LANSING COMMUNITY COLLEGE

RESTATED TAX SHELTERED ANNUITY PROGRAM

SUMMARY PLAN DESCRIPTION

Effective January 1, 2009

TABLE OF CONTENTS

1. Introduction. 1

2. What is the 403(b) Tax Sheltered Annuity Program? 1

3. What is the Effective Date of the restated Plan? 1

4. What are the Tax Benefits? 1

5. Who is Eligible to Participate in the Plan? 2

6. How do I Enroll in the Plan? 2

7. When May I First Enroll in the Plan and When may I Make Subsequent Changes? 2

8. What Happens to the Money in the Plan? 2

9. What Investment Options are Available and Who Controls the Investment of My Account? 3

10. Is There a Maximum I May Contribute? 3

11. Does Vesting (ownership rights based on length of service) Apply to Employee Elective Contributions? 4

12. When and How will distributions be made from the Plan? 4

13. How will my distributions be taxed? 4

14. How do I Apply for Plan Benefits? 4

15. When Will Benefits Be Paid? 4

16. May I Delay Payments? 4

17. Are Loans Available? 5

18. Can I Withdraw Funds if I Suffer a Financial Hardship? 5

19. Can Amounts Accumulated Under this Plan be Rolled Into Another Plan? 6

20. May I Transfer or Roll Over Funds From Other Plans to this Plan? 6

21. Can the Plan be Amended or Terminated? 7

22. Does the Federal Government Insure my Benefits? 7

23. Employer and Plan Administrator Contract Information 7

24. Where Can I Get Further Information About The Plan? 7

LANSING COMMUNITY COLLEGE
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SUMMARY PLAN DESCRIPTION

1. Introduction.

This is the Summary Plan Description for the Lansing Community College Restated Tax Sheltered Annuity Program (the "Plan"). The Plan is a Code Section 403(b) tax sheltered annuity plan.

The Plan may be amended from time to time to keep it in compliance with federal laws affecting retirement plans and to keep the Plan current with developments related to Lansing Community College (the "College") and its benefit program. Your rights and benefits as a participant are generally governed by the terms of the Plan as in effect when you last worked for the College.

This Summary Plan Description is intended to serve as an easy-to-read explanation of the Plan. It summarizes, in a very condensed form, the Plan's important provisions as they apply to participants who are employees of the College on or after the date that the Plan was adopted. Although the College has made a sincere effort to make this Summary as complete and accurate as possible, this Summary is not a substitute for the Plan document itself. The detailed provisions of the Plan document and the law, not this Summary, govern the actual rights and benefits to which you may be or may become entitled. The Plan document is available for your inspection during regular business hours at the College's offices.

Nothing in the Plan or in this Summary Plan Description confers on you any rights of continued employment with the College. Moreover, your participation in the Plan does not prohibit changes in the terms of, or the termination of, your employment with the College.

2. What is the 403(b) Tax Sheltered Annuity Program?

A 403(b) tax sheltered annuity plan, also referred to as a tax deferred annuity (TDA) or 403(b) plan, is a special type of supplemental retirement arrangement available to employees of a tax-exempt organization such as the College. The Plan allows employees to postpone the taxation and receipt of a portion of their current wages until retirement pursuant to Internal Revenue Code Section 403(b).

3. What is the Effective Date of the restated Plan?

The effective date of the restated Plan is January 1, 2009.

4. What are the Tax Benefits?

Under the Plan, you may make salary reduction contributions to the Plan that will reduce the taxable amount of your compensation from the College. You receive an immediate tax savings because federal and state income taxes are not withheld on employee salary reduction contributions to the Plan. However, salary reduction contributions are subject to FICA and FUTA taxes. All earnings accumulate on a tax-deferred basis, as well. Your salary reduction

contributions and earnings become taxable income only when distributed. Distributions normally begin at retirement when you may be in a lower tax bracket, and thus you may pay lower taxes on your retirement income.

5. Who is Eligible to Participate in the Plan?

All employees of the College are eligible to participate in the Plan for the purpose of making salary reduction contributions except: (1) student employees, and (2) employees whose maximum salary reduction contributions would not exceed $200 annually. Participation in the Plan may begin on the first day of the first payroll period following the employee's date of hire or rehire.

6. How do I Enroll in the Plan?

As discussed above, you may make voluntary pre-tax contributions to the Program from your College salary. These are often called "salary reduction contributions" because they reduce current take-home pay. To enroll in the program, you must simply complete the enrollment forms provided by the Vendors (the providers of your annuity contract or custodial account) and the salary reduction agreement provided by the College's Payroll Department and return them to the College's Payroll Department. On the salary reduction agreement, you will indicate the dollar amount of your pay that you want to set aside each year. Additionally, accounts must be established with each Vendor with which your contributions are invested.

7. When May I First Enroll in the Plan and When may I Make Subsequent Changes?

You may sign a salary reduction agreement as of the first day of the first payroll period following your date of hire.

