associated with optional services offered under the Plan, and are charged directly to your Account if you take advantage of a particular plan feature that may be available (now or in the future), such as a Plan loan.

Please Note: Any portion of an Account that is self-directed is intended to comply with Section 404(c) of the Employee Retirement Income Security Act of 1974. This means that if you are permitted to exercise independent control over the investment of an Account,

the fiduciaries of the Plan, including the trustee, the Administrator, and we as the Employer, may be relieved of certain legal liabilities for losses which can result from your exercise of such control.

TAX WITHHOLDING ON DISTRIBUTIONS

INCOME TAXATION OF BENEFITS PAID

Existing income tax laws do not require you to report as income Employer contributions allocated to your account. However, when the Plan distributes your account balance to you, you must report the Plan distributions you receive. The tax laws may permit you to report a Plan distribution under a special averaging provision.

Also, it may be possible for you to defer income taxation of a distribution by making a rollover contribution to a Puerto Rico Individual Retirement Account (IRA) or another Plan qualified in Puerto Rico.

Mandatory income tax withholding rules apply to some distributions you do not rollover directly to an individual retirement account or to another plan. At the time you receive a distribution, you also will receive a notice discussing withholding requirement and the options available to you.

We emphasize you should consult your own tax adviser with respect to the proper method of reporting any distribution you receive from the Plan.

CLAIMS PROCEDURE

If you feel that you are entitled to a benefit that you are not receiving from the Plan, you can make a written request to the Plan Administrator (or its delegate) for the benefit. If your request is denied, you will be informed by written or electronic notice within 90 days after the Plan Administrator receives your request. This notice will contain the following information: (a) the specific reason or reasons for denial; (b) specific reference to the Plan provisions on which the denial is based; (c) a description of any additional material or information necessary in order to present a thorough appeal and an explanation of why such material or information is needed; and (d) an explanation of the claim appeal procedure and time limits applicable to the procedure, including a statement of your right to bring a civil action under ERISA Section 502 after a denial on appeal.

Note: If the Plan Administrator needs more than 90 days to review your claim for benefits, you will be advised by written or electronic notice within 90 days after the Plan Administrator receives your claim. The notice will tell you why the Plan Administrator needs more time (which cannot exceed an additional 90 days), and the date by which you can expect a decision.

If you disagree with the Plan Administrator's decision to deny your claim, you can appeal the denial to the Plan Administrator. You must submit this appeal to the Plan Administrator within 60 days after the date that you receive the notice of denial of your initial claim. For purposes of the review, you have the right to (a) submit written comments, documents, records and other information relating to the claim for benefits; (b) request, free of charge, reasonable access to, and copies of all documents, records and other information relevant to your claim for benefits; and (c) a review that takes into account all comments, documents, records, and other information you submitted relating to the claim, regardless of whether the information was submitted or considered in the initial decision.

Your denied claim will be reviewed by the Plan Administrator and within 60 days after receipt of the request for review you will receive a written or electronic notice of the Plan Administrator's decision. The notice will (a) provide the specific reason or reasons for denial; (b) refer to the provisions of the Plan on which the denial is based; (d) contain a statement that you are entitled to receive, upon request and free of charge, reasonable access to, and copies of, all documents, records, and other information relevant to your claim; and (d) describe any voluntary appeal procedures offered by the Plan and your right to obtain information about the procedures, and a statement of your right to bring a civil action if you disagree with the Plan Administrator's decision on appeal.

Note: If the Plan Administrator needs more than 60 days to review your denied claim, you will be advised in writing (or electronically) within 60 days after the Plan Administrator receives the request for review. The notice will tell you why the Plan Administrator needs more time (up to an additional 60 days), and the date by which you can expect a decision.

