

Summary Plan Description

Prepared for

Gannon University Defined Contribution Plan

Updated April 2018

INTRODUCTION

Gannon University has restated the Gannon University Defined Contribution Plan (the “Plan”) to help you and other Employees save for retirement.

This Summary Plan Description (SPD) summarizes the important features of the Plan document, including your benefits and obligations under the Plan. If you want more detailed information regarding certain plan features or have questions about the information contained in this SPD, you should contact Gannon’s Human Resources Department (HR). You may also examine a copy of the plan document by making arrangements with HR. Certain terms in the SPD have a special meaning when used in the Plan. These terms are capitalized throughout the SPD and are defined in more detail in the DEFINITIONS section of the SPD. If any information in this SPD conflicts with the terms of the Plan document adopted by Gannon, the terms of the Plan document – not this SPD - will govern.

All dollars contributed to the Plan will be invested either in annuity contracts or in mutual funds held in custodial accounts. The agreements constituting or governing the annuity contracts and custodial accounts with the outside vendors (the “Vendor Agreements”) explain your rights under the contracts and accounts and the unique rules that apply to each Plan investment which may, in some cases, limit your options under the Plan. For example, the Vendor Agreement may contain a provision which prohibits loans, even if the Plan generally allows loans. If this is the case, you would not be able to take a loan from the accumulation in an investment option governed by that Vendor Agreement. You should review the Vendor Agreements along with this SPD to gain a full understanding of your rights and obligations under the Plan. Contact the outside fund manager to obtain copies of the Vendor Agreements or to receive more information regarding the investment options available under the Plan.

This SPD summarizes features of Gannon’s current Plan document. Some provisions from prior versions of Gannon’s Plan document will continue to apply to some of the assets under the Plan. A summary of the prior plan provisions is provided in the section titled ADMINISTRATIVE INFORMATION AND RIGHTS UNDER ERISA.

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DEFINITIONS

ELIGIBILITY

Am I eligible to participate in the Plan?

You are eligible to contribute a portion of your Compensation to the Plan as a pre-tax deferral or as a Roth deferral, unless you fall into one of the following categories of excluded employees.

- You are a nonresident alien and you received no income from within the United States.
- You are a student enrolled and regularly attending classes offered by Gannon.

You are eligible to participate in the Plan and receive Matching Contributions made by Gannon and be required to make Mandatory Employee Contributions after meeting certain requirements described below, unless you fall into one of the following categories of excluded employees.

- You are a nonresident alien and you received no earned income from within the United States
- You are a student enrolled and regularly attending classes offered by Gannon.
- You are a Roman Catholic priest or nun, an adjunct faculty, a clinical faculty, or a Retiree who is subsequently rehired.

What requirements do I have to meet before I am eligible to participate in the Plan?

Unless you fall into one of the categories of excluded employees, you will be immediately eligible to voluntarily contribute a portion of your Compensation as a pre-tax deferral or Roth deferral into the Plan.

When can I enter the Plan?

You will be able to contribute a portion of your Compensation into the Plan as a pre-tax deferral and Roth deferral as soon as administratively feasible after your hire date.

How do I start making contributions?

Go to www.TIAA.org/Gannon and open your account to update contributions or contact Human Resources for assistance.

What if I don't elect to make a Voluntary Deferral of some of my Compensation into the Plan?

You are not required to make a Voluntary Deferral of your Compensation into the Plan. If you elect not to participate or you simply fail to follow the procedures established by TIAA for making a Voluntary Deferral election, you will not be enrolled in the Plan as a voluntary Participant.

Will I ever be required to make contributions to the Plan?

Once you reach age 30 and have worked for Gannon for at least one year of service, you will be required to make Mandatory Employee Contributions in the amount of 3% of Compensation as a condition of continued employment. If you have not already enrolled in the Plan by the time you meet the mandatory enrollment requirements, Gannon will enroll you as soon as administratively feasible following the next pay date. You will also receive an Employer Contribution from Gannon of 7.5% of Compensation.

The amount of your Compensation that is contributed to the Plan as a Mandatory Employee Contribution will be contributed on a pre-tax basis. That means that, unlike the compensation that you actually receive, the amount of the Mandatory Employee Contribution (and all of the earnings accumulated while it is invested in the Plan) will not be taxed in the year it is contributed to the Plan. Instead, it will be taxable to you when you take a payout from the Plan. The Mandatory Employee Contributions will reduce your federal taxable income each year but will be treated as compensation for Social Security taxes.

When I make Mandatory Employee Contributions to the Plan, will Gannon match the contributions?

When you make Mandatory Employee Contributions of 3% or more of your Compensation, Gannon will make an Employer Contribution of 7.5% of your Compensation. There is one exception. For Participants hired before July 1, 1997 and with more than 20 Years of Participation in the plan, the Mandatory Employee Contribution will be 5% and the Employer Contribution will be 10%.

When I make Voluntary Deferrals to the Plan on a pre-tax or Roth basis, will Gannon match any of those contributions?

If you are between ages 25 and 30, completed one year of service, and contribute Voluntary Deferrals of 3% or more of your Compensation to the Plan, Gannon will make an Employer Contribution equal to 7.5% of your Compensation. Unlike Mandatory Employee Contributions, these Voluntary Deferrals may be on pre-tax or Roth basis. Once you become 30 years of age and have been credited with at least one year of service, the first 3% of Compensation that you contribute will be a Mandatory Employee Contribution and will be on a pre-tax basis.

When am I credited with one year of service?

You will be credited with a year of service if you work at least 1,000 hours for Gannon during the 12-month period beginning with your hire date. If you do not satisfy the eligibility requirements during that first measuring period, eligibility will be calculated based on the Plan Year.

What happens to my Plan eligibility if I terminate my employment and am later rehired?

