

SUMMARY PLAN DESCRIPTION

for

***THE ALEXANDER DAWSON SCHOOL
401(k) PLAN***

November 2011

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SUMMARY PLAN DESCRIPTION

(1) **General.** The legal name, address and Federal employer identification number of the Employer are-

The Alexander Dawson School at Rainbow Mountain, L.L.C EIN: 94-3382725
10845 W. Desert Inn Road
Las Vegas, NV 89135

The Employer has established a retirement plan ("Plan") to supplement your income upon retirement. In addition to retirement benefits, the Plan may provide benefits in the event of your death or disability or in the event of your termination of employment prior to normal retirement. If after reading the summary you have any question, please ask the Plan Administrator.

We emphasize this summary plan description ("SPD") is a highlight of the more important provisions of the Plan. If there is conflict between a statement in this SPD and in the Plan, *the terms of the Plan shall control.*

(2) **Identification of Plan.** The Plan is known as **The Alexander Dawson School 401(k) Plan.**

The Employer has assigned 003 as the Plan identification number. The plan year is the period on which the Plan maintains its records: January 1 through December 31.

(3) **Type of Plan.** The Plan is commonly known as a 401(k) plan. Section (8), "Employer's Contributions," explains how you share in the Employer's annual contributions to the trust fund and the extent to which the Employer has an obligation to make annual contributions to the trust fund.

Under this Plan, there is no fixed dollar amount of retirement benefits. Your actual retirement benefit will depend on the amount of your account balances at the time of retirement. Your account balances will reflect the Employer's annual contributions, your deferral contributions, if any, the period of time you participate in the Plan, and your success in investing and re-investing the assets of your Accounts.

A governmental agency known as the Pension Benefit Guaranty Corporation (PBGC) insures the benefits payable under plans which provide for fixed and determinable retirement benefits. This Plan does not provide a fixed and determinable retirement benefit. Therefore, the PBGC *does not* include this Plan within its insurance program.

(4) **Plan Administrator.** The Employer is the Plan Administrator. The Employer's telephone number is (702) 949-3600. The Employer has designated the **Business Manager** to assist the Employer with the duties of Plan Administrator. You may contact the **Business Manager** at the Employer's address.

The Plan Administrator is responsible for providing you and other participants information regarding your rights and benefits under the Plan. The Plan Administrator also assists in the administration of the Plan, including the responsibility for making all discretionary determinations under the Plan and for giving distribution directions to the Trustee. In addition, the Plan Administrator has the primary authority for filing the various reports, forms and returns with the U.S. Department of Labor ("DOL") and with the Internal Revenue Service ("IRS").

The name of the person designated as agent for service of legal process and the address where a processor may serve legal process upon the Plan are -

Business Manager
c/o The Alexander Dawson School at Rainbow Mountain, L.L.C.
10845 W. Desert Inn Road
Las Vegas, NV 89135

A legal processor also may serve the Trustee of the Plan or the Plan Administrator.

(5) **Trustee/Trust Fund.** The Employer has appointed -

JPMorgan Chase Bank, N.A.
Worldwide Securities Services
One Chase Manhattan Plaza, 19th Floor
New York, New York 10005-1401

to hold the office of directed-Trustee. The Employer will deliver its annual and monthly contribution(s) under the Plan to TIAA-CREF who in turn will transmit all contributions to the directed-Trustee. The directed-Trustee will have actual custody of all amounts the Employer contributes under the Plan in a trust fund. As a non-discretionary, directed-Trustee, the Trustee will follow your proper investment direction relating to the available Plan investments. The Plan Administrator is responsible for selecting the available investments. See Section (22), **Participant Direction of Investment**, regarding the investment of your Accounts maintained under the trust fund.

Upon the direction of the Plan Administrator, the directed-Trustee will make all distribution and benefit payments from the trust fund to participants and beneficiaries. The directed-Trustee will maintain trust fund records on a plan year basis: January 1 through December 31.

TIAA-CREF. The Plan has contracted with TIAA-CREF to provide non-fiduciary third party administrative services ("TPA") for the benefit of participants and the Plan. In addition to participant recording keeping services, TIAA-CREF will provide participants investment educational information, process participant loans and distribution requests, including hardship distributions.

Plan Committee. The Employer's contract with the directed-Trustee requires the Employer to appoint a Committee to monitor the investment performance of the mutual funds offered by TIAA-CREF. The members of the Plan Committee may change from time to time, but the names of the current members of the Plan Committee are Mario P. Borini, Oswald Gutsche, and John D. O'Brien.

(6) **Hours of Service.** The Plan and this SPD include references to hours of service. These references relate *solely* to an employee's *eligibility to receive Employer contributions*. See Section (7) which explains the hours of service requirement for this purpose.

The DOL, in its regulations, has prescribed various methods under which the Employer may credit hours of service. The Employer has selected the "actual" method for crediting hours of service for purposes of eligibility to receive Employer contributions. Under the actual method, you will receive credit for each hour for which the Employer pays you, directly or indirectly, or for which you are entitled to payment, for the performance of your employment duties. You also will receive credit for

certain hours during which you do not work if the Employer pays you for those hours, such as paid vacation.

If your absence from employment is due to maternity or paternity leave, you will receive credit for unpaid hours of service related to your leave, not to exceed 501 hours. The Plan Administrator will credit these hours of service to the first period during which you otherwise would incur a 1-year break in service as a result of the unpaid absence. In addition, if your absence is due to qualified military service required to be credited under the Uniformed Services Employment and Reemployment Rights Act ("USERRA") or service required to be credited under the Family and Medical Leave Act ("FMLA"), the Plan Administrator will credit you with hours of service in accordance with USERRA or the FMLA.

