Massachusetts Institute of Technology

Summary Plan Description
for the
Massachusetts Institute of Technology
Supplemental 401(k) Plan

October 2005

Table of Contents

Introduction
This *Summary Plan Description* summarizes the main features of the M.I.T. Supplemental 401(k) Plan (the Plan). It does not explain all of the Plan's technical details or cover all aspects of the Plan or its administration, but it is intended to give you a good understanding of your benefits and rights under the Plan. Additional information about the Plan is available at <www.mit.edu/hr/benefits>.

The actual terms of the Plan are stated in the Plan document, the legal document governing your rights and benefits under the Plan. Copies of the Plan document are available without charge from the M.I.T. Benefits Office. If there are any conflicts between this *Summary Plan Description* and the Plan document, the Plan document will control.

If you have questions about how the Plan applies to you, contact the M.I.T. Benefits Office.

For Assistance or More Information

For assistance or more information, contact Fidelity Investments or the M.I.T. Benefits Office.

Fidelity Investments
M.I.T. Retirement Services Center
Telephone: 1-877-MIT-SAVE (648-7283)
TTY: 1-800-259-9743

Internet: <www.fidelity.com/atwork>

M.I.T. Benefits Office

On campus
77 Massachusetts Avenue
E19-215
Cambridge, MA 02139-4307
Telephone: 617-253-4272
TTY: 617-258-9344

At Lincoln Laboratory
244 Wood Street
S2-170
Lexington, MA 02420-9108
Telephone: 781-981-7072

Internet: <www.mit.edu/hr/benefits>

Email: benefits-www@mit.edu

The M.I.T. Supplemental 401(k) Plan

The M.I.T. Supplemental 401(k) Plan is a tax-favored plan designed to help eligible employees save for retirement.

Eligibility

Generally, you are eligible to contribute to the Plan if you (1) are scheduled to work at least 50% of the regular normal full-time work schedule in your department, laboratory, or center; (2) are appointed to work for M.I.T. for three consecutive months or more; and (3) are paid by M.I.T. as an employee.

The following are not eligible: visitors; students and coop students; fellows; summer employees; affiliates; trainees; teaching or research assistants; officers, enlisted personnel and civilian employees of the military assigned to the Institute; employees categorized by M.I.T. as casual labor; employees on the voucher payroll; employees hired for a period of less than three consecutive months.

Union Members

Benefits under the Plan are subject to collective bargaining. If you are a union member, you may examine, without charge, at the M.I.T. Human Resources Office, a copy of your bargaining group's collective bargaining agreement. You also may contact your bargaining group for a copy of its collective bargaining agreement.

Contributing to the Plan

Contributing to the Plan is voluntary. You may begin contributing to the Plan after you become eligible and have enrolled.

Enrolling in the Plan

You may enroll in the Plan online through NetBenefits at <www.fidelity.com/atwork> or by calling the M.I.T. Retirement Services Center toll-free at 1-877-MIT-SAVE (648-7283) and following the recorded instructions or speaking with a Retirement Services Specialist. Specialists are available Monday through Friday, 8 a.m. to midnight ET.

If you call from outside the United States, dial the AT&T access code for the country from which you are calling. When prompted, dial 877-343-0860.

TTY service is available for the speech and hearing impaired by calling 1-800-259-9743.

When you enroll, you should complete a M.I.T. Supplemental 401(k) Plan Beneficiary Designation form to ensure that your account is paid according to your wishes in the case of your death.

Your Account

When you enroll in the Plan, an account will be established and maintained in your name.

The following monies are also maintained under the Plan and included in your account, if applicable:

- your contributions plus investment earnings under the prior Retirement Plan for Employees ("RPE") if you were an eligible employee on July 1, 1989 or were a member of the SEIU, RDTEU, or Campus Police on January 1, 1990; and,
- all accounts under the prior Retirement Plan for Staff Members ("RPSM").