If you terminate employment and are later rehired, you will be able to contribute a portion of your Compensation as a Voluntary Deferral as soon as administratively feasible after being rehired as long as you are not rehired as part of an excluded class of employees. If you had met the eligibility requirements for receiving an Employer Contribution and were a Participant in the Plan before terminating employment or having a break in eligibility service, and are later rehired, you will enter the Plan immediately and be eligible for an Employer Contribution as if you had never left. If you were not a Participant before the break in eligibility service, and are rehired, you will need to satisfy the Plan's eligibility requirements before receiving an Employer Contribution.

Will any allocations be made under the Plan on my behalf if I suffer a disability?

Allocations shall be made for Covered Participants who suffered a "disability" as that term is used under the Group Long-Term Disability Policy sponsored by Gannon. The allocation shall equal 10% of Compensation (according to the Policy) for Covered Participants hired on or after July 1, 1977. For Covered Participants hired before July 1, 1997 with more than 20 Years of Participation in the Plan, the allocation shall equal 15% for any such Participants hired by Gannon before July 1, 1997. The terms and conditions of the Policy and the Plan shall apply to such allocations.

Will contributions be made for me if I am called to military service?

If you are reemployed by Gannon after completing military service, you may be entitled to receive certain make-up contributions from Gannon. You may also have the option of making up missed employee contributions and receiving an Employer Contribution, if applicable, on these contributions.

If you are reemployed after military service, contact HR for more information about your options under the Uniformed Services Employment and Reemployment Rights Act (USERRA).

CONTRIBUTION LIMITS, OTHER PLANS, AND VESTING

What amount can I contribute to the Plan?

Voluntary Deferrals

The maximum dollar amount that you can voluntarily contribute to the Plan each year is \$18,500 for 2018 and includes contributions you make to certain other deferral plans (e.g., other 401(k) plans, salary deferral SEP plans, and 403(b) tax-sheltered annuity plans). This amount will increase as the cost of living increases.

The amount of your Compensation that you decide to voluntarily contribute into the Plan generally will be contributed on a pre-tax basis unless you choose to contribute Roth deferrals. That means that, unlike the compensation that you actually receive, the pre-tax contribution (and all of the earnings accumulated while it is invested in the Plan) will not be taxed at the time it is contributed to the Plan by Gannon. Instead, it will be taxable to you when you take a payout from the Plan. These contributions will reduce your taxable income each year that you make a contribution but will be treated as taxable compensation for Social Security taxes.

You also have the choice of treating your Voluntary Deferrals as Roth deferrals rather than pre-tax deferrals. Roth deferrals

are contributed to the Plan from Compensation that has already been taxed. Roth deferrals will not reduce your taxable income in the year in which you contribute a portion of your Compensation into the Plan. The benefit of making Roth contributions comes when you take a payout from the Plan - when both the original contributions and your earnings on those contributions are paid out tax-free so long as you meet certain requirements for a qualified payout.

Catch-up Contributions

Age 50 Catch-up Contributions - If you turn age 50 before the end of any calendar year, you may contribute up to an extra \$6,000 each year (for 2018) into the Plan as a pre-tax or Roth contribution once you meet certain Plan limits. The maximum catch-up amount may increase as the cost of living increases.

Special 403(b) Catch-up Contributions – If you have worked at least 15 full-time years for Gannon, you may make a special catch-up contribution for a Plan Year equal to the smallest of the three amounts listed below:

- \$3,000
- \$15,000 minus the amount of Special 403(b) Catch-Up Contributions made in prior years
- (\$5,000 times the number of years you have worked for Gannon) minus (the total amount of Voluntary Deferrals made while you worked for Gannon)

If you qualify for both the age 50 catch-up contributions and the special 403(b) catch-up contributions, your catch-up contributions will be allocated first as special 403(b) catch-up contributions.

Can I change my contribution rate or stop making Voluntary Deferrals after I start participating in the Plan?

You may also change the amount of your Voluntary Deferrals that are characterized as pre-tax or Roth deferrals at any time. You may stop Voluntary Deferrals at any time. Changes will apply only to new deferrals and will not apply to deferrals already contributed to the Plan.

What if I contribute too much to the Plan?

If you contribute too much to the Plan as a Deferral, you must take the excess amount (plus any earnings on the excess) out of the Plan by April 15 of the year following the year the money was contributed to the Plan. You must notify Gannon, in writing, of the excess amount by March 1 and request that it be removed. The excess amount is taxable to you in the year you contributed it to the Plan. If you do not remove it by the deadline, additional taxes will apply.

If I have money in other retirement plans, can I combine those assets with my accumulation under this Plan?

Gannon allows you to rollover dollars you have saved in other retirement arrangements into this Plan after you become eligible to participate in the Plan. TIAA (at 800-842-2252) will provide you with the documents or other information you need to determine whether your prior plan balance is qualified to be rolled into this Plan.

The Plan will accept amounts rolled over from the prior plan to this Plan if the prior plan was a:

- qualified retirement plan (e.g., 401(k) plan, profit sharing plan, money purchase pension plan, target benefit plan)
- 403(b) tax-sheltered annuity plan
- government 457(b) plan
- Traditional IRA

Gannon allows you to transfer dollars you have saved in other 403(b) retirement arrangements into this Plan if you are currently working for Gannon. TIAA (at 800-842-2252) will provide you with the documents or other information you need to achieve a plan-to-plan transfer into this Plan.

Limits on the timing of distribution that existed in the prior plan will continue to apply to the assets that you transfer to this

Plan. Rollover and Transfer contributions are always fully vested and cannot be forfeited.

Are there any limits on how much can be contributed for me?