(7) **Eligibility to Participate.** If you are not an excluded employee as described below, you may make elective deferral contributions under the Plan as soon as administratively practicable after your hire date. The Plan imposes an age condition of 21, but not a service requirement, which you must satisfy in order to make your elective deferrals. In addition, for you to receive the Employer's fixed contribution, you first must complete a one year of service requirement and attain age 21. See Section (8) for a description of the Employer's fixed *and* discretionary contributions.

Elective Deferral Contributions/Salary Reduction Form. If you wish to make deferral contributions, you must complete an election form to reduce your salary. You may obtain a salary reduction election form from the Plan Administrator. The Employer will withhold deferral contributions from your pay check in accordance with your salary reduction election form.

Employer Contributions/Service and Age Requirements. If you are an employee eligible to make deferral contributions, you also will become eligible to receive the Employer's fixed 3% contribution on the Entry Date immediately following the date on which you complete one year of service assuming you are at least age 21 when you complete one year of service.

For eligibility to receive Employer fixed contribution, the Plan defines "year of service" as a 12-month period in which you work at least 1,000 hours for the Employer. The 12-month period starts on your first day of employment with the Employer. For example, if you begin work on August 1 of a particular plan year and work 1,000 hours from that August 1 through the following July 31, you would enter the Plan on the Entry Date immediately following the completion of the one year of service assuming you are at least age 21 when you complete one year of service. If you have not yet attained age 21 when you complete one year of service, then you would become eligible to receive the Employer's fixed contribution on the Entry Date immediately following your attaining age 21.

After your first employment year, the Plan will measure your eligibility to receive the Employer's fixed contribution on a plan year basis. In the prior example, the second measuring period would begin on the first January 1 after your August 1 employment date and other 12-month periods would be the following plan years. The Plan will need to measure more than one eligibility period if you do not complete 1,000 hours of service in your first employment year.

Entry Date. Your Entry Date for eligibility to receive the Employer's fixed contribution is *the later of* the first day of the sixth month immediately following your completing one year of service or the first day of the sixth month immediately following your attaining age 21. In the above example for an employee age 21 employed on August 1, 2011, the Entry Date would be January 1, 2013, the first day of the sixth month (January 2013) following completion of one year of service on July 31, 2011.

Reemployed employee. If you terminate employment after becoming a participant in the Plan and later return to employment, you will become a participant immediately upon your reemployment. Also, if you terminate employment after satisfying the Plan's eligibility conditions but before actually becoming a participant in the Plan, you will become a participant in the Plan if you return to employment on your date of re-employment or, if later, your applicable Entry Date. If you terminate employment before satisfying an eligibility condition and later return to employment, you must satisfy the eligibility condition before you are eligible to participate in the Plan.

Excluded employee. An employee who is a "reclassified" employee, a leased employee and any employee employed *solely* as a Substitute Bus Driver, as a Substitute Teacher, as a Coach, as Summer School Staff, as Before and After Care Staff, or *solely* as summer staff for the Center for Excellence in Teaching and Learning, or within any combination of the last six listed classifications, is not eligible to participate in the Plan. If by reason of an exclusion, you should become ineligible to participate in the Plan, you may not receive an allocation of the Employer's contribution during the period of your exclusion, but during this period your account balances will continue to share in trust fund earnings or losses.

(8) Employer's Contributions. The two Employer contributions under the Plan are the Employer fixed 3% safe harbor contribution and the Employer discretionary profit sharing contribution. An eligible employee who has satisfied the Plan's service and age requirements will receive the Employer's fixed contribution even if he or she does not make "elective deferrals" described in the next several paragraphs. A non-excluded employee who has satisfied the Plan's eligibility requirements necessary to receive the Employer's fixed contribution becomes eligible for the Employer's discretionary profit sharing contribution, if any, after the employee completes his/her fifth qualifying employment year of service with the Employer as explained below under "**Discretionary Profit Sharing Contributions.**"

401(k) Arrangement/Elective Deferrals. This Plan includes a "401(k) arrangement," under which you may elect (via salary reduction) to have the Employer contribute a portion of your compensation to the Plan. The contributions the Employer makes under your election are "elective deferrals." The Plan Administrator will allocate your elective deferrals to a separate account designated by the Plan as your elective deferral account. Your elective deferrals are not subject to federal income tax, but are subject to Social Security taxes and Medicare taxes.

Salary Reduction Election. As a participant in the Plan, you may enter into a salary reduction agreement with the Employer. You may obtain a salary reduction election form from the Plan Administrator. The salary reduction election form will explain your salary reduction options. The Employer will withhold from your compensation the amount you have agreed to have the Employer contribute as elective deferrals.

Your salary reduction election remains in effect until you revoke the agreement. You may revoke or modify your salary reduction election as specified in the form. If you revoke your salary reduction agreement, you may file a new election at any time. The Plan will implement any of these changes as soon as administratively practicable. See the salary reduction election form for details. Your elective deferrals may not exceed the maximum amount permitted annually as described below.

Elective Deferral Plan Limits. All elective deferrals must be made in increments equal to 1% of compensation. You may defer up to 100% of your compensation, less applicable payroll taxes.

