Lake Forest College
Voluntary Separation Program for Administrative Staff and Non-Tenured Faculty

Plan Document and Summary Plan Description

Effective May 31, 2019

Establishment of the Plan

Lake Forest College (hereinafter referred to as the "College") adopted the Lake Forest College Voluntary Separation Program for Administrative Staff and Non-Tenured Faculty (hereinafter the "Plan") effective May 31, 2019 for the benefit of Eligible Employees of the College.

It is the College's intention that the Plan be in compliance with the Employee Retirement Income Security Act of 1974, as amended, including any valid regulation or other applicable authorities promulgated thereunder ("ERISA"), the Internal Revenue Code of 1986, as amended, including any valid regulation or other applicable authorities promulgated thereunder (the "Code"), and other applicable provisions of law.

Purpose of the Plan

The purpose of the Plan is to provide administrative staff and non-tenured faculty who have been long-time employees of the College with separation-type benefits in recognition of their service.

Voluntariness of Participation in the Plan

Participation in the Plan will be on a strictly voluntary basis. The choice is entirely yours. No one at the College is suggesting or requesting that you accept or reject participation in the Program.

The existence of the Plan does not in any way change your relationship with the College. You are free to choose to participate or not to participate. You should understand that if you are eligible and decline to participate, you will not be treated any differently than any other employee with respect to future terms and conditions of employment. However, you should also understand that the Plan does not provide any right to future employment.

Eligible Employees

Only Eligible Employees are entitled to receive benefits under the Plan. An Eligible Employee is a full-time administrative staff member or non-tenured faculty at the College who meets the following requirements as of May 31, 2019: (1) attainment of age 50 or higher; (2) at least 15 years of service as a full-time employee with the College completed by the age of 62 and 65; and (3) annual compensation of at least $50,000. Employees who meet the criteria set forth in the previous sentence as of a later date are not eligible for benefits under this plan.

Participation under the Plan is available to Eligible Employees who return all materials required for participation in the Plan to the College on a timely basis. See "Procedure for Participation in the Plan" section below for details on how to submit materials to participate in the Plan. All submissions are to be made to:

Lake Forest College

Attn: Human Resources
555 N Sheridan Rd
Lake Forest, IL 60045

Employees who are not full-time employees, including temporary employees, part time employees, employees employed for a specific period of time, grant employees, employees employed for a specific project, contracted employees, leased employees who are employed pursuant to an agreement between the College and a third party, and individuals classified or treated as independent contractors by the College are not eligible to participate in the Plan and receive benefits hereunder. An individual's status as an "employee" will be determined by the College, in its complete and sole discretion, and such determination will be conclusive and binding on all persons, notwithstanding any contrary determination of "employee" status by any court or governmental agency, including, without limitation, the Internal Revenue Service or the Department of Labor.

Exceptions to Eligibility

An Eligible Employee will not be entitled to benefits under the Plan if:

1. The Eligible Employee fails to complete all necessary documents required by the College to participate in the Plan, including but not limited to the General Release and Additional Terms by November 1 of the academic year (1) after which s/he intends to terminate his/her employment with the College; and (2) in which the Eligible Employee attains an age between 62 and 65. Benefits under this Plan are only available to Eligible Employees who elect to leave their employment at the end of a school year in which they attained an age between 62 and 65.

2. The occurrence of any of the following: (i) the Eligible Employee's conviction of a felony under state or federal criminal law; (ii) inability of the Eligible Employee to perform the essential functions of his/her position for 90 consecutive calendar days as a result of illness or disability which the College cannot reasonably accommodate without undue hardship; (iii) the Eligible Employee's gross negligence or willful misconduct in connection with the performance of the Eligible Employee's duties or the business affairs of the College; (iv) conduct by the Eligible Employee which may have an adverse impact on the College's reputation or standing; (v) the Eligible Employee's conviction of a crime involving dishonesty or moral turpitude, including but not limited to, fraud, perjury, theft, embezzlement, or plagiarism; (vi) any fraudulent or dishonest conduct by the Eligible Employee in connection with the performance of the Eligible Employee's duties or the business affairs of the College; (vii) material breach of any material terms or provisions of the Eligible Employee's employment agreement, if any; (viii) failure by the Eligible Employee to follow the College's reasonable policies, practices, procedures, directives, or instructions; (ix) if the Eligible Employee's job performance does not meet the legitimate expectations of the College; or (x) any conduct by the Eligible Employee which causes a pending or threatened enforcement action against the College, or otherwise threatens or negatively impacts the good standing of the College.