Amount of Contributions

Your Contributions

You contribute by payroll deduction on a *pre-tax* basis. Therefore, you do not pay current federal or state income taxes on your contributions. However, your contributions are subject to Social Security taxes. Also, investment return on all contributions (including M.I.T.'s matching contributions) accumulates tax-deferred. You do not pay income taxes on contributions or investment return until you withdraw them from the Plan.

If you worked at M.I.T. prior to January 1, 2000, you may have made *post-tax* contributions to the Plan. As of January 1, 2000, only pre-tax employee contributions have been permitted.

Benefit payments you receive will contain a proportional share of your *post-tax* contributions. The portion of the payment that represents a return of your *post-tax* contributions will not be subject to income tax.

Employee Contribution Limits

You may elect to contribute up to 95% of pay. If you elect to contribute a large percentage of pay to the 401(k) Plan, be sure to leave enough pay for other important payroll deductions. Your total contributions for a calendar year may not exceed the following limits imposed by federal law:

Age as of December 31	2005	2006
Under 50	$14,000	$15,000
50 or older	$18,000	$20,000

Your Contributions to Other Plans

Generally, your annual contribution limit will be affected by your contributions to other employers' plans. Contact the Benefits Office for more information.

M.I.T.'s Matching Contributions

M.I.T. will match your contributions dollar-for-dollar. However, M.I.T.'s matching contributions will not exceed 5% of your annual pay.

Timing of Contributions

Your contributions are deducted from your pay each pay period.

M.I.T.'s matching contributions will be made at the end of each month you make a contribution, up to 5% of your pay for that month. If, before the end of the calendar year, your contributions stop or you reach the annual limit outlined above, M.I.T.'s matching contributions will automatically cease. Any remaining M.I.T. matching contributions due to you will be made the following January.

Stopping/Changing your Contributions

You may elect to stop or change the amount of your contributions any time by calling the M.I.T. Retirement Services Center toll-free at 1-877-MIT-SAVE (648-7283) or online through NetBenefits at <www.fidelity.com/atwork>. TTY service is available for the speech and hearing impaired by calling 1-800-259-9743.

If you are paid on a monthly basis, you must enroll or make deferral changes by 4:00 p.m. on the 15th of the month for the enrollment or change to take effect with your paycheck at the end of the month. If you are paid on a weekly basis, you must enroll or make deferral changes by 4:00 p.m. on Thursday in order to have the enrollment or change take effect at the end of the following week.

What Pay Counts
Your pay while you participate in the Plan is used to determine your benefit. This pay includes regular base pay or salary plus overtime, bonuses, shift differentials, summer session pay, and temporary rates; but does not include incentives, awards, site differentials, other payments for additional services or any other similar items. In addition, federal law limits the amount of pay in any calendar year that may be recognized for accumulating your benefit. This limit is $210,000 in 2005 and will increase to $220,000 in 2006.

Rollovers to the Plan
To help you consolidate your retirement savings, the Plan will accept monies you roll over directly from other retirement plans. However, the Plan will not accept after-tax contributions you have made to other retirement plans. In addition, the Plan will not accept rollovers from IRAs, including “conduit” IRAs. Once rolled over, these monies generally become subject to the rules, restrictions, rights, and privileges of the Plan.

Vesting
You are always immediately and 100% vested in the value of your account, including your contributions, the M.I.T. match and investment return associated with these contributions.

Investment Options
A large number of investment options are available under the Plan. You choose the investment options in which both your contributions and M.I.T.’s matching contributions are invested. Generally, you may change your investment choices as often as you like and at any time by calling the M.I.T. Retirement Services Center toll-free at 1-877-MIT-SAVE (648-7283) or online through NetBenefits at <www.fidelity.com/atwork>. TTY service is available for the speech and hearing impaired by calling 1-800-259-9743.

Your Investment Decisions
The Plan offers the following features and services to enable you to create an investment portfolio whose risk/return characteristics are appropriate for you:

- a large number of investment options; and,
- significant flexibility in the use of these options.

No guarantees are offered about the performance of any investment option or the value of your account. The value of your account may increase or decrease depending on the investment options you select.