You may change your salary reduction contribution amounts during any of the four quarterly open enrollment periods established by the Plan Administrator during the calendar year. The Plan's four open enrollment periods occur on (1) January 1 through January 15; (2) April 1 through April 15; (3) July 1 through July 15; and (4) October 1 through October 15. You may also change your investment directions during the four open enrollment periods. Changes to your salary reduction contribution should be made by submitting a new salary reduction agreement to the College's Payroll Department.

You may suspend your salary reduction contributions at any time by a written communication to the Payroll Administrator and the Vendor. However, once you suspend your salary reduction contributions, you cannot reinitiate a new salary reduction agreement until the next quarterly open enrollment period.

8. What Happens to the Money in the Plan?

Subject to your investment direction described below, the funds in the Plan are invested in the investment options (annuity contracts or custodial accounts) offered by the Vendors that are selected by the College.

9. What Investment Options are Available and Who Controls the Investment of My Account?

The Plan Administrator has carefully chosen a list of Vendors that are approved to receive your salary reduction contributions. You must select a Vendor from that list on your salary reduction agreement, and you may direct your investments to the investment options offered by the approved Vendors by working with your Vendor. The investment options will be comprised of annuity contracts and custodial accounts offered by your selected Vendor. You may choose to invest in one or all of the investment options offered by that Vendor. The Plan Administrator will periodically communicate to you the Vendors that are approved to receive your salary reduction contributions.

Subject to the terms of your annuity contract or custodial agreement, you may transfer your account from one investment option to another investment option offered by the same Vendor. Your Vendor may place restrictions on such transfers.

Subject to the terms of your annuity contract or custodial agreement, you may transfer your account from an investment option with one Vendor to an investment option with another Vendor only if the receiving Vendor has been approved by the Plan Administrator to receive such transfer. The Plan Administrator will maintain a list of Vendors to which you may transfer your account. Transfers to unapproved Vendors may cause your entire account to lose its tax-deferred status. Your Vendor may place restrictions on such transfers.

The College reserves the right to remove (or add) an investment option or a Vendor from (or to) the Plan.

The Vendors will offer you investment options with risk profiles ranging from relatively conservative to fairly aggressive. You should carefully review the information provided by a Vendor concerning a particular investment option before investing any portion of your account in that investment option. The College assumes no responsibility for your selection of investments, and the College makes no endorsement of any investment options offered and makes no express or implied warranty or guarantee related to investment risks or returns of any or all investment options offered under the Plan.

Contact the Plan Administrator for more information regarding the available investment options, allocating amounts among the investment options, and making transfers between investment options.

10. Is There a Maximum I May Contribute?

Yes. You may enter into a salary reduction agreement to contribute up to the annual maximum permitted by law. In general, the limit for salary reduction contributions to the Plan is a dollar amount determined by the IRS ($16,500 for 2009), adjusted annually for cost of living increases. If you reach age 50 before the last day of the Plan Year, you are permitted to make an additional contribution to the Plan. The limit on this "EGTRRA Catch-Up" contribution is a dollar amount ($5,500 for 2009), adjusted annually for cost of living increases.

It is extremely important that your contributions to the Plan do not exceed the maximum limits. If your contributions exceed the maximum limits, you may have to include the excess

amount in your taxable income for the year, which could result in an additional income tax liability, penalties, and interest.

11. Does Vesting (ownership rights based on length of service) Apply to Employee Elective Contributions?

Yes. Your salary reduction contributions to the Plan are always 100% vested and non-forfeitable, regardless of your length of service.

12. When and How will distributions be made from the Plan?

Distributions may be made from your account not earlier than your: (1) separation from service with the College, (2) death, (3) disability, or (4) attainment of the age 59 ½. After the occurrence of any of these events, you may request a distribution of your account balance from the Vendor of your annuity contract or custodial agreement. The terms of your annuity contract or custodial agreement will govern (1) whether a distribution is available, and (2) in what form you may receive distributions. Typical forms of distribution include, but are not limited to, annuity payments, installment payments, or a single, lump sum payment. Vendors may impose restrictions on your ability to receive a distribution. Therefore, you should check with your Vendors to determine the existence of any restrictions.

13. How will my distributions be taxed?

The tax treatment of your distributions will be governed by relevant tax law. Generally, your distributions will be subject to the normal income tax unless they are rolled over to another TDA, a Code Section 401(a) retirement plan, a governmental Code Section 457(b) plan or an IRA, as discussed below. If you have not reached age 55 when you separate from service and you do not roll the distribution over to one of the plans described above, your distribution may be subject to a 10% early distribution tax. Distributions on account of your death, disability, or the attainment of the age 59 ½ will not be subject to the 10% early distribution tax.

14. How do I Apply for Plan Benefits?

An application for benefits must be submitted to the Vendor that holds your annuity contract or custodial account. The terms of the annuity contract or custodial account will govern the application process. You should contact your Vendor for details. The College may request information from you regarding your benefit request.