Elective Deferral Code Limitations. For any calendar year, your elective deferrals may not exceed a specific dollar amount as determined by the IRS. For example, for the calendar year 2012, the maximum dollar amount is \$17,000 (\$16,500 for 2011). This amount is indexed to increase in increments of \$500 as published by the IRS. If your elective deferrals for a particular calendar year exceed the dollar limitation in effect for that calendar year, the Plan will refund the excess amount, plus any earnings (or loss) allocated to that excess amount. If you participate in another "401(k) arrangement" or in similar arrangements under which you elect to have an employer contribute on your behalf, your total elective deferrals may not exceed the dollar limitation in effect for that calendar year.

The Form W-2 you receive from each employer for the calendar year will report the amount of your elective deferrals for that calendar year under that employer's plan. If your total exceeds the dollar limitation in effect for that calendar year you should decide which plan you wish to designate as the plan with the excess amount. If you designate this Plan as holding the excess amount for a calendar year, you must notify the Plan Administrator of that designation by March 1 of the following calendar year. The Trustee then will distribute the excess amount to you, plus earnings (or loss) allocated to that excess amount.

Catch-up Contributions. If you are eligible to make elective deferrals under the Plan, and you are age 50 or older by December 31, you may make catch-up contributions in accordance with special limitations announced annually by the IRS. These "catch-up" contributions are in addition to the Code imposed maximum dollar limitation as described above. The limit on catch-up contributions in 2011 and in 2012 is \$5,500. As an example, assume that you defer \$17,000 into your elective deferral account during the 2012 plan year. Assume also that you will reach age 50 during 2012, and you make an additional \$5,500 catch-up contribution under the provisions of this paragraph. Your total elective deferrals for 2012 would be \$22,500. For purposes of deduction from current income, employment taxes and distributions, the Plan treats your catch-up contributions in the same manner as your other (non-catch-up) elective deferrals.

Fixed Employer Contributions. Each plan year, the Employer will make a fixed safe harbor contribution to the Plan equal to 3% of your compensation for the plan year. Again, you must complete **a one year** of service requirement and attain age 21 to receive the Employer fixed 3% safe harbor contribution allocation. See Section (7). The Plan Administrator will allocate this contribution to your Safe Harbor Contributions Account. For example, assume you receive compensation of \$30,000 during a particular plan year. Your fixed safe harbor contribution allocation will equal \$900 (3% of \$30,000), even if you do not make deferral contributions for the plan year.

Discretionary Profit Sharing Contributions. The Plan also permits the Employer to contribute, at its discretion, an additional amount to the Plan ("discretionary profit sharing contributions"). You first must complete **a one year** of service requirement and attain age 21 to share in any Employer discretionary profit sharing contribution allocations. See Section (7). You then must complete a second condition of four additional employment years (not necessarily consecutive) in which you work at least *one hour* for the Employer. The Employer intends to make a discretionary profit sharing contribution every plan year. Only under unusual circumstances would the Employer not make a discretionary profit sharing contribution equal in full to the allocation formula explained in the next paragraph.

The Plan Administrator will allocate the Employer's discretionary contribution to the separate Employer Contributions Accounts maintained for all participants who have satisfied the service and age conditions

described under Section (7). The Plan Administrator completes this allocation using the following formula:

- (1) For each participant with less than 10 years of service but with at least 5 years of service, an amount not exceeding 2% of his/her compensation during the plan year; and,
- (2) For each participant with 10 or more years of service, an amount not exceeding 4½% of his/her compensation during the plan year.

You are eligible for the 2% discretionary contribution as of the first day of the plan year *immediately following* the plan year in which you receive credit for your 5th qualifying employment year of service with the Employer. For this purpose, a “qualifying” year of service is the employment year in which you satisfy the one-year of service requirement described in Section (7) above and any *subsequent* employment year during which you complete *one hour of service* and are employed by the Employer on the last day of your employment year. In general, an employment year is a 12-consecutive month period measured from your first day of employment and each successive 12-month period measured from the anniversary of your employment commencement date. To the extent the Employer does not make a discretionary contribution for the plan year equal to an Employer contribution necessary to allocate fully under each tier of the above allocation formula, the Plan Administrator will reduce proportionately the contribution allocation within each allocation tier.

For example, assume your compensation for a plan year is \$25,000 and you completed your fifth qualifying *employment* year of service on the July 31 falling within that plan year. Your total Employer fixed contribution for the plan year would equal \$750 (3% x \$25,000 = \$750). Assume the same facts as in the preceding example for the *subsequent* plan year. Your total Employer contribution for the *subsequent* plan year would equal \$1,250 (3% x \$25,000 = \$750 fixed contribution plus 2% x \$25,000 = \$500 discretionary contribution) because you completed your fifth qualifying employment year of service during the preceding plan year.

Rollover Contributions. If you are not an excluded employee, subject to Plan Administrator approval, you may contribute an amount to the Plan which qualifies as a rollover contribution. For this purpose, you may rollover your account balance into this Plan from a prior retirement plan (including a 403(b) plan) or from a traditional IRA. A traditional IRA is an individual retirement account or an annuity which is NOT a Roth IRA, a Simple IRA or an education IRA. The Plan Administrator will allocate your rollover contribution to your rollover contributions account.

Allocation of forfeitures. Generally, the Plan allocates participant forfeitures as if the forfeitures were additional Employer contributions for the plan year in which the forfeiture occurs.