ERISA 404(c) Plan
The Plan is intended to constitute a plan described in section 404(c) of the Employment Retirement Income Security Act of 1974 (ERISA), the primary federal law regulating retirement plans. As a result, M.I.T. may be relieved of liability for any losses that result from your investment decisions. For additional information, see *Concerning ERISA Section 404(c)*, below.

Benefit Payment Options
The timing of benefit payments and the amount of benefits available for payment depend on your age and employment status at M.I.T. In general, as long as you are working at M.I.T. you may not receive a payment of your benefits. However, you may receive a payment while working under the following circumstances:

- If you are age 59½ or older and scheduled to work 50% or less of the regular normal full-time work schedule, you may receive a payment in any form outlined below;
- If you are under age 59½ you may withdraw 100% of money rolled over into the Plan, including the investment return, in a lump sum;

- If you are terminally ill and not receiving Long Term Disability benefits, you may withdraw only pre-2000 employee post tax contributions as a lump sum; or
- If you are terminally ill and either receiving Long Term Disability benefits or have attained age 59½, you may withdraw 100% of your account balance as a lump sum.

Benefits are payable under the Plan when you no longer work at M.I.T. Furthermore, federal law requires that payments begin no later than

- the April 1st following the year you attain age 70½; or if later
- the April 1st following the year you no longer work at M.I.T.

Forms of Benefit Payments
Forms of benefit payments generally include:

- partial lump sum;
- full lump sum;
- direct rollover;
- transfer to purchase an annuity (lifetime income);
- regular installments (systematic withdrawal).

If your account balance has a value of less than $1,000, it will be paid to you as a single lump sum.

Your **spouse's written consent** is required for most forms of payment.

PARTIAL/FULL LUMP SUM OPTION

Any portion of your account may be paid to you in a lump sum. Your spouse must consent in writing to this option.

Direct Rollover
You may direct the Plan to roll over your lump sum payment to an Individual Retirement Account or other retirement plan. Once rolled over, your money will be subject to the rules of the Individual Retirement Account or other retirement plan. Your spouse must consent in writing to this option.

Transfer to Purchase Annuity
Under this option, you may elect to transfer some or all of your account balance to an insurance company for the purchase of a lifetime income known as an *annuity*. The monthly income you receive may be fixed for your lifetime (a fixed annuity) or vary during your lifetime (a variable annuity).

The amount of your monthly annuity payments depends on a number of factors, including the amount of money converted to an annuity, your age, assumptions about your life expectancy, current interest rates when payments begin, and the cost of administering the annuity. More information about the transfer option is located in the Appendix.

Once annuity payments begin, they generally continue for as long as you live. In addition, you may choose to have annuity payments continue after your death to your survivor(s). Your spouse's written consent may be required for certain types of annuity payments.

Regular Installments (Systematic Withdrawal Option)
Regular installments (known as systematic withdrawals) provide regularly scheduled payments. Subject to administrative rules imposed by the Plan or investment fund, you may choose the amount of each payment, when the payment will be made, and for how long payments will be made. Payments may not be made for a period longer than allowed by law.

Systematic withdrawals are not guaranteed to last as long as you live. If you are married when payments begin, your spouse's written consent is required for this form of payment.

Requesting Benefit Payments
To transfer funds for the purchase of an annuity, contact the Benefits Office. For all other types of payments, call the M.I.T. Retirement Services Center toll-free at 1-877-MIT-SAVE (648-7283). TTY service is available for the speech and hearing impaired by calling 1-800-259-9743.

Taxes and Your Benefit Payments
Tax rules are complex and contain many conditions and exceptions not included in this Summary Plan Description. The following is only a summary. Therefore, you may want to consult with a professional tax advisor before you take payment from the Plan.

Transfer to Purchase an Annuity
Most or all of each annuity payment will be taxable as regular income upon receipt. Generally, you may decide to have income taxes withheld from your annuity payments.

