

NYU Staff Pension Plan



Summary Plan Description

For Office & Clerical Staff (106/116),
Laboratory & Technical Staff (104/114),
Non-Union Service Staff (107/117 PAR),
Sergeant Guards (107/117 SGT),
Security Officers (107/117 PRG)



NEW YORK UNIVERSITY

This booklet summarizes the provisions contained in the legal Plan documents. The official Plan documents will govern in the event of any conflict with the terms of this booklet. The documents are available for you to read; contact the Benefits Office for details at 212-998-1270 or via email at benefits@nyu.edu.

Nothing in this Summary Plan Description booklet should be interpreted as implying a contract of employment. Being a member of the NYU Staff Pension Plan does not give you any right of continued employment with the University.

The issue date of this booklet is July, 2007. It is based on the terms of the Plan in effect as of January 1, 2007. Participants who retired, died, terminated employment, or transferred to a non-staff Pension Plan eligible position at an earlier date are covered by the plan provisions in effect on the date their service with NYU ended or the date they transferred to an ineligible position.

Where to Find Information

ABOUT YOUR PARTICIPATION	4
IMPORTANT PLAN TERMINOLOGY	5
HOW YOUR BENEFIT IS CALCULATED.....	6
WHEN BENEFITS CAN BEGIN	9
FORMS OF PENSION PAYMENT.....	10
DEATH BENEFITS	11
CLAIMING BENEFITS	13
HOW BENEFITS CAN BE LOST.....	13
OTHER INFORMATION YOU SHOULD KNOW	14
ADMINISTRATIVE INFORMATION.....	15
PLAN FACTS	19

The NYU Staff Pension Plan

INTRODUCTION

The NYU Staff Pension Plan is designed to provide you with a foundation of retirement income. Together with your other retirement income resources—Social Security, the NYU Supplemental Tax Deferred Annuity Plan and your own personal saving—the NYU Staff Pension Plan can help you ensure a steady monthly income throughout your post-working years. The University funds the Plan, manages its assets, calculates benefits and makes sure they are paid. There are no employee contributions to the NYU Staff Pension Plan. The NYU Staff Pension Plan is what is known as a “defined benefit” plan.

HIGHLIGHTS

- **No cost to you.** NYU pays the entire cost of the Plan.
- **Participation begins after one year.** Generally, as an eligible staff employee who is at least 21 years old, you become a Plan participant on the September 1 closest to your completion of a year of employment in an eligible position, provided you work at least 1,000 hours during your first year.
- **No application is required to join the Plan.** You will automatically be enrolled when you become eligible. See page 4 for details.
- **Your pension grows with each year you work in an eligible position.** Each year of service means more pension credit—and a higher total pension. The Plan counts up to 35 years of service in determining your pension. See page 5 for details.
- **Your service is worth more over time.** The benefit formula does not stay the same; it grows with each service milestone you reach. See page 7 for details.
- **Your pay at the end of your career is what counts.** Your benefit is based on your pay in the years immediately preceding your retirement, when your pay is expected to be highest. See page 6 for details.
- **When you retire is essentially up to you.** Once you complete 25 years of service or reach age 60 with five years of service, you can retire on the first of any month after that. See pages 8 and 9 for details about how retirement before or after age 65 may impact your benefit amount.
- **You choose how you want your pension paid.** The Plan, which is designed to provide you with a steady monthly income for life after you retire, lets you choose how that income will be paid. If you are married at retirement, your pension will be reduced to provide a steady monthly income to your spouse after your death unless you and your spouse elect otherwise. See page 10 for details.
- **If you die before you retire, your spouse may receive a pension.** Your pension can serve as a source of monthly income for your surviving spouse if you should die before you retire. See page 11 for details.
- **You may be eligible for a pension if you leave before you retire.** Once you meet the Plan's vesting requirements, you are entitled to a benefit from the Plan – even if you leave NYU before you retire. See page 9 for details.

- **Social Security is separate.** Your pension is in addition to any Social Security benefits you may be entitled to receive. See page 14 for details.