Compensation. For purposes of determining and allocating Employer contributions, the Plan defines compensation as the total taxable compensation paid to you for services rendered to the Employer and also including your elective deferrals, but *excluding*: (a) certain fringe benefits (reimbursements and other expense allowances, cash and non-cash fringe benefits, moving expenses, deferred compensation, and welfare benefits); (b) all severance pay (regardless of when paid); and (c) all post-severance compensation except the final paycheck paid in the same plan year in which you terminate employment.

You may also make elective deferral contributions from your total compensation (net of applicable payroll taxes), but you may not defer from fringe benefits, severance pay and certain post-severance compensation, all as just described. Compensation for Plan purposes is also subject to a dollar limitation which is announced by the IRS each year. See Section (7) regarding the one-year of service requirement for eligibility to receive the Employer's fixed and discretionary contributions. With limited exceptions, the Plan includes your compensation only for the *part of the plan year* in which you actually are a participant. This limitation applies solely to the Employer's fixed and discretionary contributions.

Trust Fund Allocations. The Plan Administrator, in general, will allocate trust fund earnings for the valuation period and trust fund gains and losses to all participants' separate Accounts on the basis of each participant's opening account balance for the valuation period less distributions and charges to each participant's account during the valuation period with special accounting for the portion of the trust fund subject to participant direction of investment and for deferral contributions made during the valuation period. See Section (22).

Conditions for allocation. You do not have to complete any hour of service requirement to make a deferral contribution. Once you have satisfied the one year of service condition and have attained age 21, you do not have to complete any hour of service requirement to receive an allocation of an Employer contribution described under this Section (8). Furthermore, employment on a particular day of the plan year is not a condition to make deferral contributions nor to sharing in any Employer contribution for which you otherwise are eligible for that plan year.

Limitations. The law limits the amount of "additions" (other than trust earnings) which the Plan may allocate to your Accounts under the Plan. Your additions may never exceed 100% of your compensation for a particular plan year, but may be less if 100% of your compensation exceeds a dollar amount announced by the Internal Revenue Service each year. The Plan may need to reduce this limitation if you participate (or have participated) in any other plans maintained by the Employer. The discussion of Plan allocations in this Section (8) is subject to this limitation.

(9) Employee Contributions. The Plan does not permit nor require you to make employee contributions to the trust fund. "Employee contributions" are contributions made by an employee for which the employee does not receive an income tax deduction. The only sources of contributions under the Plan are the annual fixed Employer contribution, the annual discretionary Employer contribution, your deferral contributions made at your election under the 401(k) arrangement described in Section (8) and your rollover contribution(s), if any. Deferral contributions are not "employee contributions" for purposes of the Plan.

(10) Vesting in Employer Contributions. Your interest in the contributions the Employer makes to the Plan for your benefit is 100% vested immediately. Normal retirement age under this Plan is age 59½. Upon Normal Retirement Age, you have certain distribution rights as described below even though you are still working for the Employer.

(11) Payment of Benefits After Termination of Employment. Upon your termination of employment with the Employer, you will receive a distribution package that will describe the distribution options that are available to you under the Plan. The time at which the Plan will commence distribution to you and the form of that distribution depend on whether the value of your account balances exceeds \$5,000 as explained below. If you have any questions regarding your distribution options under the Plan, please contact the Plan Administrator.

If you receive a distribution from the Plan before you attain age 59½, the law imposes a 10% penalty on the amount of the distribution you receive to the extent you must include the distribution in your gross income, unless you qualify for an exception from this penalty. You should consult a tax advisor regarding this 10% penalty.

Balance not exceeding \$5,000. If you terminate employment with the Employer and the value of your account balances does not exceed \$5,000, the Plan will distribute your account balances to you as soon as administratively practicable after the date on which you terminate employment. The Plan does not permit you to receive distribution in any form other than a lump sum.

In lieu of receiving a lump sum distribution, you may elect to have your distribution rolled over to an IRA or to another eligible plan. If the value of your account balance exceeds \$1,000 but does not exceed \$5,000, and you do not elect to receive your distribution or to roll over your distribution to an IRA or to another eligible Plan, the law requires the Plan to roll over your distribution to an IRA selected by the Plan Administrator. The IRA investments will be designed to preserve principal and to provide a reasonable rate of return and liquidity (such as an interest bearing account, a certificate of deposit or a money market account). The IRA provider will charge your account for any expenses associated with the establishment and maintenance of the IRA and with the IRA investments. You may transfer the IRA funds to any other IRA you choose. The Plan Administrator will provide you with more details regarding the IRA rollover requirement at the time you are entitled to a distribution.

Balance exceeding \$5,000. If you terminate employment with the Employer and the value of your account balances exceeds \$5,000, the Plan will distribute your account balances to you at the time you elect to commence distribution. See “*Forms of Benefit Payment*” below. The Plan will make the distribution as soon as administratively practicable following your election or following the date you elect. In lieu of receiving your distribution, you may elect to have the distribution rolled over to an IRA or to another eligible plan.

If you are under age 62 and you do not consent to a current distribution, the Plan will hold your account balances (subject to your investment direction) until you elect to receive your distribution. However, if your account balances are still in the Plan when you reach age 62, the Plan Administrator will then notify you that you may elect to defer distribution until a specified date which generally is not later than the date you attain age 70½. See “**Required Minimum Distributions**” below. If you do not elect to postpone your distribution to a later date, the Plan (without your consent) will distribute your account balances to you after the expiration of the election period stated in the “age 62” notification form you receive from the Plan Administrator. In lieu of receiving your distribution, you may elect to have the distribution rolled over to an IRA or to another eligible plan.