Regular Installments (Systematic Withdrawal Option)
Most or all of each periodic payment will be taxable as regular income upon receipt.
In addition, if you are under age 59 ½ when payments begin, you may be subject to an additional 10% penalty tax for early withdrawal, unless you are age 55 or older in the year you terminate employment from M.I.T. Generally, you may decide to have income taxes withheld from these periodic payments.

Partial or Full Lump Sum
Most or all of a lump sum payment will be taxable upon receipt. In addition, if you are under age 59 ½ when payment is made, you may be subject to an additional 10% penalty tax for early withdrawal, unless you are age 55 or older in the year you terminate employment from M.I.T.

Federal law requires that 20% of the taxable portion of a lump sum payment be withheld automatically to help pay the federal income taxes you will owe. State income taxes may also be withheld when the lump sum is paid.

To avoid the income tax withholding and to defer income taxes and penalty taxes, you may direct the Plan to roll over your lump sum payment to an IRA or other retirement plan. Once rolled over, your money will be subject to the rules of the IRA or other retirement plan.

Loans
You may borrow from your account if your account balance is at least $2,000. Tax laws limit the amount you may borrow. Generally, you may borrow 50% of your account or $50,000, whichever is less. The minimum you may borrow is $1,000, and you may have only one outstanding loan at any time. Loans are repaid in equal monthly installments and are deducted from your checking or savings account. The maximum term of a loan is five years unless the loan is used to purchase or build a primary residence. In this case, the maximum term of a loan is fifteen years.

For more information about loans, including forms to request a loan, call the M.I.T. Retirement Services Center toll-free at 1-877-MIT-SAVE (648-7283). TTY service is available for the speech and hearing impaired by calling 1-800-259-9743.

In the Event of Your Death
The full value of your account will be payable to your beneficiary(ies). However, if you were receiving annuity payments prior to your death, survivor benefits depend on the annuity option you elected.

Federal law imposes certain deadlines for payment. Failure to meet such deadlines could result in severe tax consequences for your beneficiary(ies).

BENEFICIARY IS YOUR SPOUSE

Type of Payment	Deadline to Begin Payment
Partial lump sum; full lump sum; direct rollover; regular installments to be paid over beneficiary's life expectancy; or transfer to purchase an annuity.	Payments must begin the later of the December 31st of the year you would have attained age 70½ or the December 31st following the calendar year of death.

BENEFICIARY(IES) OTHER THAN YOUR SPOUSE

Type of Payment	Deadline to Begin Payment
Partial lump sum; full lump sum or regular installments over a period of up to 5 years.	Beneficiary's full share of benefit must be paid by the December 31st following the 5th anniversary of your date of death
Regular Installments to be paid over beneficiary's life expectancy.	Payments must begin by the December 31st of the year following the year of your death.

Requesting Benefit Payments
Your beneficiary must complete appropriate forms to request payment of survivor benefits. Your beneficiary should call the M.I.T. Retirement Services Center toll-free at 1-877-MIT-SAVE (648-7283) to request benefit payments. TTY service is available for the speech and hearing impaired by calling 1-800-259-9743.

In the Event You Become Disabled
If you become totally disabled and receive disability income benefits from M.I.T.'s Long Term Disability Plan, you will not contribute to the Plan. Instead, M.I.T. will contribute to your account as long as you receive such disability income benefits. The amount of M.I.T.'s contribution will equal 10% of your rate of pay in effect immediately before you became totally disabled.

In the Event You Become Divorced
Under the terms of a *Qualified Domestic Relations Order*, the Plan may be required to transfer all or part of your account to your former spouse as part of a marital property settlement. Also, a *Qualified Domestic Relations Order* may require that all or part of your benefit be used to satisfy your child support obligations.

Copies of the Plan's procedures and model documents pertaining to *Qualified Domestic Relations Orders* are available to you and to your (former) spouse or children by calling the M.I.T. Retirement Services Center toll-free at 1-877-MIT-SAVE (648-7283). TTY service is available for the speech and hearing impaired by calling 1-800-259-9743.