Whether your own plans for retirement are immediate or years away, understanding how the NYU Staff Pension Plan works is an essential part of your financial planning process.

BEFORE YOU BEGIN

This is a *summary* of the NYU Staff Pension Plan's most important features. You will come across some words and phrases that have specific meanings within the context of the Plan. To help you understand them, they are defined in the text. Also, please be sure to read the *Administrative Information* section of this booklet for important information and facts about your rights under the NYU Staff Pension Plan.

About Your Participation

You are eligible to participate in the NYU Staff Pension Plan if you are a staff employee, working in an eligible job category. For Plan purposes, a staff employee generally means a person who is employed in the University's payroll classification 104/114 or 106/116, or a person employed in classification 107/117 who is not covered by a collective bargaining agreement, including Sergeant Guards. Effective July 1, 2007, security officers covered by a collective bargaining agreement with the Local One Security Officers Union are eligible staff employees.

If you are an eligible staff employee, your participation in the Plan will begin on the September 1, which is closest to the date when you meet both of the following requirements:

- you have attained age 21, and
- you have completed at least 1,000 hours of service in the 12-month period ending on the first (or any later) anniversary of your date of hire.

Note: If you were a security officer who was a participant in the Local One Security Officers Money Purchase Pension Plan on June 30, 2007, you became a participant in the Plan on July 1, 2007.

Not included as eligible staff employees are those who are:

- on the payroll of the University's Medical Center or any of its administrative divisions,
- full-time students otherwise compensated by the University,
- leased employees, or
- participants in the NYU Retirement Plan as of September 1, 1976 who elected to remain in that plan, including those employed in classification 101/100 who exercised an option to become an NYU Retirement Plan Participant.

Important Plan Terminology

Service is referred to either as **credited service** or **vesting service**. These are the two ways the Plan measures your time with the University, and it uses each measurement for different things. For instance, the amount of your benefit depends on your credited service, while your entitlement to benefits and eligibility to retire early depends on your vesting service.

HOW SERVICE IS COUNTED

Years of vesting service include each calendar year in which you have at least 1,000 hours of service, counting all hours for which you receive pay in any employment with NYU. Years of credited service include each calendar year in which you have at least 1,000 hours of service, counting all hours in an eligible staff position for which you are directly paid. You can earn a maximum of 35 years of credited service under the Plan.

If you work less than 1,000 hours in a calendar year. If you have between 500 and 1,000 hours of service in a calendar year, your participation in the Plan will continue, but you will not earn a year of credited service for that year, nor will you earn a year of vesting service.

If you have 500 hours of service or less in a calendar year, you will have a break in service for that year. When this occurs, you cease active Plan participation and may forfeit any benefits in which you are not already vested. In determining whether you have a break in service for any calendar year after December 31, 1984, you will be credited with up to 501 hours for the first year in which you would otherwise have a break in service due to your absence for pregnancy, childbirth, placement of a child with you for adoption, or caring for a child immediately following birth or adoption.

If you resume active participation again at a later date, your prior vesting service will be counted toward future vesting, and your prior years of credited service will be counted toward determining your future pension amount, only if one of the following applies:

- you had five or more years of vesting service at the time the break in service occurred, or
- you had no more than four consecutive calendar years in which you had 500 hours of service or less.

If your previous service is reinstated, your Plan participation will begin as soon as you have an hour of service following your break in service. If your previous service is not reinstated, you must complete a year of service before Plan participation will begin.

If you have a leave of absence for military duty. If you return to work after any period of U.S. military service in which your reemployment rights are protected by federal law, you will be credited with hours of service for purposes of the Plan, at the rate of 45 hours per week of covered absence.

If you are transferred. If you are transferred to an employment classification not covered by the Plan and cease to be an eligible staff employee, your pension under this Plan will be based on your final average compensation and years of credited service as of the date of transfer. If you transfer to an eligible staff employee position from a non-eligible position, your pension under this plan will be based on your final average compensation and years of credited service after the date of transfer.

For purposes of determining eligibility for participation, vesting, and retirement or termination dates, hours of service in other employment classifications at the University are counted.