OTHER INFORMATION

ATTACHMENT OF YOUR ACCOUNT

Your creditors cannot garnish or levy upon your Account except in the case of a proper Internal Revenue Service tax levy, and you cannot assign or pledge your Account except as collateral for a loan from the Plan or as directed through a Qualified Domestic Relations Order as part of a divorce, child support or similar proceeding in which a court orders that all or part of your Account be transferred to another person (such as your ex-spouse or your children). The Plan has a procedure for processing QDROs, which you can obtain free of charge from the Plan Administrator.

AMENDMENT OR TERMINATION OF THE PLAN

Although your Employer intend for the Plan to be permanent, your Employer can amend or terminate it at any time. If your Employer does terminate the Plan, all Participants will have a 100% Vested Interest in their Accounts as of the Plan termination date, and all Accounts will be available for distribution at the same time and in the same manner as would have been permissible had the Plan not been terminated.

ACCOUNTS ARE NOT INSURED

Your Account is not insured by the Pension Benefit Guaranty Corporation (PBGC) because the insurance provisions of the ERISA do not apply to 401(k) plans. For more information on PBGC coverage, ask the Plan Administrator or contact the PBGC. Written inquiries to the PBGC should be addressed to: Technical Assistance Division, PBGC, 1200 K Street NW, Suite 930, Washington, D.C. 20005-4026. You can also call the PBGC with any questions at (202) 326-4000.

PAYMENT OF PLAN EXPENSES

The Plan routinely incurs expenses for the services of lawyers, actuaries, accountants, third party Plan Administrators, and other advisors. Some of these expenses may be paid directly by us while other expenses may be paid from the assets of the Plan. The expenses that are paid from Plan assets will be shared by all Participants either on a pro-rata basis or an equal dollar basis. If the expense is paid on a pro-rata basis, an amount will be deducted from your Account based on its value as compared to the total value of all Participants' Accounts. For example, if the Plan pays \$1,000 of expenses and your Account constitutes 5% of the total value of all Accounts, \$50 would be deducted from your Account ($\$1,000 \times 5\%$) for its share of the expense. On the other hand, if the expense is paid on an equal dollar basis, the expense is divided by the number of Participants and then the same dollar amount is deducted from each Participant's Account.

STATEMENT OF ERISA RIGHTS

YOUR RIGHT TO RECEIVE INFORMATION

As a Participant, you are entitled to certain rights and protections under the Employee Retirement Income Security Act of 1974 (ERISA). ERISA provides that all Plan Participants are entitled to (a) examine, without charge, at the Plan Administrator's office and at other specified locations, such as s and union halls, all documents governing the Plan, including insurance contracts and collective bargaining agreements, and 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 Pension and Welfare Benefit Administration; (b) obtain copies of documents governing the operation of the Plan, including insurance contracts and collective bargaining agreements, and copies of the latest annual report (Form 5500 Series) and updated summary plan description upon written request to the Plan Administrator. The Plan Administrator may make a reasonable charge for the copies; (c) 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; and (d) obtain a statement telling you whether you have a right to receive a pension at Normal Retirement Age (which is defined elsewhere in this summary plan description) 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 a 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.

DUTIES OF PLAN FIDUCIARIES

In addition to creating rights for Plan Participants, ERISA imposes duties upon the people who are responsible for the operation of 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.

ENFORCEMENT OF 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 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 Plan Administrator. If you have a claim for benefits which 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's 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 which can also be found at the Employee Benefits Security Administration website at http://www.dol.gov/ebsa/aboutebsa/org_chart.html) or the Division of Technical Assistance and Inquiries, Employee Benefits Security Administration, U.S. Department of Labor, 200 Constitution Avenue N.W., Washington, D.C. 20210.

You can call the Employee Benefits Security Administration at (866) 444-3272; TTY/TDD users: (877) 889-5627. You may also obtain certain publications about your rights and responsibilities under ERISA by calling the publications hotline of the Employee Benefits Security Administration. You may obtain additional pension-related information at the Department of Labor's website at <http://www.dol.gov/ebsa/publications/wyskapr.html> where you can review a publication called "*What You Should Know About Your Retirement Plan.*"