Sabbaticals and Leaves-of-Absence/Military Leave
While you are on sabbatical or approved paid leave-of-absence, both your contributions and M.I.T.'s matching contributions will continue, unless you elect to stop them.

While you are on an unpaid leave-of-absence (including unpaid leaves under the Family Medical Leave Act and military leave) contributions will cease.

Your Rights under the Uniformed Services Employment and Reemployment Rights Act
When you return from a military leave and meet the requirements of the Uniformed Services Employment and Reemployment Rights Act, you may make up the contributions to the Plan missed during your military leave. You contribute these make-up contributions over a period of 5 years from the date you return to M.I.T. or three times the length of your military leave, whichever is shorter. Special contribution limits will allow you to contribute both make-up contributions (up to the limits that applied during your military leave) and regular, ongoing contributions.

Your make-up contributions will be matched by M.I.T. to the extent they would have been matched if you had not been on military leave. However, you will not be credited with investment earnings you would have accrued if you and M.I.T. had contributed to the Plan during your military leave.

Make-up contributions will not occur automatically, but will be made only if you elect to make them by contacting the M.I.T. Benefits Office when you return to work within the deadlines imposed by the Uniformed Services Employment and Reemployment Rights Act.

Creditors and Your Account
With limited legal exceptions, including the requirements of a *Qualified Domestic Relations Order*, your Plan account may not be attached, garnished, or levied by creditors or courts. In addition, you, yourself, may not assign (i.e., give away) your benefit to another party.

Account Not Insured
The Plan is a "defined contribution" plan. As a result, neither the Pension Benefit Guarantee Corporation (an agency of the federal government) nor any other entity insures the value of your account or guarantees the performance of any investment option under the Plan.

Administration of the Plan
The *Plan Administrator* is M.I.T. The Plan Administrator is assisted in carrying out its duties and responsibilities by the Administrative Committee and the Oversight Committee.

ADMINISTRATIVE COMMITTEE

On behalf of M.I.T., the Administrative Committee oversees the management and operation of the Plan except for the investment of Plan assets and the design and amendment of the Plan. The Committee determines eligibility for participation and for benefits, directs the Plan's trustee to pay Plan benefits, prepares reports and statements for government agencies and for Plan participants, and interprets the provisions of the Plan. Generally, the Administrative Committee's decisions will be final and binding.

Benefits Office
Acting under the direction of the Administrative Committee, the Benefits Office furnishes information to participants and beneficiaries, and maintains certain records. The Benefits Office keeps you informed about the Plan, and explains the choices to be made by you as you approach retirement.

Annual Report

The Plan operates on a calendar year basis. After the end of each Plan year, a copy of the Summary Annual Report of the Plan will be sent to you**.**

M.I.T. Supplemental Plan Oversight Committee

On behalf of M.I.T. the Oversight Committee monitors the M.I.T. Diversified Stock Fund, the Bond Oriented Balanced Fund and the M.I.T. Asset Class funds.

Future of the Plan

M.I.T. intends to maintain the Plan indefinitely, but it reserves the right to terminate the Plan or discontinue contributions at any time. M.I.T. also reserves the right to change the Plan at any time. You are always fully vested in your account.

Concerning ERISA Section 404(c)

The Plan is intended to constitute a plan described in section 404(c) of the Employee Retirement Income Security Act of 1974, as amended ("ERISA"), and Title 29 of the Code of Federal Regulations Section 2550.404c-1. The Plan offers participants and beneficiaries the opportunity to exercise control over the assets contributed and accumulated on their behalf under the Plan by allowing them to choose, from a broad range of investment alternatives, the manner in which these assets will be invested and by providing them with information necessary to make informed decisions with respect to the investment options under the Plan and the incidents of ownership that arise from those investments. The Plan Administrator, M.I.T., is the named fiduciary which is obligated (with certain limited exceptions) to comply with these instructions. As a result of the foregoing, 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 or beneficiary.

Any investment fees or expenses related to your account will be deducted from your account. These fees and expenses are detailed in the investment information provided by the mutual fund companies.