If you are age 62 or older when you terminate employment with the Employer, the Plan will make the distribution to you, without your consent, as soon as administratively practicable following your termination of employment unless you affirmatively elect to postpone distribution to a later date, subject to “required minimum distributions” below. In lieu of receiving your distribution, you may elect to have the distribution rolled over to an IRA or to another eligible plan.

Required minimum distributions. With limited exceptions, you may not commence distribution of your account balances later than April 1 of the calendar year following the later of: (i) the calendar year in which you attain age 70½; or (ii) the calendar year in which you have terminated employment with

the Employer. This required distribution date overrides any contrary distribution date described in this summary.

Valuation of accounts for distribution. For purposes of making a distribution of any portion of your account balances, the Plan refers to the latest valuation of your account balances. The Plan requires valuation of the trust fund, and adjustment of participant's accounts, as of the last day of each plan year. The Plan Administrator may also require a valuation on any other date. To the extent that the Trustee invests in daily (or other periodically) priced and/or "unitized" funds and utilizes a periodically priced record-keeping system, the term "valuation date" means each business day (or other appropriate period) throughout the plan year in which such funds are reported and allocated by the Plan record-keeper. You will not receive any adjustment to your account balances for trust fund earnings after the latest valuation date. In general, the Plan allocates trust fund earnings, gains or losses for a valuation period on the basis of each participant's opening account balances at the beginning of the valuation period, less any distributions and charges to each participant's account balances during the valuation period.

Forms of Benefit Payment. If the lump sum value of your distribution is more than \$5,000, you will receive your distribution in the form of a qualified annuity benefit unless you elect a different form. If you are married when your distribution commences, the qualified annuity benefit is a joint and survivor annuity, meaning a monthly pension for your lifetime plus a survivor pension for your spouse (if your spouse is living at your death) equal to 50% of your lifetime monthly pension. If you are not married when your pension commences, the qualified annuity benefit is a life annuity, meaning a monthly pension for your lifetime without a survivor pension continuing after your death. Since the qualified annuity benefit pays a benefit for two lifetimes for a married participant, the Plan reduces the amount of the monthly pension payable to a married participant. This reduction makes the actuarial value of the qualified annuity benefit for a married participant equal to the actuarial value of a life annuity for an unmarried participant.

Instead of the qualified annuity benefit, you may elect any of the following payment options:

- (a) *Lump sum.* A lump sum means a single payment equal to the value of your account balances.
- (b) *Life annuity.* A life annuity is a monthly payment for your lifetime. If you are unmarried, the qualified annuity benefit already is a life annuity. If you are married, the life annuity option would increase your monthly lifetime pension since this option makes payments only for your life and not also for your spouse's life.
- (c) *Joint and survivor annuity.* If you are married, you may use this option to elect a survivor pension equal to 100% instead of 50% of your lifetime pension under the qualified annuity benefit. Since the 100% survivor pension is more costly, the Plan would reduce the amount of your monthly lifetime pension to make the value of this option equal to the value of your normal qualified annuity benefit. If you are unmarried, you may use this option to provide a survivor pension to your beneficiary equal to 50% or 100% of your lifetime pension. The Plan would adjust the amount of an unmarried participant's monthly lifetime pension to make the actuarial value of this option equal to the actuarial value of a life annuity.
- (d) *Life annuity with guaranteed payments.* This option pays a monthly lifetime pension, but guarantees a minimum number of payments. The minimum number of payments may not exceed your life expectancy or the joint life expectancy of you and your beneficiary. If you die before the

minimum payment period, your beneficiary receives the remaining payments. The Plan would adjust the amount of the monthly lifetime pension to make the actuarial value of this option equal to the actuarial value of a life annuity.

- (e) *Installments.* This option makes payments over a fixed period. The fixed period may not exceed (but may be shorter than) your life expectancy or the joint life expectancy of you and your beneficiary. The Plan would limit the annual amount of the fixed period payments so the actuarial value of this option is the same as the actuarial value of a life annuity.

If you are married, you may **NOT** elect an optional form of payment instead of the qualified annuity benefit unless your spouse consents, in writing. Within a reasonable period after you separate from service with the Employer, the Plan Administrator will provide you a form explaining the qualified annuity benefit, your election rights for optional forms of payment and your spouse's consent rights. You will have at least 30 days to make your election. To provide any form of annuity, the Trustee would purchase with your account balances that type of annuity contract from an insurance company. The exact monthly annuity payable to you would depend upon the amount of the account balances and the insurance company's annuity rates at the time of the purchase.

(12) Payment of Benefits Prior to Termination of Employment. Prior to your termination of employment with the Employer, you may elect to withdraw all or any portion of your Plan Accounts as described in the grid and the text below. The Plan Administrator will provide you a withdrawal election form or you may obtain a withdrawal form at www.tiaa-cref.org. The Plan Administrator may impose reasonable frequency or other limitations on this right. Other than the withdrawal rights described in this Section (12), the Plan does not permit you to receive payment of any portion of your account balances for any other reason, unless you terminate employment with the Employer.

