

**St. Lawrence University
403(b) Investment Policy Statement**

Purpose

The purpose of this document is to establish the investment policy for St. Lawrence University 403(b) plans. It is the intention of St. Lawrence University that the 403(b) plans be structured in such a fashion as to be an “ERISA section 404(c) plan”. In general terms this means:

- Providing each individual participant an opportunity to exercise independent control over the assets in his/her account;
- Providing participants the opportunity to give instructions exercising control over the assets in their account with a frequency which is appropriate for each investment alternative in light of each alternative’s volatility; and
- Providing each participant an opportunity to choose from a broad range of investment alternatives the manner in which some or all the assets in their account are invested.

This policy is intended to implement the provisions of the Plan Document and in the event of a difference, the provisions of the Plan Document prevail.

Roles and Responsibilities

St. Lawrence University Plan Administrator

In accordance with the Plan Document, the Board of Trustees has appointed a committee as Plan Administrator. The 403(b) Plan Administrator Committee, as it will be known, will be made up of the Vice President for Administrative Operations, the Vice President for Finance and Treasurer, the Associate Vice President for Human Resources, the Controller, and the Associated Director of Human Resources. As the St. Lawrence University Plan Administrator, the 403(b) Plan Administrator Committee is responsible for the following:

- Developing and adopting the investment policies of the plan;
- Providing for the implementation, review and modification of this policy;
- Selecting, engaging and retaining the fund sponsors and investment options;
- Determining the default investment option for assets in the plan that are without specific investment direction; and
- Determining the frequency with which participants may exercise control over the assets in their account.

It is the intention of the 403(b) Plan Administrator Committee that the plan provides its participants a broad range of investment options and that the nature of these options are properly communicated to participants. These alternatives should have different risk and return characteristics so that, taken all together or in some combination, they provide an

individual participant the opportunity to arrange a portfolio with aggregate characteristics in a range appropriate for each participants level of risk tolerance. This range of alternatives should provide each Participant with a reasonable opportunity to:

- 1) Materially affect the potential return on amounts in the Account(s) with respect to which the Participant is permitted to exercise control and the degree of risk to which such amounts are subject;
- 2) Choose from at least three diversified categories of investments;
 - a) Each of which has materially different risk and return characteristics;
 - b) Which in the aggregate enable the participant by choosing among them to achieve a portfolio with aggregate risk and return characteristics at any point within the range normally appropriate for the participant; and
 - c) Each of which, when combined with investments in either of the other categories, tends to minimize the risk of the participant's portfolio at any given level of expected return.

It is also the responsibility of the 403(b) Plan Administrator Committee to establish policies and procedures for providing participant level communications making sure to include the following:

- That it is intended that the plan qualify as an ERISA 404(c) plan, and that the fiduciaries of the plan may be relieved of liability for any losses which are the direct and necessary result of investment instructions given by a participant;
- Information for each investment option, including:
 - A general description of its investment objectives, risk/return characteristics and type and diversification of underlying holdings;
 - An explanation of the circumstances under which a participant may give investment instructions;
 - The identity of any designated investment manager;
 - A description of any transaction fees or expenses in connection with its purchase and sale;
 - For mutual funds, a copy of the most recent prospectus prior to or immediately after an employees initial investment in the fund, and the names and addresses of the responsible fiduciaries who can, either directly or upon request, furnish copies of any prospectus, financial statements, or reports to the extent such information is provided to the plan for each investment option.

This communication can be accomplished through a variety of mediums (e.g., Summary Plan Descriptions ("SPD's"), or related employee communications). Selected service providers will assist the 403(b) Plan Administrator Committee with these duties; however, it is ultimately the responsibility of the 403(b) Plan Administrator Committee to see that appropriate procedures have been established to carry out each of these commitments to plan participants.

Participants in the St. Lawrence University 403(b) Plan

It is each individual participant's responsibility to:

- Obtain sufficient information to make informed decisions with regard to the investment options available to him/her in their plan; and
- Give investment instructions for his/her individual account balance and future contributions to the identified plan fiduciary.

For those participants who fail to give investment instructions regarding either their balance in the plan or future contributions to the plan, the 403(b) Plan Administrator Committee has determined that such balances and contributions will be invested with TIAA-CREF in the appropriate Life Cycle Fund for the participant's age.

General Guidelines for Selecting and Monitoring Investment Options

The 403(b) Plan Administrator Committee has determined that a number of factors should be reviewed when selecting the investment options that constitute this broad range of investment alternatives. These general criteria may include:

- The size, history and reputation of the investment firm, which manages the investment option;
- The education, tenure and previous experience of the individual manager for each investment option;
- The investment objectives and structure of the option;
- Its historical risk and return measured against appropriate benchmarks and/or peer groups;
- Its cost to the participants including any purchase or exchange fees, as well as, its annual operating expenses; and
- Its ability to assist participants in meeting their individual investment goals when evaluated with the other available investment options.

The aforementioned factors are also intended to be general considerations for the evaluation of the various investment options. In addition, on a periodic basis, the 403(b) Plan Administrator Committee will also specifically review:

- The performance of each investment option available to participants in the plan using the aforementioned guidelines; and
- The range of investment options provided to participants.

Changes to the investment options available to participants will be made at the sole discretion of the 403(b) Plan Administrator Committee.