In addition to the Deferral limit described previously, you may not have total contributions (including Voluntary Deferrals, Mandatory Employee Contributions, and Employer Contributions) of more than \$55,000, plus any age 50 catch-up contributions, in 2018 or an amount equal to 100% of your Compensation, whichever is less, allocated to the Plan for your benefit each year. The \$55,000 limit will be increased as the cost of living increases and is the total amount that can be contributed across all retirement plans sponsored by Gannon.

Will I be able to keep all contributions to the Plan if I terminate employment or am no longer eligible to participate in the Plan?

Mandatory Employee Contributions, Voluntary Deferrals and Employer Contributions (and related earnings) are always fully vested and cannot be forfeited, even if you terminate employment or become ineligible to participate in the Plan.

INVESTING YOUR PLAN ACCOUNT

What investments are permitted?

Gannon (or someone appointed by Gannon) will select the fund manager and investment options that will be available under the Plan. The investment options will be limited to annuity contracts and mutual funds purchased through a custodial account. The list of approved investment options and the fund manager may change from time to time, as Gannon considers appropriate. You should carefully review the Vendor Agreements governing the annuity contracts and custodial accounts, the prospectus, or other available information before making investment decisions.

Who is responsible for selecting the investments for my contributions under the Plan?

You have the right to decide how your Plan balance will be invested. Gannon will establish administrative procedures that you must follow to select your investments. Gannon will designate the fund manager and investment options that you may select for new contributions to the Plan. You will have the ability to transfer your Plan balance among these investment options, to the extent permitted by the Vendor Agreements. Contact HR if you are not certain whether an investment option is permitted under the Plan. If you do not select investments for your Plan account, your account will be invested by default in the Plan's target date fund with the target date closest to the year in which you will attain age 65.

In April of 2014 the Plan was amended and contributions into funds invested with Fidelity and VALIC were stopped. The balance of a participant's funds invested with Fidelity and VALIC may be transferred to TIAA investment options made available through the Plan. TIAA (at 800-842-2252) will provide you with the documents or other information you need.

Gannon intends to operate this Plan in compliance with Section 404(c) of the Employee Retirement Income Security Act (ERISA), and Title 29 of the Code of Federal Regulations Section 2550.404c-1. This means that Gannon and others in charge of the Plan will not be responsible for any losses that result from investment instructions given by you or your beneficiary.

What investment options are available through the Brokerage Service Account?

If you open a TIAA Brokerage Services Account, you can direct retirement plan contributions among a variety of investment choices beyond the investments offered through the current Plan.

How frequently can I change my investment elections?

You may change your initial investment selections as frequently as permitted under the Vendor Agreements.

WITHDRAWING MONEY FROM THE PLAN (AND LOANS)

When can I take a distribution from the plan?

You may always request a distribution of your Accounts held under the Plan upon termination of employment or after becoming Disabled.

You also may request a distribution of Voluntary Deferrals at the times listed below.

-
- After you reach age 59½
 - On account of hardship
 - At any time with respect to pre-1989 Voluntary Deferrals invested in an annuity contract

Additionally, your Mandatory Employee Contribution and the University's Employer Contribution are available for withdrawal because of hardship, if they are invested in annuity contracts, and under the terms of the Vendor Agreements.

You may elect a distribution of your transfer contributions and/or rollover contributions at any time subject to the restrictions in the Vendor Agreements. However, distribution restrictions that applied in the plan that held the transferred amount before you moved it to this Plan may limit your payout options. If the distribution options were more limited under the prior plan, the transferred amount will remain subject to those more restrictive distribution rules.

If you have attained age 59½, and are classified as a Retiree, you may receive a distribution of your account at any time even if you are subsequently rehired by Gannon.

Hardship

If you experience a financial hardship, you may take a distribution from the Voluntary Deferrals you have contributed to the Plan, unless restricted under the terms of the Vendor Agreements.

You may also take a portion of the contributions you receive from Gannon that are held in annuity contracts to satisfy a financial hardship if you have no other available resources.

The following events qualify as a hardship distribution under the Plan:

- medical expenses for you, your spouse or your dependents, or your beneficiary,
- payment to purchase your principal residence,
- tuition and education-related expenses for you, your spouse or your dependents, or your beneficiary
- payments to prevent eviction from your principal residence,
- funeral expenses for you, your spouse or your dependents, or your beneficiary,
- payments to repair your principal residence that would qualify for a casualty loss deduction.

Before you take a hardship distribution, you must take all other distributions and all nontaxable loans available to you under the Plan. If you take a hardship distribution of Voluntary Deferrals, you may not be eligible to make Voluntary Deferrals for the next six months. If you are under age 59½, the amount you take out of the Plan as a hardship distribution may be subject to a 10 percent penalty tax. This is only required under the safe harbor method of determining hardship.

You may be able to take a penalty-free distribution from your Voluntary Deferrals if you were called to active military duty after September 11, 2001. In order to qualify for these penalty-free distributions, you must have been ordered or called to active duty for a period of at least 180 days or an indefinite period and your distribution must have been taken after you were called to duty and before your active duty ended.

If you are on active duty in the uniformed services for a period of more than 30 days, you may elect to take a distribution of your Voluntary Deferrals from the Plan without severing from employment with Gannon. However, if you choose to take distributions under this provision, you will not be permitted to make Voluntary Deferrals or Roth Contributions to the Plan during the six-month period beginning on the date of the distribution.

The Vendor Agreements governing the investment options that you selected for your Plan contributions may contain additional limits on when you can take a distribution, the form of distribution that may be available as well as your right to transfer among approved investment options. Please review both the following information in this Summary Plan Description and the terms of your annuity contracts or custodial agreements before requesting a distribution.

How do I request a payout?

You must complete a payout request form provided by your fund manager(s). To obtain the proper form contact:

- TIAA at 800-842-2252,
- Fidelity at (800) 642-7131, and/or
- VALIC at 1 (800) 448-2542

If you are still employed with the University at the time of the payout, then an authorized University representative will have to sign the form as well.