	At Any Time	Age 59½	Hardship	Qualified Reservist Distribution
Elective Deferral Account		X	X	X
Safe Harbor Account		X		
Employer Contribution Accounts		X	X	
Rollover Account	X			

Hardship. Generally, the Plan may only distribute your elective deferrals (but not the earnings on your elective deferrals) to you on account of a hardship. A hardship distribution may only be made for payment of the following:

- (a) expenses for medical care (described in Section 213(d) of the Code) previously incurred by you, your spouse or your dependents or necessary for you, your spouse or your dependents to obtain medical care;
- (b) costs directly related to the purchase of your principal residence (excluding mortgage payments);
- (c) tuition, related educational fees, and room and board expenses for the next twelve (12) months of post-secondary education for you, your spouse, your children or your dependents;

(d) amounts necessary to prevent your eviction from your principal residence or foreclosure on the mortgage of your principal residence;

(e) payments for burial or funeral expenses for your deceased parent, spouse, children or dependents; or dependents; or

(f) expenses for the repair of damage to your principal residence that would qualify for the casualty deduction under the Code.

If you have any of the above expenses, generally a hardship distribution can only be made if you certify and agree that all of the following conditions are (and will be) satisfied:

(a) the distribution is not in excess of the amount of your immediate and heavy financial need. The amount of your immediate and heavy financial need may include any amounts necessary to pay any federal, state, or local income taxes or penalties reasonably anticipated to result from the distribution;

(b) you have obtained all distributions, other than hardship distributions, and all nontaxable loans currently available under all plans that your Employer maintains (see Section (21)) ; and

(c) your elective deferrals will be suspended for six (6) months after your receipt of the hardship distribution.

A hardship (as described above but only as to educational expenses, funeral expenses and certain medical expenses) of your Plan beneficiary also may qualify for a hardship distribution.

Qualified Reservist Distribution. If you are a reservist or National Guardsman who, after September 11, 2001, was called to active duty for at least 180 days (or indefinitely), you may take a distribution of your elective deferrals at any age. The 10% penalty tax normally applicable to a distribution before age 59½ does not apply.

(13) Disability Benefits. If you terminate employment because of disability, the Plan will pay your account balances to you in lump sum as soon as administratively practicable following your termination of employment. However, if the value of your account balances exceeds \$5,000, the disability distribution rules are subject to any election requirements described in Section (11). In general, disability under the Plan means because of a physical or mental disability you are unable to perform the duties of your customary position of employment for an indefinite period which, in the opinion of the Plan Administrator, will be of long continued duration. The Plan Administrator also considers you disabled if you terminate employment because of a permanent loss or loss of use of a member or function of your body or a permanent disfigurement. The Plan Administrator may require a physical examination in order to confirm the disability.

(14) Payment of Benefits upon Death. If you die prior to receiving all of your benefits under the Plan, the Plan will pay the balance of your Accounts to your beneficiary. If your death occurs prior to your commencing distribution of your account balances, the Plan will pay a preretirement survivor annuity to your surviving spouse, unless you waive (with your spouse's consent) this annuity benefit or unless you and your spouse are not married for the one year period ending on your date of death.

A preretirement survivor annuity means your surviving spouse would receive an annuity for life. To provide the preretirement survivor annuity, the Trustee would purchase with 50% of your account balances that type of annuity contract from an insurance company. The exact monthly annuity payable to your surviving spouse would depend upon the amount of your account balances, and the insurance company's annuity rates at the time of the purchase. The Plan Administrator will provide you an appropriate form to elect to have the Plan pay a preretirement survivor annuity or to elect not to have the Plan pay that annuity. The form the Plan Administrator will provide you will explain the economic effect of taking death benefits in the form of a preretirement survivor annuity. Your spouse must consent in writing to any election not to receive a preretirement survivor annuity. If your death occurs after you commence distribution under the Plan, this preretirement survivor annuity coverage does not apply, even if you and your spouse had not waived that coverage. Your surviving spouse's interest in your remaining account balances would be subject to the distribution election described in Section (11).

After making a reduction for the portion of your account balances used to purchase the preretirement survivor annuity benefit described in the preceding paragraph, the Trustee will pay your account balances remaining in the Plan at the time of your death to your designated beneficiary. The Plan Administrator will provide you with an appropriate form for naming a beneficiary. If you are married, your spouse must consent to the designation of any non-spouse beneficiary, unless you have not waived the preretirement survivor annuity coverage described in the preceding paragraph. If the portion of your account balances payable to your designated beneficiary does not exceed \$5,000, the Trustee will pay the benefit, in lump sum, to your designated beneficiary as soon as administratively practicable after your death. If the portion of your account balances payable to your designated beneficiary exceeds \$5,000, the Trustee will pay the benefit to your designated beneficiary, in the form and at the time elected by the beneficiary, unless you made a distribution election prior to your death. The benefit payment election generally must provide for complete distribution of your account balances within five years of your death, unless distribution commences within one year of your death to your designated beneficiary or unless benefits had commenced prior to your death. Also, after your death, the Plan permits a non-spousal designated beneficiary to elect a direct "trustee to trustee" transfer of your account balances to an IRA established solely to receive your Plan benefit.

(15) *Disqualification of Participant Status - Loss or Denial of Benefits.* There are no specific Plan provisions which disqualify you as a participant or which cause you to lose plan benefits, except as described for an excluded employee. However, if you become disabled and do not receive compensation from the Employer, you will not receive an allocation of the Employer's contribution to the Plan during the period of disability. In addition, if your Plan benefits become payable after termination of employment and the Plan Administrator is unable to locate you at your last address of record, you may forfeit your benefits under the Plan. Therefore, it is very important that you keep the Employer informed of your mailing address even after you have terminated employment.

Plan Termination. If the Employer terminates the Plan, which it has the right to do, you would receive benefits under the Plan based on your account balances accumulated to the date of the termination of the Plan. Termination of the Plan could occur before you attain normal retirement age. If the Employer terminates the Plan, your Accounts will become 100% vested, if not already 100% vested, unless you forfeited a portion of your Accounts prior to the termination date. Upon termination, generally the Plan Administrator (regardless of the amount of your Accounts) will instruct the Trustee to distribute your Plan Accounts in a lump sum as soon as is practicable following termination.