PERIODS OF EMPLOYMENT THAT DO NOT COUNT AS SERVICE

The following periods of service are not counted towards credited and vesting service:

- periods under a prior plan in which you chose not to participate,
- years of service before January 1, 1971, unless you have at least three years of service after that date,
- years of service disregarded under prior plan rules, and
- if you were a participant in the NYU Retirement Plan for Members of the Faculty, Professional Research Staff and Administration, your years of service count towards vesting service but not credited service.

However, any service previously excluded because of maximum age requirements is counted if you participate in the Plan after September 1, 1988.

You are considered vested once you have completed five years of vesting service. Once vested, you have a non-forfeitable right to the benefit you have earned, even if you leave the University before you retire.

HOW YOUR BENEFIT IS CALCULATED

PENSION BENEFIT FORMULA

Your pension is calculated according to a formula that takes into account your final average compensation, years of credited service and a multiplier that increases with each service plateau you reach

Final average compensation means your average annual base pay during the 36 highest consecutive months of compensation out of the last 120 months in an eligible staff position before you retire, leave NYU employment, or transfer out of an eligible staff position. This excludes overtime, special or per diem compensation and expense allowances. The federal government limits the amount of compensation that can be used in determining benefits for higher-paid employees; currently this limit is \$225,000. (The \$225,000 salary limit may be increased from time to time in accordance with the Internal Revenue Code.)

Years of credited service is defined on page 5.

The formula for Plan participants who retire on or after November 1, 2000 is:

For your first 9 years of credited service:	.014 (1.4%) of final average compensation times years of credited service
Plus	
For your 10th through 35th years of credited services:	.017 (1.7%) of final average compensation times your years of credited service

The formula for Plan participants who retired on or after September 1, 1996 and before November 1, 2000 is:

For your first 4 years of credited service:	.013 (1.3%) of final average compensation times your years of credited service
Plus	
For your 5th through 9th years of credited service:	.014 (1.4%) of final average compensation times years of credited service
Plus	
For your 10th through 35th years of credited services:	.017 (1.7%) of final average compensation times your years of credited service

The following chart shows the benefit multipliers that were in effect if you retired, left University employment, or transferred before September 1, 1996:

IF YOU RETIRED, LEFT NYU EMPLOYMENT, OR TRANSFERRED:

On or after ...	But before...	Then the benefit multiplier is...
November 1, 1993	September 1, 1996	1.3%
November 1, 1990	November 1, 1993	1.2%
September 1, 1988	November 1, 1990	1.1%
November 1, 1985	September 1, 1988	.9%
December 8, 1981	November 1, 1985	.8%
September 8, 1976	December 8, 1981	.7%

Example. Suppose you retired in 2008 at age 65 with 30 years of credited service and final average compensation of \$31,240. Your annual pension at retirement would be figured as follows:

Step 1. Calculate benefit for first 9 years of credited service

$$.014 \times \$31,240 = \$437.36 \times 9 = \$3,936.24$$

Step 2. Calculate benefit for next 21 years of credited service

$$.017 \times \$31,240 = \$531.08 \times 21 = \$11,152.68$$

Step 3. Add Steps 1 and 2 together

$$\$3,936.24 + \$11,152.68 = \$15,088.92 \text{ ANNUAL PENSION BENEFIT}$$

Your monthly pension is $1/12$ of this amount (\$1,257.41). This is payable as a Life Annuity; that is, you receive payments for your lifetime only, with no benefits payable after your death. In this example, the pension benefit is payable as a Single Life Annuity; the amount you receive each month will be reduced if you choose a different form of payment. (Forms of payment are discussed on page 10.)

EARLY RETIREMENT

Your early retirement pension will be determined using the same formula as the normal retirement pension, but is based upon your final average compensation and years of credited service determined at your early retirement date.

This pension is payable:

- at age 65 in the amount determined above, or
- on your early retirement date, or on the first day of any later month you elect. If you begin payment early, your pension amount is reduced, because you can expect to receive benefits over a longer period of time than if you had waited and begun payments at age 65. The reduction factor depends on your age when payments begin and is calculated actuarially.