3. The Eligible Employee leaves employment with the College prior to becoming entitled to receive benefits under the Plan.

4. The Eligible Employee refuses to return or relinquish possession of College property as of his/her last day of employment, or earlier, if requested by the College.

5. The Eligible Employee's involuntary discharge from employment with the College prior to the Eligible Employee becoming eligible to receive benefits under the Plan.

6. The Eligible Employee enters into a separation package, severance agreement, early retirement, or other agreement providing separation-type benefits with the College.

7. The Plan is terminated.

Procedure for Participation in the Plan

To receive benefits under the Plan, an Eligible Employee must complete, to the College's satisfaction, all necessary documents required by the College to participate in the Plan, including but not limited the General Release and Additional Terms no later than November 1 of the academic year after which (1) s/he intends to leave his/her employment with the College; and (2) s/he attains an age between 62 and 65. All submissions should be made to the Director of Human Resources, or the Vice President for Finance and Planning as follows:

Lake Forest College
Attn: Director of Human Resources
555 N Sheridan Rd
Lake Forest, IL 60045

Benefits are available under this Plan if Eligible Employees elect to voluntarily terminate their employment at the end of any academic years in which they attained an age between 62 and 65.

Last Day of Employment

For an Eligible Employee who timely elects to participate in the Plan, the College will determine, at its discretion and based on the College's economic needs, the Eligible Employee's last day of employment, which will generally be the last day of the academic year in which the Eligible Employee elected to leave his/her employment with the College.

Cash Incentive Payments

An Eligible Employee who timely elects to participate in the Plan is entitled to receive as Cash Incentive an amount calculated as follows: 25% of base salary plus 1% base salary for each year of the Eligible Employee's full-time service with the College.

For purposes of calculating an Eligible Employee's Cash Incentive payment, an Eligible Employee's salary and years of service will both be determined as of the last day of the academic year in which s/he elects to leave his/her employment with the College.

Timing and Method of Payments

An Eligible Employee who has otherwise satisfied the requirements to receive benefits under the Plan will be paid the Cash Incentive either (1) as a lump sum at the time of the regularly-scheduled pay period coinciding with the Eligible Employee's last day of employment; or (2) in twelve equal installments every month following the Eligible Employee's final day of employment with the College, until paid in full. Any and all payments under the Plan shall be made in compliance with the requirements of, or pursuant to an exemption under Code § 409A, and the regulations thereunder, if applicable, and all other applicable law. All legally required taxes, deductions and any sums the employee owes to the College will be deducted or withheld from the payments.

In no event shall payment be made unless and until the Eligible Employee has (1) executed and has not revoked the General Release and Additional Terms, and any other documents required by the College to receive benefits under the Plan, and (2) the time for revocation of the General Release and Additional Terms has expired.

Health Coverage Continuation

An Eligible Employee who has otherwise satisfied the requirements to receive benefits under the Plan who was a participant in the Lake Forest College Choice Plus PPO Plan (the "Group Health Plan") immediately prior to the last day of employment is eligible for health coverage under the Group Health Plan for the Employee and his/her spouse (or domestic partner, as defined under the Group Health Plan) and dependent children after leaving employment until (1) the Eligible Employee attains age 65; or (2) the Eligible Employee becomes eligible for another group health plan, such as an employer-sponsored or state or federal government-sponsored plan (regardless of whether the Eligible Employee actually enrolls in the other group health plan). The cost of coverage for Eligible Employees and spouses and dependents will be the same as that for full-time employees of the College and must be paid monthly by the participant. Coverage for spouses and domestic partners under the Group Health Plan will terminate when the Eligible Employee's coverage terminates, subject to the terms of the Group Health Plan.