Plan Amendment. The Employer may amend the Plan in any manner. If the Employer amends the Plan, you will receive written notice of any amendment the Employer adopts if that amendment affects your benefits under the Plan.

Future Employment not Guaranteed. The fact that the Employer has established this Plan does not confer any right to future employment with the Employer.

No Assignment of Benefits. You may not assign your interest in the Plan to another person or use your Plan interest as collateral for a loan from a commercial or other lender.

Qualified Domestic Relations Order (“QDRO”) Procedure. Under some circumstances, a qualified domestic relations order (“QDRO”) entered pursuant to a state domestic relations law may direct the Plan Administrator to pay some or all of your account balances to a spouse, former spouse, child or other dependent for child support, alimony payments or marital property rights. The Plan has established a procedure for processing QDROs. You may obtain, without charge, a copy of the current procedures for processing QDROs from the Plan Administrator. **Note** that a divorce or legal separation decree automatically revokes a participant’s beneficiary designation of his or her spouse or former spouse unless a QDRO provides otherwise.

(16) Plan Expenses. The Plan generally will pay the expenses of Plan administration to the extent the Employer does not pay these expenses with its own assets. The Plan Administrator will assess the expenses paid by the Plan against each participant’s Accounts pro rata based on the value of each participant’s account balances. For example, if the Plan pays \$1,000 in expenses and your account balances constitute 5% of the account balances of all participants, the Plan Administrator would charge your Accounts \$50 ($\$1,000 \times 5\%$) of the expense.

However, the Plan Administrator may assess to an individual participant’s Accounts certain expenses incurred by or attributable to the individual participant. For example, if the Plan provides for allocation to each participant of the expenses of a distribution on termination of employment, and you receive a distribution on termination of employment, the Plan Administrator would charge the cost of the distribution directly against your account balances rather than charging the expense pro rata against the account balances of all participants.

The Employer, from time to time, may change the manner in which the Plan allocates expenses, or the type of expenses the Plan will assess against an individual participant’s Accounts. Whenever the Employer changes its Plan expenses policy as described in this Section (16), the Employer will provide you a copy of the updated policy.

(17) Claims Procedure. You need not file a formal claim with the Plan Administrator in order to receive your benefits under the Plan. When an event occurs which entitles you to a distribution of your benefits under the Plan, the Plan Administrator automatically will notify you regarding the distribution of your benefits.

Initial Claim. If you believe that you are being denied rights or benefits under the Plan, you may file a claim in writing with the Plan Administrator. This filing will be considered a claim for Plan benefits, and it will be subject to a full and fair review. If your claim is wholly or partially denied, the Plan Administrator will furnish you with a written notice of this denial. This written notice must be provided to you within a reasonable period of time (generally 90 days; 180 days if you receive a notice of

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extension due to special circumstances explained in the notice of extension) after the receipt of your claim by the Plan Administrator. The written notice must contain the following information:

- (a) the specific reason or reasons for the denial;
- (b) reference to those specific Plan provisions on which the denial is based;
- (c) a description of any additional information or material necessary to perfect your claim and an explanation of why such material or information is necessary; and
- (d) a description of the Plan's review (appeal) procedures and the time limits applicable to a review (appeal) and of the right to bring an action in court under ERISA following denial of the appeal.

If notice of the denial of a claim is not furnished to you in accordance with the above within such period, the claim is considered denied and you may use the Plan's rules for appealing the denial.

Appeal of Denied Claim. If your claim has been denied, and you want to appeal your denied claim, you must follow the claims appeal procedure below.

- (a) You must file with the Plan Administrator a written claim appeal no later than 60 days after you have received written notification of the denial of your claim for benefits, or if no written denial of your claim was provided, no later than 60 days after the deemed denial of your claim.
- (b) You may submit written comments, documents, records or other information, to the Plan Administrator. The Plan Administrator's review will take into account all of such submissions without regard to whether such information was submitted or considered in the initial benefit determination.
- (c) Upon request and free of charge, you will be provided access to and copies of all documents, records and other information relevant to your claim.
- (d) Your claim appeal must be given a full and fair review. If your claim is denied, the Plan Administrator must provide you with written notice of this denial within 60 days after the Plan Administrator's receipt of your written claim appeal. There may be times when this 60-day period may be extended. This extension may only be made, however, when there are special circumstances that are communicated to you in writing within the 60-day period. If there is an extension, a decision will be made as soon as possible, but not later than 120 days after receipt by the Plan Administrator of your claim appeal.
- (e) The Plan Administrator's decision on your claim appeal will be communicated to you in writing and will: (i) include the specific reason or reasons for the denial; (ii) include specific references to the specific Plan provisions on which the decision was based; (iii) advise you of your right to information under (c) just above; and (iv) advise you of your right to bring an action under ERISA.
- (f) If the Plan Administrator's decision on Appeal is not furnished to you within the time limitations described above, your claim will be deemed denied on appeal.

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. However, the Plan requires that you bring suit within 180 days after the Plan Administrator's denial of your claim appeal.

However, if you disagree with the Plan Administrator's determination of the amount of your benefits under the Plan or with respect to any other decision the Plan Administrator may make regarding your interest in the Plan, the Plan Administrator, without charge, upon your request will provide you with a copy of the Plan's appeal procedure you must follow.