Example: If you retire in 2008 at age 60 with 30 years of credited service and final average compensation of \$31,240, you would be entitled to an age-65 pension of \$15,088.92 a year. If you want your pension payments to start immediately, at age 60, you would receive \$10,064.31--66.7% of your age-65 pension.

DEFERRED RETIREMENT

At deferred retirement you will receive the higher of:

- (a) a pension calculated using the same formula as the normal retirement pension, but based on your final average compensation and years of credited service determined at your deferred retirement date; or
- (b) your accrued pension at age 65, actuarially increased to take into account the years between your normal retirement date and your deferred retirement date when you were not receiving payments.

IF YOUR EMPLOYMENT ENDS

If your employment at NYU ends before you reach either your normal or early retirement date under the Plan, you can still receive a pension under the NYU Staff Pension Plan if you have completed at least five years of vesting service (see page 7). This is called "vesting."

Your vested pension is calculated using the same formula as the normal retirement pension but is based on your final average compensation and years of credited service at the date your employment in an eligible classification ends. It is payable either:

- at age 65 in the amount determined above, or
- in a reduced amount on the first day of any month you choose after age 60. The amount of reduction will be based on the number of extra years you will be receiving the pension prior to age 65.

If you leave NYU with an entitlement to a vested pension, you will be so advised at that time. You will also be given instructions on how to request your benefit.

REEMPLOYMENT

Your pension payment will be suspended for any month in which you are reemployed by the University in any capacity for more than 70 hours of service. When you subsequently retire again, your retirement income will be recalculated based on the provisions of the Plan in effect at that date. This benefit will be based on all of your earnings and credited service (up to 35 years) and will be actuarially adjusted for the value of any payments you received during your previous retirement. However, if you received your benefits in a cash lump sum when you left (for example, because its present value was \$5,000 or less), your pension when you eventually retire or leave again will be based only on your credited service after your return.

When Benefits Can Begin

You decide when you want to retire. The amount of your pension benefit is affected by whether you choose to retire at your normal, early, or deferred retirement date.

NORMAL RETIREMENT DATE

Your Normal Retirement Date under the Plan is the first of the month coincident with or next following your 65th birthday or, if later, the fifth anniversary of the date you first started work at NYU.

EARLY RETIREMENT DATE

The earliest date you may elect to retire and receive a benefit from the plan is the first day of any month following:

- your 60th birthday and completion of five years of service, or
- the completion of 25 years of service with the University.

DEFERRED RETIREMENT DATE

If you continue to work for the University after your Normal Retirement Date, your Deferred Retirement Date will be the first day of the month coinciding with or following your actual retirement.

Forms of Pension Payment

All forms of payment under the Plan are designed to be equal in value based on actuarial assumptions. If you receive a form of payment that pays benefits to your survivors, your monthly retirement income will be reduced. The amount of the reduction depends upon the ages of both you and your beneficiary and the form of payment.

NORMAL FORM OF PENSION PAYMENT

Life Annuity. If you are *not* married at retirement, the normal form of payment is a Life Annuity. You will receive monthly payments for your lifetime and all payments will stop upon your death.

50% Joint and Survivor Annuity. If you *are* married at retirement, the normal form of payment is a 50% Joint and Survivor Annuity. With this form you will receive reduced monthly payments for life and your eligible spouse, if surviving at your death, will receive a lifetime monthly benefit equal to 50% of the monthly amount that was payable during your lifetime.

OPTIONAL FORMS OF PENSION PAYMENT

You may elect to receive one of the optional forms listed below. Your request must be made within the 30-to 180-day period before you retire and, if you are married, your spouse must give written consent in the presence of an NYU Benefits Office representative or a notary public. If your beneficiary is not your spouse, you must choose a payment form that is expected to provide *you* with at least 50% of the value of your benefit during your lifetime.