15. When Will Benefits Be Paid?

Benefits payable in the event of separation from service, attainment of age 59 ½, death or disability will be distributed in accordance with the terms of your annuity contract or custodial agreement. Special rules apply if you want to postpone the commencement of benefit payments until you reach age 70 ½, as discussed below. See the Vendor or the Plan Administrator for details.

16. May I Delay Payments?

You (or your surviving spouse) may be able to postpone the distribution of your benefit under the terms of your annuity contract or custodial agreement. However, payment of your

benefit must begin by the later of (1) April 1 of the calendar year following the year in which you reach (or would have reached) age 70 ½ or (2) your actual retirement date. You should contact your Vendor or the Plan Administrator for details.

17. Are Loans Available?

Yes, if you are an active employee, you may generally obtain a loan from the Plan. Your ability to take a loan may, however, be limited by the terms and conditions contained in your annuity contract or custodial agreement. All loans must be made in accordance with those terms and conditions, and with applicable law.

Maximum loan amount	$50,000 or 50% of the employee's total vested benefit from all qualified plans of the College (including any pension, 401(a) and 403(b) plans), whichever is less. The $50,000 maximum loan amount is reduced by the highest loan balance during the past year minus the loan balance on the date the new loan is made. Any restrictions imposed by the investment option will also apply to the loan.
Duration	The employee can elect to pay back the loan in 1-5 years for general purpose loans. A longer repayment period applies when purchasing a principal residence.
Interest rate	The interest rate charged the participant on a TDA Plan loan is the rate set forth in the contract from which the loan is made. This interest rate is fixed for the life of the loan.
Termination of employee	When an employee separates from service and postpones the distribution from the Plan, the College or the Vendor will give the employee instructions on direct repayment procedures. The employee must make arrangements for continued monthly payments with the Vendor. The employee may elect to continue payments or to "offset the loan," in which case the loan will be considered a taxable distribution. In this event the employee will not have to repay the loan to avoid being taxed on the interest because a distributable event (i.e. termination of employment) has occurred.
Application for a loan	You may receive a loan by submitting an application for a loan to your Vendor. The terms of your annuity contract or custodial agreement may affect whether you are entitled to a loan. The College may request certain information from you in connection with your loan.

18. Can I Withdraw Funds if I Suffer a Financial Hardship?

Hardship withdrawals are governed by tax law, the Plan's provisions, and the terms of your annuity contract or custodial agreement. Withdrawals will be permitted only in cases of

immediate and significant financial needs, where the funds are not readily available from other sources. A hardship withdrawal is limited to your salary reduction contributions, and will not include any of the investment earnings. Early withdrawals (prior to age 59 ½) are normally subject to a 10% IRS early distribution tax in addition to a 20% income tax withholding. You should apply for a hardship distribution directly to the Vendor. If approved for a hardship withdrawal, you must cease all salary reduction contributions to the Plan for a period of six months. The College may request certain information from you in connection with your hardship withdrawal request.

Hardship distributions are allowed only for the following reasons:

- Payment of uninsured medical and/or hospital expenses for the employee or dependents;
- Purchase of a participant's primary resident;
- Prevention of eviction from a foreclosure on the mortgage of an employee's residence;
- Payment of upcoming, post-secondary educational expenses of the employee or dependents;
- Payment of funeral or burial expenses within the employee's family; or
- Expenses for the repair of damage to the employee's principal residence that would qualify as a casualty deduction.

To qualify for a hardship distribution, the employee must make sure no other resources or funds are reasonably available and must first obtain all nontaxable loans under the Plan.

A financial hardship cannot exceed the amount required to meet the financial need created by the hardship, but may include monies necessary to pay federal, state or local income tax and penalties resulting from the distribution.

19. Can Amounts Accumulated Under this Plan be Rolled Into Another Plan?

Yes. If you separate from service with the College and you receive a lump sum, the amount payable to you may be directly rolled over to another employer's TDA plan, Code Section 401(a) plan or governmental 457(b) plan (if those retirement plans accept rollovers) or to a rollover IRA account. This procedure would avoid the 10% early distribution penalty and current taxation of the amount transferred (including the 20% mandatory withholding tax) discussed above.

20. May I Transfer or Roll Over Funds From Other Plans to this Plan?

No.

21. Can the Plan be Amended or Terminated?

Yes. The College intends to continue the Plan indefinitely. However, if the Plan is wholly or partially terminated, distribution would be made in accordance with provisions of the Plan. Under no circumstances will any contributions to the Plan ever revert to the College.

22. Does the Federal Government Insure my Benefits?

The benefits provided by the Plan are not insured by the federal government.

23. Employer and Plan Administrator Contract Information

- Lansing Community College
  Attn: 403(b) Plan Administrator
  8041 – Human Resources Department
  P.O. Box 40010
  Lansing, MI 48901-7210
  (517) 483-1870

24. Where Can I Get Further Information About The Plan?

Copies of the Plan are available at the office of the Plan Administrator. You may obtain information regarding your annuity contract or custodial account from your Vendor.

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