Health coverage provided under the Group Health Plan is subject to the terms of the Group Health Plan. In the event of a conflict between this Plan and the terms of the Group Health Plan, the terms of the Group Health Plan will control. There is no vested right to post-employment health coverage provided under this Plan. The College reserves the right, in its sole discretion, to amend, modify, or terminate the Group Health Plan or the terms thereof at any time. In no event will the College be obligated to provide or arrange for alternate health coverage in the event that an Eligible Employee's coverage under the Group Health Plan is terminated for any reason, including by the College's action.

Payout of Accrued Vacation Time

An Eligible Employee who timely elects to participate in the Plan will be paid out his/her accrued vacation time pursuant to the College's policies and procedures, if such Eligible Employee would otherwise have been eligible to receive such payouts upon the termination of his/her employment with the College.

Adjustment of Dollar Amounts

Any and all dollar amounts communicated to an Eligible Employee by the College, or one of its agents, or otherwise represented to an Eligible Employee prior to his/her final day of employment are for illustration purposes only, and in no way bind the College to pay any benefits in a manner inconsistent with the terms of this Plan. Any dollar amounts paid under the Plan are subject to adjustment based on the Eligible Employee's changed benefit eligibility, including but not limited to, years of service and weekly wage rate.

Eligible Employee's Death

If an Eligible Employee dies before his/her full allotment of benefits under the Plan have been paid out, any Cash Incentive amounts that remain payable to the Eligible Employee will be paid to the Eligible Employee's estate or designated death beneficiary.

Waiver and Release Agreements

To receive benefits under the Plan, an Eligible Employee must submit (and not later revoke) a signed General Release and Additional Terms to the Plan Administrator, and the time period for revocation of those Agreements must have expired. The General Release and Additional Terms must be in a form acceptable to the College. The General Release and Additional Terms must be submitted by the Eligible Employee to the College within 45 days after receipt.

Representations Contrary to Plan Terms

No employee, officer, or director of the College has the authority to alter, vary, or modify the terms of the Plan except by means of an authorized written amendment to the Plan. No verbal or written representations contrary to the terms of the Plan and its written amendments shall be binding upon the Plan, the Plan Administrator, or the College. In the event of a conflict between the terms of this Plan and any other documents or communications provided to you by the College regarding the benefits provided herein, the terms of this Plan shall control.

Plan Administration

The College will serve as the "Plan Administrator" of the Plan and the "named fiduciary" as defined in ERISA. The Plan Administrator has the discretionary authority to determine eligibility for plan benefits and to construe the terms of the Plan. The Plan Administrator's decisions are final and conclusive with respect to all questions regarding administration and interpretation of the Plan. The Plan Administrator may delegate to other persons responsibilities for performing certain other duties of the Plan Administrator under the terms of the Plan and may seek such expert advice as the Plan Administrator deems reasonably necessary with respect to the Plan. The Plan Administrator is entitled to rely upon information and advice provided by such delegates and experts.

Making and Appealing Claims for Plan Benefits

Any claim for benefits under the Plan must be in writing and filed with the Plan Administrator. Within ninety (90) days after receiving a claim (or within 180 days if special circumstances require an extension of time and written notice was provided to you before the expiration of the initial ninety (90) day period), the Plan Administrator will:

(a) either accept or deny the claim completely or partially; and
(b) notify you of acceptance or denial of the claim.

If the claim is completely or partially denied, the Plan Administrator will provide a written notice to you containing the following information:

(a) specific reasons for the denial;
(b) specific references to the Plan provisions on which any denial is based;
(c) a description of any additional material or information that you must provide in order to support the claim; and
(d) an explanation of the Plan's appeal procedures.