JOINT AND SURVIVOR OPTION

Under this form you will receive monthly payments as long as you live and elect a percentage (50%, 75% or 100%) to be continued to your designated beneficiary. After your death your designated beneficiary, if surviving, will receive monthly payments for life in an amount equal to the percentage you elected. The percentage must be designated at the time this option is elected, and the election must be made before retirement. The amount payable under this option depends upon the ages of both you and your beneficiary and the percentage of the benefit that is to be continued after your death.

PERIOD CERTAIN AND LIFE OPTION

You will receive reduced monthly payments for your lifetime with benefits guaranteed for the period you elect (five, 10, 15 or 20 years). If you have not received the number of guaranteed payments before your death, the balance of these monthly payments will be made to your designated beneficiary. The amount payable under this option depends on your age and the number of years guaranteed.

LIFE ANNUITY

With the spouse's consent, a married participant has the option to elect a Life Annuity instead of the Joint and Survivor Annuity.

Additional information on your options, including conditions governing their election, and election forms will be furnished upon request; contact the Benefits Office for details.

Whether you choose to retire on a normal, early or deferred retirement date, normal and optional forms of pension payment are available to you.

METHOD OF PAYMENT

You will receive your pension check by mail each month. However, if the amount of your payment is less than \$20.00 a month, you will be paid at such intervals as to make the payments at least \$20.00. Also, if the total actuarial present value of your pension at the date your employment ends is \$1,000 or less, you will be paid this value in a lump sum instead of a monthly pension. Further, you may elect a lump sum payment instead of a monthly pension if the actuarial present value of your benefit is more than \$1,000 and does not exceed \$5,000.

If you are paid a lump sum, your payment can generally be rolled over to an Individual Retirement Account (IRA) or to another employer's eligible retirement plan that accepts rollovers. The Benefits Office will provide you with additional information regarding rollovers if you become eligible for a lump sum payment.

PAYING TAXES

Ordinary income tax applies to each pension payment you receive. Federal income tax will be withheld automatically from your payments, unless you opt not to have tax withholding. You can defer paying taxes if your distribution is in the form of a lump sum payment that is rolled over to another eligible retirement plan or to an IRA.

Death Benefits

In the event of your death, the type of death benefits payable to your spouse or beneficiary will depend on whether or not you have begun to receive benefits from the Plan and on the form of payment you have elected.

AFTER PLAN BENEFITS HAVE BEEN STARTED

Once you begin receiving benefits, death benefits payable to your spouse or beneficiary are determined by the form of payment you elected and received when you retired (see "*Forms of Pension Payment*," page 10).

BEFORE YOU RETIRE AND START TO RECEIVE YOUR PENSION

If you die before retirement and you are married, your spouse will be entitled to the beneficiary's portion of a 50% Joint and Survivor Annuity provided your death occurred after you became vested but before you began receiving benefits. In other words, your spouse will receive 50% of the pension that would have been payable to you. This provision applies if you were legally married for at least one year at the time of your death. Spouse's benefits are payable to your spouse for his or her lifetime only.

AFTER YOU RETIRE BUT BEFORE YOUR PENSION HAS STARTED

If you die after electing a 75% or 100% Joint and Survivor Annuity Option but before you receive your first pension payment, death benefits payable to your spouse or beneficiary are determined by the form of payment you elected; contact the Benefits Office for details.

The pre-retirement spouse's benefit is not available if you are divorced before the date of your death, or before annuity payments begin.

If you die after you are vested but before you retire, your spouse gets half of the pension you would have received.

WHAT YOUR SPOUSE SHOULD DO

To receive a survivor pension your spouse should contact the Benefits Office. Your spouse will have to verify age and marital status by providing official documents (such as a birth certificate and a marriage certificate).

NON-SPOUSE DEATH BENEFITS

You can provide a benefit after your death to someone other than a spouse by electing the Joint and Survivor Option or Period Certain and Life Option (as described on page 11), but these will apply only if you die after retirement, or if you make an election after your normal retirement date but before your pension begins. Spousal consent is required (see page 11).