If you are taking a hardship distribution, you must provide documents to verify that you have a hardship event that qualifies for a Plan distribution.

If you die, become Disabled, or reach age 59½ and you qualify for and request a distribution, your distribution will begin as soon as administratively feasible after the date you (or your beneficiary in the case of your death) request a distribution.

If you terminate your employment and you qualify for and request a distribution, your distribution will begin as soon as administratively feasible after the date you (or your beneficiary in the case of your death) request a distribution.

If I am married, does my spouse have to approve my distributions from the Plan?

If you are married, you must get written consent from your spouse to take a distribution from the Plan in any form other than a qualified joint and survivor annuity. Your spouse's consent is also needed if you want to name someone other than your spouse as your beneficiary. The annuity would need to be structured to provide a benefit while you are both alive and then to provide a survivor benefit that is equal to 50 percent of the amount you received while you were both living. You can designate a different survivor percentage subject to certain limits under the qualified optional survivor annuity regulations. Your fund manager will provide you with more information regarding your annuity options when it comes time for you to make a decision. Follow the procedures established by the Plan to document your spouse's consent to waive the annuity and take the payment in some other form permitted by the Plan. Your spouse must also consent to any Plan loans that you request.

How will my money be distributed to me if I request a payout from the Plan?

If you obtain the proper consents, you may choose from the following options for your payout.

- Lump sum
- Partial payments
- Installment payments
- Annuity contract (if assets are held in a custodial account) or converted to an income option (if your assets are invested in an annuity contract)

The Vendor Agreements governing the investment options that you selected for your contributions may further restrict your payout options. Please review the annuity contracts or custodial agreements before requesting a distribution and contact your fund manager if you have questions regarding your distribution options.

If your distribution is eligible to be rolled over, you may choose to have your distribution paid to another eligible retirement arrangement. Contact your fund manager at:

- TIAA at 800-842-2252,
- Fidelity at (800) 642-7131, and/or
- VALIC at 1 (800) 448-2542

Do any penalties or restrictions apply to my payouts?

Generally, if you take a payout from the Plan before you are age 59½, a 10 percent early distribution penalty will apply to the taxable portion of your payout. There are some exceptions to the 10 percent penalty. Your tax adviser can assist you in determining whether you qualify for a penalty exception.

If your payout is eligible to be rolled over and you request a distribution to yourself, 20 percent of the taxable portion of your payout will be withheld and remitted to the IRS as a credit toward the taxes you will owe on the payout amount unless you do a direct rollover.

EXAMPLE: You request a \$10,000 payout from the pre-tax portion of your Plan balance. If the amount is eligible to be rolled over to another plan, but you choose not to roll it over, you will receive \$8,000 and \$2,000 will be remitted to the IRS.

Can I take a loan from the Plan?

Although the Plan is designed primarily to help you save for retirement, you may take a loan from the Plan as outlined below, subject to the terms and restrictions in the Payroll Advantage Loan program administered by TIAA.

Generally, the minimum loan amount is \$1,000 and the maximum loan amount is the lesser of 50% of the Participant's vested account balance or \$50,000. The maximum aggregate dollar amount of loans outstanding to any Participant from all plans of the employer may not exceed \$50,000. This maximum amount is reduced by the excess of the Participant's highest outstanding balance of all loans on any day during the one (1) year period ending on the day before the loan is made, over the outstanding balance of loans from any plan of the employer on the date the Participant's loan is made.

You will be permitted to have three loans outstanding at any time, unless further limited by investments as noted above.

Term of the Loan.

A loan must be repaid in level payments that may generally not exceed five (5) years; or fifteen (15) years if for the purchase of a principal residence.

How do I apply for a loan?

To apply for a loan, you must complete the on-line loan application form at www.TIAA.org/Gannon and pay any applicable loan fees. Legacy Funds in Fidelity or VALIC or TIAA (#150560 and #150562) must be transferred to TIAA (406459) to be eligible to be borrowed. Repayment is through payroll withholding.

What is the interest rate for my loan?

The rate of interest charged for loans is Prime plus 1%.

What if I don't repay my loan?

You will be required to repay the loan amount (plus interest) to the Plan. The following events will cause a loan default:

- Not repaying your loan as set forth in your loan agreement.
- Breaching any of your obligations under your loan agreement.
- Termination of employment (as permitted by the funding vehicle) - unless you arrange a payment schedule with TIAA within 60 days of termination.

If you default on a loan, your right to a future loan may be restricted. If you default, you will be taxed on the entire outstanding balance.

What if I die before receiving all of my money from the Plan?

If you die before taking all of your assets from the Plan, the remaining balance will be paid to your designated beneficiary. To designate your beneficiary, go to www.TIAA.org/Gannon and follow the established procedures. If you are married and decide to name someone other than your spouse as your beneficiary, your spouse must consent in writing to your designation. It is important to review your designation from time to time and update it if your circumstances change (e.g., a divorce, death of a named beneficiary).

If you do not name a beneficiary, 50% of your balance will be paid to your spouse and 50% will be paid to your estate. If you do not name a beneficiary and have no surviving spouse, your remaining balance in the Plan will be paid to your estate, unless a different alternative is provided in the Vendor Agreement.

If your Plan balance is \$5,000 or less at the time of your death, your beneficiary will generally have the same options regarding the form of the distribution that are available to you as a Participant. If the balance is greater than \$5,000, your beneficiary may be required to take the payouts in the form of a life annuity, unless the annuity has been properly waived by you and your spouse during your lifetime. Your beneficiary may also have the option of rolling their distribution into an IRA. The Vendor Agreements governing the investment options that you selected for your contributions may further restrict your beneficiary's options regarding the manner in which the accumulation will be distributed.

