The Wellesley College 403(b) Retirement Plan (referred to as the "Plan") has recently been amended.

Effective July 1, 2015, you will have a new way to save money under the Plan - money which in many cases will not be taxed when you take a Plan distribution. This new way for you to defer money into the Plan is referred to as a Roth 403(b) deferral.

You will be able to continue making deferrals as you always have (these are pre-tax deferrals and are referred to as Pre-Tax 403(b) deferrals, or you may make the new Roth 403(b) deferral. If you make a Pre-Tax 403(b) deferral, then your taxable income is reduced by the deferral contribution so you pay less in income taxes. Later, when the Plan distributes the deferrals and earnings, you will pay the taxes on those deferrals and the earnings. Therefore, with a Pre-Tax 403(b) deferral, income taxes on the deferral contributions and on the earnings are only postponed. Eventually, you will have to pay taxes on these amounts.

With a Roth 403(b) deferral, you must pay current income tax on the deferral contribution. If you elect to make Roth 403(b) deferrals, the deferrals are subject to income taxes in the year of deferral, but the deferrals and, in most cases, the earnings on the deferrals are not subject to income taxes when distributed to you. In order for the earnings to be distributed tax-free, there must be a qualified distribution of your Roth 403(b) deferrals.

In order to be a qualified distribution, the distribution must occur after one of the following: (1) your attainment of age 59½; (2) your disability; or (3) your death. In addition, the distribution must occur after the expiration of a 5-year participation period. The 5-year participation period is the 5-year period beginning in the calendar year in which you first make a Roth 403(b) deferral to the Plan (or to another 403(b) plan or 403(b) plan if such amount was rolled over into the Plan) and ending on the last day of the calendar year that is five years later. For example, if you make your first Roth 403(b) deferral under this Plan on November 30, 2015, your participation period will end on December 31, 2019. It is not necessary that you make a Roth 403(b) deferral in each of the five years.

If a distribution of your Roth 403(b) deferrals is not a qualified distribution, the earnings distributed with the Roth 403(b) deferrals will be taxable to you at the time of distribution (unless you roll over the distribution to a Roth IRA, other 403(b) plan or qualified retirement plan that will accept the rollover). In addition, in some cases, there may be a 10% excise tax on the earnings that are distributed.

Whenever you receive a distribution, the Administrator will deliver to you a more detailed explanation of your options. However, the tax rules are very complex and you should consult with your tax advisor before making a choice.
Roth 403(b) deferrals are generally treated in the same manner as Pre-Tax 403(b) deferrals. This means that these amounts are always fully vested, are eligible for the College matching contribution and are subject to the distribution restrictions and provisions set forth in the Summary Plan Description and in the Plan.

**Hardship and In-Service Distributions**

The maximum hardship withdrawal is limited to the amount in your 100% vested account consisting of pre-tax savings contributions and Roth contributions, exclusive of earnings on such contributions. You may not withdraw College contributions on account of a hardship situation.

Subject to the terms of the applicable annuity contract or custodial account agreement, upon attaining age 59½, you may withdraw all or a portion of your vested account derived from pre-tax savings, Roth contributions and rollover contributions if you are still employed by the College.

Please note however, that the income on the Roth contributions may be taxable (and subject to penalties for early withdrawal) if the withdrawal is not a "qualified distribution."

Please refer to Q&A 24 in the Summary Plan Description.

**Loans**

However, there are some additional restrictions that apply to amounts in your Roth contribution account. If you apply for a loan from your account under the Plan, the loan amount will not be taken from your Roth contribution account.

In other words, loans may be taken only from the portion of the member's account derived from pre-tax savings contributions the member has made (and not from any contributions made by the College) that are invested with TIAA-CREF.

Please refer to Q&A 23 in the Summary Plan Description.

You should keep this notice with your copy of the Summary Plan Description.

Plan Name:  
_{Wellesley College 403(b) Retirement Plan}_

Plan Number:  
002

Plan Sponsor/Administrator:  
_Wellesley College_
106 Central Street
Wellesley, MA 02481
Telephone: (781) 283-3202
EIN: 04-2103637
The following description of the Participant loan program is effective as of July 1, 2015.

Any loan issued from the Plan is subject to the terms of the applicable annuity contract or custodial account agreement. In the event of a discrepancy between this Loan Program and the provisions of the applicable annuity contract or custodial account agreement, the provisions of the annuity contract or custodial account agreement will control.

**Plan:** Wellesley College 403(b) Retirement Plan

**Eligibility:** Loans are available only to Plan Participants.

**Authorized Position/Person to administer loan program:** Plan Administrator

**Application Procedure:** The Participant completes a loan application. If the application is approved, the Participant must sign a promissory note and obtain his/her spouse's written consent if applicable. The Participant must agree to bear the administrative expense of processing the loan.

**Loan Approval Basis:** All loan applications that meet all the following requirements shall be approved. However, the administrator shall refuse to grant loans to Participants who indicate intent to not repay the obligation in accordance with its proposed terms and/or to Participants who have other loans from the Plan which are in default, unless the administrator determines that renegotiation of defaulted loans is the best method for securing repayment.

**Types of Loans Available:** Loans for a maximum term of 5 years. The interest rate shall be equal to regional bank rates for similar loans or such other reasonable rate as may be required under the applicable annuity contract or custodial account. The term of a loan to be used to acquire a Participant's principal residence may extend over a reasonable period that may exceed 5 years. The collateral will be 50% of the Participant's vested interest in the Plan.

**Maximum/Minimum Amount of Loan:** 50% of a Participant's vested interest, but never more than $50,000; $1,000 Minimum. Loans from all plans of the sponsoring Employer are combined to determine the maximum available loan. Loans may be taken only from the portion of the Participant's account derived from pre-tax savings contributions the Participant has made (and not from any contributions made by the College) that are invested with TIAA-CREF. The funding vehicle may impose additional restrictions on the amount of contributions that may be borrowed.
Loans may not be made from the portion of a Participant's account that is derived from Roth contributions.

**Loan Repayment:**

At least quarterly payments of principal and interest with level periodic payments. Loans will be repaid by payroll deduction from the borrower's wages, by check, or by such other method as the Plan's investment company may permit or require.

Repayments may be suspended in the case of a Participant who is on an unpaid leave of absence due to military service. The suspension shall not exceed the lesser of five years or the Participant's period of military service. Except in the case of a loan used to acquire the Participant's principal residence, the loan must be repaid in full within a period (starting on the date the loan is first made) that is not to exceed (1) five years, plus (2) the lesser of the period of military service or five years.

Repayments may be suspended in the case of a Participant who is on an authorized, unpaid leave of absence for other reasons. The suspension shall not exceed the lesser of twelve months or the period of the Participant's authorized leave. Except in the case of a loan used to acquire the Participant's principal residence, the loan must be repaid in full within a period (starting on the date the loan is first made) that is not to exceed five years.

**Loan Default Procedure:**

A loan to a Participant shall be considered in default at such time as the required payments are delinquent. A loan payment shall be deemed delinquent, and the loan will be in default, if the loan payment is not made by the end of the calendar quarter following the calendar quarter in which the payment was due (or such earlier date as the applicable funding vehicle may require). Upon default, the loan will be treated as a taxable distribution to the Participant and a Form 1099-R will be distributed reflecting the entire amount of the outstanding loan as a taxable distribution. A Participant who has terminated employment and whose loan is in default, or who elects a distribution of his vested account prior to repaying the loan, shall have his/her Plan interest reduced by the amount of the outstanding loan.