To increase the amount that would be payable to your spouse in the event of your death, you can elect a 75% or 100% Joint and Survivor Annuity Option with your spouse as beneficiary.

Claiming Benefits

You will be advised if you are vested under the Plan at the time you leave the University. If the total actuarial present value of your pension at the date of your employment ends is \$1,000 or less, you will automatically be paid this value in a lump sum instead of a monthly pension. (An application for benefits is not filed in this situation.)

If you are eligible to receive monthly pension benefits or an optional lump sum payment, you must apply for them; they will not be paid automatically. If you wish to receive your pension in one of the optional forms, you must make your election within the 30-to 180-day period before you retire. You may change your decision at any time before payments actually begin.

HOW TO FILE A CLAIM

To claim benefits from the NYU Staff Pension Plan, you must submit an application to the Benefits Office, which will provide you with the forms you need. You will be notified of the amount of your benefit and your payment options not later than 90 days after you request a pension.

IF YOUR CLAIM IS DENIED

If you make a claim for benefits and all or part of it is denied, you or your authorized representative will receive a written notice giving the reason for the denial. You then will be entitled to a review of that claim denial. Your request for review must be in writing and sent to the Plan Administrator within 90 days after you receive notice of the denial. You can also request a review if you do not receive any response to your claim within 90 days after you have initially filed it.

The request should specify why you think your claim should not have been denied and should include any additional documents, records or information that you feel support your position.

The decision will be made not later than 60 days after receipt of the request for review. Special circumstances, such as a hearing, may result in an extension of not more than 120 days after the receipt of the request for review.

In the event of a hearing, you may have a qualified person represent you (at your own expense), and you have the right to examine the relevant portions of any documents referred to in the claim denial notice.

If you believe that the Plan has denied you benefits to which you are entitled, please remember that you must complete each step of the benefit review and appeal procedure described above, within the deadlines, before you can take any legal action.

If you have any questions regarding the claims appeal process, contact the Benefits Office.

How Benefits Can Be Lost

You should be aware of the following circumstances that could cause you to lose benefits under the Plan.

TERMINATION OF EMPLOYMENT

If you terminate employment before you become vested, you will not be eligible for any benefits from the Plan. (If you are later re-employed into a Staff Pension Plan-eligible position, the "break in service" rules may apply; see page 5).

REDUCED HOURS

If you work less than 1,000 hours in a calendar year, you will not earn any credit toward benefits or vesting for that year. If you work 500 hours or less during a calendar year, you will have a break in service and any benefits not vested may be forfeited; credit for service resumes if you reenter the Plan at a later date (see "*How Service Is Counted*," page 5).

DEATH DURING RETIREMENT

During retirement, benefits are governed by the form of payment you have elected. If you are receiving a Life Annuity, no benefits are payable after your death. Also, if you elect a Joint and Survivor Annuity and your joint annuitant does not outlive you, no benefits are payable after your death.

DEATH BEFORE RETIREMENT

No benefits are payable if you die before you retire, except for the pre-retirement surviving spouse's annuity.

TERMINATION OF THE PLAN

If the Plan is terminated and assets are not sufficient to pay all vested benefits, benefits will be payable only to the extent insured by the Pension Benefit Guaranty Corporation (PBGC).

Other Information You Should Know

SOCIAL SECURITY

Unlike the NYU Staff Pension Plan, which generally defines normal retirement age as 65, Social Security normal age requirement age varies from person to person, depending on the year you were born. For example, for people born before 1938, Social Security normal retirement age is 65; for people born between 1943 and 1954, Social Security normal retirement age is 66; and for people born in 1960 or later, Social Security age is 67. There is a sliding scale for people born between 1938-1942 and between 1955-1959.

Social Security retirement benefits are payable in addition to the pension you receive from the NYU Staff Pension Plan. However Social Security Benefits are not paid automatically; you must apply for them. You can file your application with the Social Security office nearest you, and you should do that at least three months before you plan to retire. Although your Social Security normal retirement age depends on the year you were born (see above), you can arrange to have your Social Security benefit start as early as age 62. You can get more information on Social Security by contacting the nearest Social Security office or calling 1-800-772-1213. You can also visit the Social Security World Wide Web site (www.ssa.gov/).