If you die after beginning age 70½ distributions, as described in the following question, your beneficiary must continue taking distributions from the plan at least annually. If you die before beginning age 70½ payments, your beneficiary may have the option of (1) taking annual payments beginning the year following your death (or the year you would have reached age 70½, if your spouse is your beneficiary), or (2) delaying their distribution until the year containing the fifth anniversary of your death, provided they take the entire amount remaining during that fifth year.

How long can I leave the money in my Plan?

How long you can leave your money in the Plan varies depending on your Plan balance and whether you are still employed.

Balance of \$5,000 or less

If your vested balance at the time you terminate from employment is \$5,000 or less and your Account is invested in a group contract, you must take it out of the Plan when you terminate employment. If you do not tell Gannon what to do with your account under the Plan (e.g., roll it over to an IRA), Gannon will distribute your Plan account as a rollover to an individual retirement account (IRA).

Balance greater than \$5,000

If your balance is greater than \$5,000, even if you terminate service, you are generally not required to take a payout from the Plan until the age 70½ required distribution rules apply to you.

Rollover Contributions will be included in determining your balance for these purposes.

Age 70½ Required Distributions

When you reach age 70½ you will generally need to begin taking a distribution each year based on your balance in the Plan. However, you can delay required distributions until you actually separate from service. Contributions for periods before 1987 (excluding earnings on those contributions) will generally not be subject to the required distribution rules until you reach age 75. You may also have the option to satisfy your required minimum distribution from the Plan by aggregating all your 403(b) plans and taking the required minimum distribution from any one or more of the individual 403(b) plans.

What if the Plan is terminated?

If the Plan is terminated, your entire account balance will be distributed from the Plan. To the extent you are invested in an annuity contract, you will receive a distribution of the contract until the contract is paid out.

ADMINISTRATION INFORMATION AND RIGHTS UNDER ERISA

Who established the Plan?

The official name of the Plan is Gannon University Defined Contribution Plan.

The Employer who adopted the Plan is:

Gannon University
109 University Square
Erie, PA 16541-0002
814-871-5615
Federal Tax Identification Number: 250496976
Fiscal Year End: 06/30

Gannon has assigned Number 001 to the Plan.

The Plan is a 403(b) defined contribution plan, which means that contributions to the Plan made on your behalf (and earnings) will be separately accounted for within the Plan.

When did the Plan become effective?

Gannon has amended and restated the Gannon University Defined Contribution Plan which was originally adopted 04/01/1955. The effective date of this amended Plan is 07/01/2017.

Who is responsible for the day-to-day operations of the Plan?

Gannon is responsible for the day-to-day administration of the Plan. To assist in operating the Plan efficiently and accurately, Gannon may appoint others to act on its behalf or to perform certain functions.

Who pays the expenses associated with operating the Plan?

All reasonable Plan administration expenses including those involved in retaining necessary professional assistance, may be paid from the assets of the Plan, to the extent permitted by the Vendor Agreements. These expenses may be allocated among you and all other Plan participants or, for expenses directly related to you, charged against your account balance. Examples of expenses that may be directly related to you include, general recordkeeping fees and expenses related to processing your distributions or loans (if applicable), qualified domestic relations orders, and your ability to direct the investment of your Plan balance, if applicable. Finally, Gannon may, in its discretion, pay any or all of these expenses. For example, Gannon may pay expenses for current employees, but may deduct the expenses of former employees directly from their accounts. Gannon will provide you with a summary of all Plan expenses and the method of payment of the expenses upon request.

Does Gannon University have the right to change the Plan?

The Plan will be amended from time to time to incorporate changes required by the law and regulations governing retirement plans. Gannon also has the right to amend the Plan to add new features or to change or eliminate various provisions. An Employer cannot amend the Plan to take away or reduce protected benefits under the Plan (e.g., Gannon cannot reduce the vesting percentage that applies to your current balance in the Plan).

Gannon has elected to retain the following provisions from prior versions of the Plan for certain plan assets.

- Employees hired before July 1, 1997 benefit from this Prior Plan Provision on Mandatory Employee Contributions. Those employees who have participated in the plan for more than twenty years must make a Mandatory Employee Contribution of 5.0% and receive an Employer Contribution of 10.0%

Does participation in the Plan provide any legal rights regarding my employment?

The Plan does not intend to, and does not provide, any additional rights to employment or constitute a contract for employment. The purpose of the Summary Plan Description is to help you understand how the Plan operates and the benefits available to you under the Plan. The Plan document is the controlling legal document with respect to the operation of and rights granted under the Plan and if there are any inconsistencies between this Summary Plan Description and the Plan document, the Plan document will be followed.

Can creditors or other individuals request a payout from my Plan balance?

Creditors (other than the IRS) and others generally may not request a distribution from your Plan balance. One major exception to this rule is that Gannon may distribute or reallocate your benefits in response to a qualified domestic relations order. A qualified domestic relations order is an order or decree issued by a court that requires you to pay child support or alimony or to give a portion of your Plan account to an ex-spouse or legally separated spouse. Gannon will review the order to ensure that it meets certain criteria before any money is paid from your account. You (or your beneficiary) may obtain, at no charge, a copy of the procedures Gannon will use for reviewing and qualifying domestic relations orders.

How do I file a claim?

To claim a benefit that you are entitled to under the Plan, you must file a written request with Gannon. The claim must set forth the reasons you believe you are eligible to receive benefits and you must authorize Gannon to conduct any necessary examinations and take the steps to evaluate the claim.

Your authorized representative may act on your behalf in pursuing a benefit claim or appeal of an adverse benefit determination.

All claims and appeals for Disabled benefits shall be adjudicated under the Plan in a manner designed to ensure the independence and impartiality of the parties involved in making the decision.

What happens if my claim is denied?