You may appeal the denial of your claim and have the Plan Administrator reconsider the decision. You or your authorized representative has the right to:

(a) request an appeal by written request to the Plan Administrator not later than one hundred and eighty (180) days after receipt of notice from the Plan Administrator denying your claim;
(b) review pertinent Plan documents; and
(c) submit issues and comments regarding the claim in writing to the Plan Administrator.

The Plan Administrator will make a decision with respect to an appeal within sixty (60) days after receiving the appeal (this sixty (60) day period can be extended for an additional sixty (60) days if special circumstances require an extension of time and written notice is provided to you or your authorized representative before the extension commences). You or your authorized representative will be advised of the Plan Administrator's decision in writing. The notice will set forth the specific reasons for the decision and make specific reference to Plan provisions upon which the decision on the appeal is based.

In no event will you or any other person be entitled to challenge a decision of the Plan Administrator in court or in any other administrative proceeding unless and until the claim and appeal procedures described above have been complied with and exhausted.

Limitation on Legal Actions

The Plan contains a one-year statute of limitations. Notwithstanding any other state or federal law, any and all legal actions against the Plan or the College or must be filed within one (1) year of the action or inaction complained of. This includes but is not limited to actions to recover benefits that must be filed within one (1) year of the final decision on your claim. The situs of the Plan is in Lake County, Illinois. Legal actions must be brought in the appropriate state or federal court located in or closest to Lake County, Illinois.

You may not bring a legal action or administrative proceeding until you have exhausted the Plan's claims and appeals procedures.

Amendment, Termination, and Vesting

No person has any vested right to any of the benefits under the Plan and the College reserves the right, in its sole discretion, to amend, modify, or terminate the Plan at any time, retroactively or otherwise.

No Assignment

Benefits payable under the Plan will not be subject to anticipation, alienation, pledge, sale, transfer, assignment, garnishment, attachment, execution, encumbrance, levy, lien, or charge, and any attempt to cause such severance pay to be so subjected will not be recognized, except to the extent required by law.

Recovery of Payments Made by Mistake

An Eligible Employee or other individual is required to return to the College any payment made by mistake of fact or law within thirty (30) days of receipt or notice from the College that the payment was made in error.

Representations Contrary to the Plan

No employee, officer, or director of the College or any affiliated entity has the authority to alter, vary, or modify the terms of the Plan except by means of an authorized written amendment to the Plan. No verbal or written representations contrary to the terms of the Plan and its written amendments will be binding on the Plan, the Plan Administrator, or the College.

Plan Funding

No Eligible Employee or other individual will acquire, by reason of the Plan, any right in or title to any assets, funds, or property of the College or any affiliated entity. Any benefits that become payable under the Plan are unfunded obligations of the College and will be paid from the general assets of the College. No employee, officer, director or agent of the College or any affiliated entity guarantees in any manner the payment of benefits under the Plan.

Applicable Law

The Plan will be governed and construed in accordance with ERISA, and in the event that any reference will be made to state law, the laws of the State of Illinois will apply.

Severability

If any provision of the Plan is found, held, or deemed by a court of competent jurisdiction to be void, unlawful, or unenforceable under any applicable statute or other controlling law, the remainder of the Plan will continue in full force and effect.

Plan Year

The plan year for purposes of ERISA is the calendar year.

Miscellaneous Provisions

All the College property (e.g., keys, credit cards, documents and records, identification cards, equipment, mobile phones, etc.) must be returned by each Eligible Employee as of his/her last day of employment, or earlier, if requested by the College, in order for the Eligible Employee to receive benefits under the Plan.

All pay and other benefits (except benefits under the Plan) payable to an Eligible Employee as of his/her date of termination of employment with the College according to established policies, plans, and procedures of the College will be paid in accordance with the terms of those established policies, plans, and procedures. In addition, any benefit continuation or conversion rights which an Eligible Employee has as of his/her date of termination of employment with the College according to the established policies, plans, and procedures of the College will be made available to him/her.