RIGHTS TO YOUR ACCOUNT

Your benefits under this Plan cannot be assigned or used as collateral. They are not subject to garnishment or attachment. However, the Plan is required to obey a Qualified Domestic Relations Order from a court requiring payment to someone other than yourself or your beneficiary for the purpose of child support, alimony or other marital payments. The Plan Administrator is responsible for determining whether or not the order is qualified.

A Qualified Domestic Relations Order is a court order providing for child support, alimony or marital property rights to a spouse, former spouse, child or other dependent, according to a state domestic relations law. It must satisfy certain requirements under federal law. You may obtain a copy of the Plan's procedures for reviewing such orders at no charge by contacting the Benefits Office.

Administrative Information

PLAN ADMINISTRATION

The NYU Benefits Office is responsible for the daily routine administration of the NYU Staff Pension Plan. You may turn to the Benefits Office for answers to any questions you may have. However, if your question involves an interpretation of the Plan, it will be forwarded to the Pension Plan Committee (the Plan Administrator). The Committee has complete and final discretionary authority to determine all questions regarding an employee's participation and benefits and to interpret and to construe the provision of the Plan documents and summary, including any uncertain terms. Decisions made by the Committee shall be given full deference by any court of law.

PLAN WILL COMPLY WITH FEDERAL LAW

The NYU Staff Pension Plan is governed by the rulings of the Internal Revenue Service and the Department of Labor, and current tax and federal law. The Plan will always be construed to comply with these rulings and laws. If there are any changes in applicable law or governmental rulings, the Plan will be amended as required to stay in compliance. You will be kept informed of any changes as may be required by law.

TOP-HEAVY PROVISIONS

The Plan contains rules required by the Internal Revenue Service which will take effect automatically for any year in which the Plan become top-heavy, which occurs when the present value of total accrued benefits for key employees (certain officers and shareholders) exceed 60% of the present value of total accrued benefits for all employees under the plan, or the plan is part of a group of plans which are top-heavy. It is unlikely that the NYU Staff Pension Plan will ever become top-heavy, but if it does, you will be provided with additional information at that time.

FUTURE OF THE PLAN

From time to time NYU updates the NYU Staff Pension Plan to reflect changes in federal laws and regulations, and to keep the Plan responsive to employee needs and NYU's business objectives. The University expects and intends to continue the Plan indefinitely, but reserves the right to change or terminate the Plan in whole or in part at any time.

Under federal law, no changes in the Plan are allowed that will result in plan assets being used for anything but the sole benefit of plan participants until all obligations to plan participants and beneficiaries are satisfied. Also, no change can be made that will reduce the previously accrued benefits of any participant.

If the Plan were to be terminated in whole or in part, your benefits would become non-forfeitable to the extent funded. Assets of the Plan would be allocated to participants' accounts in the order prescribed by the Pension Benefit Guaranty Corporation (PBGC). Benefits could be provided through the purchase of paid-up annuities or by any other means deemed appropriate by the Plan Administrator.

Your pension benefits under the Plan are insured by the PBGC, a federal insurance agency. If the Plan terminates (ends) without enough money to pay all benefits, the PBGC will step in to pay pension benefits. Most people receive all of the pension benefits they would have received under their plan, but some people may lose certain benefits. The PBGC guarantee generally covers: (1) normal and early retirement benefits, (2) disability benefits if you become disabled before the plan terminates; and (3) certain benefits for your survivors. The PBGC guarantee generally does not cover: (1) benefits greater than the maximum guaranteed amount set by law for the year in which the plan terminates; (2) some or all of benefit increases and new benefits based on plan provisions that have been in place for fewer than 5 years at the time the plan terminates; (3) benefits that are not vested because you have not worked long enough for your employer; (4) benefits for which you have not met all of the requirements at the time the plan terminates; (5) certain early retirement payments (such as supplemental benefits that stop when you become eligible for Social Security) that result in an early retirement monthly benefit greater than your monthly benefit at the plan's normal retirement age; and (6) non-pension benefits, such as health insurance, life insurance, certain death benefits, vacation pay, and severance pay. Even if certain of your benefits are not guaranteed, you still may receive some of those benefits from the PBGC depending on how much money your plan has and on how much the PBGC collects from employers.