Depending on the nature of the claim, the following procedures are followed:

- i. A denial of a claim for benefits (other than a Disabled claim) follows the procedure starting on page 13.
- ii. A denial of a Disabled claim for receiving a distribution of your Plan benefits follows the procedure starting on page 13.
- iii. If you are filing a Disabled claim under the Unum Life Insurance Company of America long term disability policy in order to receive continued contributions during your period of Disability, follow the procedure beginning on page 16.

What if my claim is denied (other than a Disabled claim)?

If your claim is denied, Gannon will provide you (or your beneficiary) with a written notice of the denial within 90 days of the date your claim was filed. This notice will give you the specific reasons for the denial, the specific provisions of the Plan upon which the denial is based, and an explanation of the procedures for appeal. If Gannon determines that an extension of time for processing is required, written notice of the extension shall be furnished to you prior to the termination of the initial 90-day period. In no event shall such extension exceed a period of 90 days from the end of such initial period. The extension notice shall indicate the special circumstances requiring an extension of time and the date by which the plan expects to render the benefit determination.

Gannon will provide you with written or electronic notification if your claim is denied. The notification will provide the following:

- i. The specific reason or reasons for the denial;
- ii. Reference to the specific section of the Plan on which the denial is based;
- iii. A description of any additional information that you must provide before the claim may continue to be processed and an explanation of why such information is necessary; and
- iv. A description of the Plan's review procedures and the time limits applicable to such procedures, including a statement of your right to bring a civil action under Section 502(a) of the Employee Retirement Income Security Act (ERISA) following a claim denial on review.

What if my Disabled claim is denied?

In the case of a claim for Disabled benefits, if Gannon is making a determination of whether you are Disabled, you will be notified of a denial of your claim within a reasonable amount of time, but not later than 45 days after the Plan receives your claim. The 45-day time period may be extended by the Plan for up to 30 days if Gannon determines that an extension is necessary due to matters beyond the control of the Plan. Gannon will notify you, before the end of the 45-day period, of the reason(s) for the

extension and the date by which the Plan expects to make a decision regarding your claim.

If, before the end of the 30-day extension, Gannon determines that, due to matters beyond the control of the Plan, a decision regarding your claim cannot be made within the 30-day extension, the period for making the decision may be extended for an additional 30 days, provided that Gannon notifies you, before the end of the first 30-day extension, of the circumstances requiring the additional extension and the date as of which the Plan expects to make a decision. The notice will specifically explain the standards on which the approval of your claim will be based, the unresolved issues that prevent a decision on your claim, and the additional information needed to resolve those issues. You will have at least 45 days within which to provide the specified information.

The period of time within which approval or denial of your claim is required to be made generally begins at the time your claim is filed. If the period of time is extended because you fail to submit information necessary to decide your claim, the period for approving or denying your claim will not include the period of time between the date on which the notification of the extension is sent to you and the date on which you provide the additional information.

Gannon will provide you with written or electronic notification if your Disabled claim is denied. The notification will provide the following:

- i. The specific reason or reasons for the denial;
- ii. Refer to the specific Plan provisions on which the denial is based;
- iii. Describe any additional information or material needed to perfect your claim and why this information or material is necessary;
- iv. Describe the Plan's review procedures and the time limits applicable to such procedures, including a statement of your right to bring a civil action under ERISA §502(a) following an adverse benefit determination on review;
- v. State 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 for benefits; and
- vi. If Gannon relies on an internal rule, guideline, or protocol in denying the claim, it will provide a copy of the rule, guideline or protocol. Furthermore, the notice of denial will state that specific internal rules, guidelines, protocols, standards or similar criteria for making the denial do not exist if such criteria do not exist.

If a denial is based on either a lack of medical necessity or an exclusion for experimental treatment, the notice will include an explanation of the scientific or clinical judgment applied in the case.

If Gannon disagrees with any of the following views or determination, Gannon will provide a discussion of its denial, including an explanation of the basis for disagreeing with or not following: the views you presented of treatment provided by health care professionals and vocational professionals who evaluated you; the views of medical or vocational experts whose advice was obtained on behalf of the Plan in connection with a denial, without regard to whether the advice was relied upon in making the benefit determination; or a Social Security Administration disability determination which you presented to the Plan.

May I appeal the decision of Gannon?

You or your beneficiary will have 60 days from the date you receive the notice of claim denial in which to appeal Gannon's decision. You may request that the review be in the nature of a hearing and an attorney may represent you.

You may submit written comments, documents, records, and other information relating to your claim. In addition, you will be provided, upon request and free of charge, reasonable access to, and copies of, all documents, records, and other information pertaining to your claim.

Your appeal will take into account all comments, documents, records, and other information submitted by you relating to the claim, even if the information was not included originally.

Gannon will provide you with written or electronic notification of the final outcome of your claim. The decision on review will

be made within 60 days after the request for review is received by Gannon, unless Gannon determines that special circumstances require an extension of time for processing the claim. If Gannon determines that an extension of time for processing is required, written notice of the extension shall be furnished to you prior to the termination of the initial 60-day period. In no event shall such extension exceed a period of 60 days from the end of the initial period. The extension notice shall indicate the special circumstances requiring an extension of time and the date by which Gannon expects to render the determination on review.

The notification will include:

- i. The specific reason or reasons for the adverse determination;
- ii. Reference to the specific plan provisions on which the benefit determination is based; and
- iii. 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 a statement describing any additional voluntary appeal procedures offered by the Plan, your right to obtain the information about such procedures, and a statement of your right to bring an action under Section 502(a) of ERISA.

The period of time within which a benefit determination on review is required to be made shall begin at the time an appeal is filed in accordance with the Plan, without regard to whether all the information necessary to make a benefit determination on review accompanies the filing. In the event that a period of time is extended as permitted due to your failure to submit information necessary to decide a claim, the period for making the benefit determination on review shall be tolled from the date on which the notification of the extension is sent to you until the date on which you respond to the request for additional information.