In brief, if the Plan Administrator determines it should deny benefits to you or to your beneficiary making a claim for benefits, the Plan Administrator will give you or your beneficiary adequate notice in writing setting forth specific reasons for the denial and referring you or your beneficiary to the pertinent provisions of the Plan supporting the Plan Administrator's decision. If you or your beneficiary disagrees with the Plan Administrator, you or your beneficiary, or a duly authorized representative, must appeal the adverse determination in writing to the Plan Administrator within a specified period of time after the receipt of the notice of denial of benefits. If you or your beneficiary fails to appeal timely a denial within the specified time period, the Plan Administrator's determination will be final and binding.

(18) *Retired Participant, Separated Participant with Vested Benefit, Beneficiary Receiving Benefits.*

If you are a retired participant or beneficiary receiving benefits, the benefits you presently are receiving will continue in the same amount and for the same period provided in the mode of settlement selected at retirement. If you are a separated participant with a vested benefit, you may obtain a statement of the dollar amount of your vested benefit upon request to the Plan Administrator. There is no Plan provision which reduces, changes, terminates, forfeits, or suspends the benefits of a retired participant, a beneficiary receiving benefits or a separated participant's vested benefit amount, except as provided in Section (15).

(19) *Participant's 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:

(a) Examine, without charge, at the Plan Administrator's office and at other specified locations (such as worksites and union halls), all Plan documents, including insurance contracts and collective bargaining agreements, and a copy of the latest annual report (Form 5500 series) filed by the Plan with the U.S. Department of Labor and available at the Public Disclosure Room of the Employee Benefits Security Administration.

(b) Obtain copies of all Plan documents and other Plan information described in (a) above upon written request to the Plan Administrator. The Plan Administrator may make a reasonable charge for the copies.

(c) Receive a summary of the Plan's annual financial report. ERISA requires the Plan Administrator to furnish each participant with a copy of this summary annual report.

(d) Obtain a statement telling you that you have a right to receive a retirement benefit at the normal retirement age under the Plan and what your benefit could be at normal retirement age if you stop working under the Plan now. If you do not have a right to a retirement benefit, the statement will advise you of the number of additional years you must work to receive a retirement benefit. You must request

this statement in writing. The law does not require the Plan Administrator to give this statement more than once a year. The Plan must provide the statement free of charge.

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 this 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 Employer, your union or any other person may fire you or otherwise discriminate against you in any way to prevent you from obtaining a retirement benefit or from exercising your rights under ERISA.

Enforce Your Rights. If your claim for a retirement benefit is denied in whole or in part, you must receive a written explanation of the reason for the denial. You have the right to have the Plan review and reconsider your claim.

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 the materials 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 Plan 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. In addition, if you disagree with the Plan's decision or lack thereof concerning the qualified status of a domestic relations order or a medical child support order, you may file suit in 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 DOL, 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 your Plan, you should contact the Plan Administrator. If you have any questions about this statement or about your rights under ERISA, or if you need assistance in 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 may also obtain certain publications about your rights and responsibilities under ERISA by calling the publications hotline of the Employee Benefits Security Administration.

(20) Federal Income Taxation of Benefits Paid. Existing Federal income tax laws do not require you to report currently as income amounts the Employer contributes to the Plan and which the Plan Administrator allocates to your Accounts. When the Trustee ultimately distributes your account balances to you, such as upon your retirement, you must report as income the Plan distributions you receive. However, it may be possible for you to defer Federal income taxation of a distribution by making a "rollover" contribution to your own rollover individual retirement account or to another qualified plan.

Mandatory income tax withholding rules apply to some distributions you do not rollover directly to an individual retirement account or to another qualified plan. At the time you receive a distribution, you also will receive a notice explaining the withholding requirements and the options available to you. We

emphasize you should consult your own tax adviser with respect to the proper method of reporting any distribution you receive from the Plan.

(21) **Participant Loans.** This Plan has adopted under which the Plan may make loans to participants and to beneficiaries. You may obtain a copy of the Policy from the Plan Administrator or at the Employer's website www.adsrm.org.

(22) **Participant Direction of Investment.** The Plan permits every participant to direct the investment of all or any portion of his/her account balances under the Plan. Your investment options primarily consist of various mutual funds and annuity contracts offered by TIAA-CREF and for which the Plan Administrator has financial and investment information. In the alternative, you may direct the Trustee to invest all or any portion of your account balances held on your behalf through an individual brokerage account.

The Plan Administrator or TIAA-CREF will provide you a form for making your investment direction or you may obtain the form at or you may obtain this form at www.tiaa-cref.org. The investment direction explains your investment direction options and explains the frequency with which you may change your investment direction. TIAA-CREF also offers an investment advice program which may assist you with your decision whether to invest your account balances in mutual funds/annuity contracts offered by TIAA-CREF or whether to invest your account balances through a brokerage account under which individual stocks and a greater portfolio of mutual funds are available.

The Trustee will invest your account balances under the Plan in accordance with your written direction. ERISA designates a retirement plan under which participants have the right to direct invest of their plan interests and which meet other requirements as a "404(c) plan." Under a "404(c) plan," ERISA relieves the Trustee from liability for any loss resulting from your direction of investment. The Employer, the Plan Committee and the Trustee intend the Plan to qualify as a "404(c) plan." If you fail to complete a written direction form, the Trustee or TIAA-CREF will invest your account balances in a default investment option. In this event, you will receive a notice from the Plan regarding the default investment option.

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