For more information about the PBGC and the benefits it guarantees, contact the Benefits Office or the PBGC's Technical Assistance Division, 1200 K Street, N.W., Suite 930, Washington, D.C. 20005-4026 or call 202-326-4000 (not a toll-free number). TTY/TDD users may call the federal relay service toll-free at 1-800-877-8339 and ask to be connected to 202-326-4000. Additional

information about the PBGC's pension insurance program is available through the PBGC's website on the Internet at <http://www.pbgc.gov>.

YOUR RIGHTS UNDER ERISA

As a participant in this Plan, 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:

- Examine, without charge, at the Benefits Office and other specified locations (such as worksites and union halls), all documents governing the Plan, including collective bargaining agreements and a copy of the latest annual report (Form 5500 series) filed by the Plan Administrator with the U.S. Department of Labor and available at the Public Disclosure Room of the Employee Benefits Security Administration.
- Obtain copies of the documents governing the operation of the Plan, including collective bargaining agreements, and a copy of the latest annual report (Form 5500 series) and updated summary plan description, upon written request to the Benefits Office. The Benefits Office may make a reasonable charge for the copies.
- 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.
- Obtain upon request a statement telling you whether or not you have a right to receive a pension at normal retirement age (65, or if later, the fifth anniversary of the date you began working for NYU); and if so, what your benefits would be at normal retirement if you stopped 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 a year. The Plan must provide this statement free of charge.

In addition to creating rights for Plan participants, ERISA imposes obligations upon the Pension Plan Committee, which is responsible for the operation of the NYU Staff Pension Plan. As the Plan's "fiduciaries," the Pension Plan Committee has a duty to operate the Plan prudently and in the interest of you and other Plan participants and beneficiaries.

No one, including New York University, may fire you or otherwise discriminate against you in any way to prevent you from obtaining a benefit or exercising your rights under ERISA.

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 can take to enforce the above rights. For instance, if you request materials 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 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. 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. 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. The court will decide who should pay court costs and legal fees. If you are successful, the court may order the other 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 to be frivolous.

If you have any questions about this Plan, you should contact the Plan Administrator. If you have any questions about this statement or your rights under ERISA or if you need assistance 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 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 also visit the Department of Labor's World Wide Web site (www.dol.gov/).

Plan Facts

OFFICIAL PLAN NAME

New York University Staff Pension Plan
(Non-Contributory)

PLAN NUMBER

002

TYPE OF PLAN

Defined benefit pension plan

EMPLOYER / PLAN SPONSOR

New York University
c/o Benefits Office
Fairchild Building
7 East 12th Street, 2nd Floor
New York, NY 10003-4475
(212) 988-1270
email: benefits@nyu.edu

EMPLOYER IDENTIFICATION NUMBER

13-5562308

PLAN YEAR

September 1 - August 31

PLAN ADMINISTRATOR AND AGENT FOR SERVICE OF LEGAL PROCESS

New York University
c/o Benefits Office
Fairchild Building
7 East 12th Street, 2nd Floor
New York, NY 10003-4475
(212) 988-1270
email: benefits@nyu.edu
Legal Process may also be served on the
Plan Trustee

HOW PLAN BENEFITS ARE PROVIDED

Benefits are provided from a trust established and maintained for the benefit of Plan participants and beneficiaries under a Trust Agreement with the Trustee.

TRUSTEE

Morgan Guaranty Trust Company of New York
Commingled Pension Trust
522 Fifth Avenue
New York, NY 10036

PLAN FUNDING

Benefits are funded solely by contributions from the University. University contributions are paid into a Trust Fund, and all Plan benefits are paid from the Trust Fund.



NEW YORK UNIVERSITY
ISSUE DATE: July 2007