However, in the case of a claim for Disabled benefits, if Gannon is deciding whether you are Disabled under the terms of the Plan, you will have at least 180 days following receipt of notification of a claim denial within which to appeal Gannon's decision. You may review and request copies of the relevant documents, records, and other information relevant to the claim free of charge. Further, you may request the identity of any medical or vocational expert whose advice was obtained in connection with the claim, regardless of whether his or her advice was relied upon in making the determination. Your appeal may include written comments, documents, records, and other information relating to the claim, regardless of whether it was submitted or considered as part of the initial application.

If the claim is for Disabled benefits:

- i. Your claim will be reviewed independent of your original claim and will be conducted by a named fiduciary of the Plan other than the individual who denied your original claim or any of his or her subordinates. The initial decision shall not be given any deference.
- ii. In deciding an appeal of a claim denial that is based in whole or in part on a medical judgment, the appropriate named fiduciary will consult with a health care professional who has appropriate training and experience in the field of medicine involved in the medical judgment.
- iii. Gannon will provide you with the name(s) of the health care professional(s) who was consulted in connection with your original claim, even if the claim denial was not based on his or her advice. The health care professional consulted for purposes of your appeal will not be the same person or any of his or her subordinates.
- iv. Gannon may not rely on new or additional evidence or a rationale that was not a part of the initial review, unless you are provided, free of charge, the new information and afforded an opportunity to respond to the information before the appeal is decided.
- v. You will be notified of the outcome of your appeal no later than 45 days after receipt of your request for the appeal, unless Gannon determines that special circumstances require an extension of time for processing the claim. If Gannon determines that an extension is required, written notice of the extension will be provided to you before the end of the initial 45-day period. The notice will identify the special circumstances requiring an extension and the date by which the Plan expects to make a decision regarding your claim. Any such extension may not exceed 45 days from the end of the initial review period.

The period of time within which a benefit determination on review is required to be made shall begin at the time an appeal is filed in accordance with the Plan, without regard to whether all the information necessary to make a benefit determination on review accompanies the filing. In the event that a period of time is extended as permitted due to your failure to submit information necessary to decide a claim, the period for making the benefit determination on review shall be tolled from the date on which the notification of the extension is sent to you until the date on which you respond to the request for additional information.

Gannon will provide a written determination on appeal which will explain the specific reason or reasons for the decision and refer to the specific Plan provisions on which the decision is based. Additionally, the written determination will include a statement describing any additional voluntary appeal procedures offered by the Plan, your right to obtain the information about such procedures, a statement of your right to bring an action under ERISA §502(a), and a description of any applicable limitation period that applies to your right to bring such an action, including the calendar date on which any limitations period expires for the claim. Furthermore, the written determination will state 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 for benefits.

If Gannon relies on an internal rule, guideline, or protocol in denying the claim, Gannon will provide a copy of the rule, guideline or protocol. Furthermore, the notice of denial will state that specific internal rules, guidelines, protocols, standards or similar criteria for making the denial do not exist if such criteria do not exist. If Gannon disagrees with any of the following views or determination, Gannon will provide a discussion of its denial, including an explanation of the basis for disagreeing with or not following: the views you presented of treatment provided by health care professionals and vocational professionals who evaluated you; the views of medical or vocational experts whose advice was obtained on behalf of the Plan in connection with a denial; or a Social Security Administration disability determination which you presented to the Plan.

If the claim denial is based on a medical necessity, experimental treatment, or similar situation, either an explanation of the scientific or clinical basis for the denial, applying the terms of the Plan to your medical circumstances, or a statement that an explanation will be provided free of charge upon request, will be provided.

If you wish to preserve any rights that you may have under the Plan, including your right to pursue your claim in court, you must follow the claims procedure described above.

How do I file a Disabled claim under the Unum Life Insurance Company of America long-term disability policy in order to receive continued contributions during your period of Disability?

The process for filing a Disabled claim under the Unum policy to receive continued contributions during your period of Disability is similar to the process outlined above for filing a Disabled claim with Gannon in order to begin to receive distributions under the Plan. The procedure for receiving continued contributions is provided in the Unum Life Insurance Company of America long-term disability policy. Even though the two procedures are similar, only the procedure provided by Unum can be used to file a claim for benefits under the Unum long-term disability policy.

If I need to take legal action with respect to the Plan, who is the agent for service of legal process?

Gannon is the agent to be served with legal papers regarding the Plan.

If the Plan terminates, does the federal government insure my benefits under the plan?

You are fully vested. If the Plan terminates, you will be entitled to take your entire balance from the Plan following termination.

This type of plan is not insured by the Pension Benefit Guarantee Corporation, the government agency that insures certain pension plan benefits upon plan termination.

What are my legal rights and protections with respect to the Plan?

As a Participant in this Plan, you are entitled to certain rights and protections under ERISA. ERISA provides that all Plan Participants shall be entitled to do the following.

Receive Information About Your Plan and Benefits

1. Examine, without charge, at Gannon's office and at other specified locations, such as worksites and union halls, all Plan 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 Employee Benefits Security

Administration.

2. Obtain, upon request to HR, copies of documents governing the operations 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 (SPD). Gannon may charge a reasonable fee for the copies.

3. Receive a summary of the Plan's annual financial report. Gannon is required by law to furnish each Participant with a copy of this Summary Annual Report.

4. Obtain, once a year, a statement of the total pension benefits accrued and the vested pension benefits (if any) or the earliest date on which benefits will become vested. The Plan may require a written request for this statement, but it must provide the statement free of charge.