Equal Employment Opportunity

The College is strongly committed to creating and preserving equal opportunity for all employees and applicants. The College makes all employment decisions – including recruitment, hiring, compensation, training, promotion, transfer, discipline, termination and other personnel matters – without regard to race, color, ancestry, religion, sex, national origin, age, disability, military status, marital status, sexual orientation, genetic information, citizenship, gender identity, parental status, or other legally protected characteristics or conduct. the College's strong commitment to equal opportunity requires a commitment by each individual employee. Compliance with the letter and spirit of this policy is required of all employees.

Statement of ERISA Rights

Plan participants are entitled to certain rights and protections under ERISA. ERISA provides that Plan participants will be entitled to:

Receive Information About Your Plan and Benefits

- Examine, without charge, in the College's human resources department, all documents governing the plan, including any insurance contracts and collective bargaining agreements governing their employment, and a copy of the latest annual report (Form 5500 Series) (if any) filed by the Plan with the U.S. Department of Labor and available at the Public Disclosure Room of the Employee Benefits Security Administration ("EBSA").

- Obtain, upon written request to the College, copies of documents governing the operation of the Plan, including any insurance contracts, certificates of coverage, copies of the latest annual report if applicable (Form 5500 Series), and an updated summary plan description. The College may make a reasonable charge for the copies.

- Receive a summary of the Plan's annual financial report. The College is required by law to furnish each participant with a copy of the summary annual report for a plan year.

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 employee benefit plan. The people who operate the Plan, called "fiduciaries" of the Plan, have a duty to do so prudently and in the interest of you and other Plan participants and beneficiaries. No one, including your College, your union, or any other person, may fire you or otherwise discriminate against you in any way to prevent you from obtaining a benefit or exercising your rights under ERISA.

Enforce Your Rights

If your claim for benefits 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, in writing, a copy of Plan documents or the latest annual report from the College and do not receive them within 30 days, you may file suit in federal court. In such a case, the court may require the College to provide the materials and pay you up to $110 a day until you receive the materials, unless the requested materials were not sent because of reasons beyond the control of the College.

If you have a claim for benefits that is denied or ignored, in whole or in part, you may file suit in a state or federal court. No action at law or in equity may be brought to recover under the Plan until the appeal rights herein provided have been exercised and the benefits requested in such appeal have been denied in whole or in part. If it should happen that Plan fiduciaries misuse the Plan's money, or if you are discriminated against for asserting your rights, you may seek assistance from the U.S. Department of Labor, or you may file suit in a federal court. The court will decide who should pay court costs and legal fees. If you are successful, the court may order the person you have sued to pay these costs and fees. If you lose, the court may order you to pay these costs and fees, for example, if it finds your claim is frivolous.

Assistance with Your Questions

If you have any questions about the Plan, you should contact the Director of Human Resources. If you have any questions about this statement or about your rights under ERISA, or if you need assistance in obtaining documents from the College, you should contact the nearest office of EBSA, formerly known as the Pension and Welfare Benefits Administration, U.S. Department of Labor, listed in your telephone directory, or the Division of Technical Assistance and Inquires, Employee Benefits Security Administration, U.S. Department of Labor, 200 Constitution Avenue, NW., Washington, D.C., 20210. You may also obtain certain publications about your rights and responsibilities under ERISA by calling the publications hotline of EBSA.

General Information

Plan Name:	Lake Forest College Voluntary Separation Program for Administrative Staff
Plan Number:	509
Plan Sponsor:	Lake Forest College 555 N. Sheridan Road Lake Forest, IL 60045 (847) 234-3100
Plan Sponsor's College Identification Number:	362167770
Plan Administrator:	Plan Sponsor
Agent for Service of Legal Process:	Plan Sponsor
Plan Year:	January 1 through December 31