Prudent Actions by Plan Fiduciaries

In addition to creating rights for Plan Participants, ERISA imposes duties upon the people who are responsible for 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 Gannon, your union, or any other person, may fire you or otherwise discriminate against you in any way to prevent you from obtaining a pension benefit or exercising your rights under ERISA.

Enforce Your Rights

If your claim for a 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 may 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 Gannon 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 Gannon. 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 or a medical child support 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 the costs and fees. If you lose, the court may order you to pay these costs and fees, for example, if the court finds your claim is frivolous.

Assistance with Your Questions

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

DEFINITIONS

Brokerage Service Account - A Brokerage Service Account is an arrangement between an investor and a licensed brokerage firm that allows the investor to deposit funds with the firm and place mutual fund investment orders through the brokerage, which then carries out the transactions on the investor's behalf. With a brokerage window provided through TIAA-CREF Brokerage Services (TCBS), employees can choose other mutual funds outside of the core menu of the 403(b) plan.

Compensation – The definition of Compensation under the Plan can vary depending upon the purpose (e.g., allocations, nondiscrimination testing, tax deductions).

In general, the amount of your earnings from Gannon taken into account under the Plan is all earnings reported to you on Form W-2. Compensation will include amounts that are not included in your taxable income that were deferred under a cafeteria plan, a 401(k) plan, a salary deferral SEP plan, a 403(b) tax-sheltered annuity plan, a 457(b) deferred compensation plan of a state or local government or tax-exempt employer, or transportation fringe benefits that you receive and will include any Mandatory Employee Contributions that you make.

The definition of Compensation used under the Plan has been further adjusted to exclude the following amounts.

- Bonuses, overtime, stipends, overload compensation, severance pay, and early retirement pay shall be excluded for all Contributions, except for Voluntary Deferrals.
- Bonuses, stipends and overload compensation, shall be excluded for Voluntary Deferrals along with severance and early retirement pay paid after termination from employment.
- Amounts deemed to be compensation that relate to an automatic enrollment cafeteria plan where you fail to provide proof of insurance will be excluded when determining your Compensation for all Contributions made to the Plan.

If you receive payments from Gannon within 2 ½ months after severing your employment, any regular pay for services you performed prior to severance will be included in Compensation. Other post-severance payments will affect your Compensation as described below.

- Unused accrued sick, vacation or other leave that you are entitled to cash out will be included in Compensation.
- Amounts received under a nonqualified unfunded deferred compensation program will be excluded from Compensation.

If you become disabled, the compensation you would have received for the year if you were paid at the rate of compensation paid immediately before becoming disabled will be included in Compensation.

If Gannon chooses to provide differential pay to you while you are on active duty with the uniformed services for a period of more than 30 days, the pay will be considered additional Compensation paid to you for purposes of determining Plan contributions. See HR to determine if Gannon provides differential pay.

The measuring period for Compensation will be the Plan Year.

The maximum amount of Compensation that will be taken into account under the Plan is \$275,000 (for 2018). This amount increases as the cost of living rises.

Covered Participant – A Covered Participant is a full-time colleague who is covered by the University’s long-term disability policy.

Disabled – You will be considered Disabled if you cannot engage in any substantial, gainful activity because of a medically determined physical or mental impairment that is expected to last at least 12 months.

Employer – The Employer is Gannon University. Gannon will also serve as the Plan Administrator, as defined in ERISA, who is responsible for the day to day operations and decisions regarding the Plan, unless a separate Plan Administrator is appointed for all or some of the plan responsibilities. The term Employer, as used in this Summary Plan Description, will also mean Plan Administrator, as that term is used in ERISA.

Employer Contribution – Gannon may make contributions to the Plan based on your eligibility and the amount of Voluntary Deferrals and/or Mandatory Employee Contributions you contribute to the Plan.

Hour of Service – An Hour of Service, for purposes of determining Plan eligibility, vesting and eligibility to receive Employer contributions will be based on actual hours for which you are entitled to pay. Adjunct faculty shall be credited with 10 hours for each day that their classes meet. For any other employee for whom Gannon does not actually count Hours of Service, the employee shall receive credit for 45 Hours of Service for each week during which the employee is credited with at least one Hour of Service.

Prior Service – If a whole year of eligibility service is satisfied by prior service at a different institution of higher education that will satisfy the year of eligibility required by Gannon University. Partial or pro-rata credit will not be given

Legacy Funds – Legacy Funds are the balances held on behalf of Participants that were invested with Fidelity, VALIC, and TIAA-CREF prior to the Plan changes in April of 2014.

Mandatory Employee Contributions – Mandatory Employee Contributions are pre-tax contributions that you are required to make to the Plan as a condition of employment.

Normal Retirement Age – Age 65 is considered the Normal Retirement Age under the Plan.

Participant – An employee of Gannon who has satisfied the eligibility requirements and entered the Plan is referred to as a Participant.

Plan – The Gannon University Defined Contribution Plan is the Plan described in this Summary Plan Description.

Plan Administrator – Gannon is responsible for the day-to-day administration of the Plan. To assist in operating the Plan efficiently and accurately, Gannon may appoint others to act on its behalf or to perform certain functions.

Plan Year – The calendar year will serve as the Plan Year.

Retiree - Anyone who is classified as a retiree by the University in its Human Resources Information system.

Vendor Agreements – All contributions to the Plan will be invested either in annuity contracts or in mutual funds held in custodial accounts. The agreements between the fund manager and Gannon or you that constitute or govern the annuity contracts and custodial accounts are referred to as Vendor Agreements. The Vendor Agreements explain the unique rules that apply to each Plan investment and may, in some cases, limit your options under the Plan, including your transfer and distribution rights.

Voluntary Deferrals – Deferrals are the dollars you voluntarily choose to contribute to the Plan through payroll deduction on a pre-tax basis or as a Roth after-tax Deferral.