Any voting rights, tender rights, or other similar rights which are incidental to holding any interest in any investment fund will be passed through to you.

You may obtain the following additional information concerning the investment options available under the Plan by contacting the M.I.T. Retirement Services Center toll-free at 1-877-MIT-SAVE (648-7283):

1. A description of the annual operating expenses of each available investment fund (e.g., investment management fees, administrative fees, transaction costs) which reduce the rate of return to participants and beneficiaries, and the aggregate amount of such expenses expressed as a percentage of average net assets of the designated investment option;

2. Copies of any prospectuses, financial statements and reports, and of any other materials relating to the investment funds available under the Plan to the extent this information is provided to the Plan;

3. A list of assets comprising the portfolio of each investment fund which constitutes "plan assets" within the meaning of ERISA regulations;

4. Information concerning the value of shares or units in each investment fund, as well as past and current investment performance of such alternatives, determined, net of expenses, on a reasonable and consistent basis; and

5. Information concerning the value of shares of a mutual fund held in your account.

You are strongly encouraged to read all of the descriptions and disclosure materials relating to investment options under the Plan. This information is available by calling the M.I.T. Retirement Services Center toll-free at 1-877-MIT-SAVE (648-7283). TTY service is available for the speech and hearing impaired by calling 1-800-259-9743.

Your Rights
You enjoy certain rights and protections under the Plan. However, the Plan is not an employment contract, and your participation in the Plan does not affect M.I.T.'s authority to terminate your employment.

IF YOU ARE DENIED A BENEFIT

If you (or your beneficiary) believe you are entitled to a benefit under the Plan that you are not receiving, you (or your duly authorized representative) should file a written claim with the Plan Administrator. Within 90 days (or up to 180 days in special circumstances), the Plan Administrator will determine the benefits to which you are entitled, and will send you a written notice of its decision. If your claim is wholly or partly denied, the Plan Administrator's notice will specify: (1) the reasons for the denial; (2) the Plan provisions on which the denial is based; (3) any additional material you need to complete your claim and the reason it is needed; (4) the steps to take if you wish to have the denial reviewed; and (5) your right to file suit in state or federal court if your claim is denied on review.

If you disagree with the denial, you have a right to a review of your claim. To obtain this further review, you (or your duly authorized representative) must file a request in writing within 60 days after you receive the initial notice from the Plan Administrator that your claim has been denied. You also may request to review pertinent documents (or to receive copies of such documents free of charge). The Plan Administrator's final written decision will be sent to you within 60 days (or up to 120 days in special circumstances) after receipt of your request for review. If your claim is again denied, the notice will specify the reasons for the denial and the Plan provisions on which the denial is based, and will also include a statement of your rights to review pertinent documents (or to receive copies of such documents free of charge) and to file suit in state or federal court.

Your Rights under ERISA
You are entitled to certain rights and protections under the Employee Retirement Income Security Act of 1974 (ERISA).

<u>Right to Information</u>
ERISA provides that all Plan participants shall be entitled to certain information.

(1) Examine, without charge, at the M.I.T. Benefits Office, all documents governing the operation of the Plan, including insurance contracts, and all documents filed by the Plan with the federal government, such as the detailed annual report (Form 5500).

(2) Obtain, on written request to the M.I.T. Benefits Office, copies of all documents governing the operation of the Plan, including insurance contracts and collective bargaining agreements, and copies of the latest detailed annual report (Form 5500) and updated Summary Plan Description. A reasonable charge for the copies may be made.

(3) Receive a summary of the Plan's annual financial report, if any is required by ERISA to be prepared. The Plan Administrator is required by law to furnish each participant with a copy of any required summary annual report.

Prudent Actions by Plan Fiduciaries
In addition to creating rights for participants, ERISA imposes duties on the parties responsible for the operation of the Plan. The parties who operate the Plan, called "fiduciaries" of the Plan, have a duty to do so prudently and in your interest and that of the other Plan participants and beneficiaries. No one, including M.I.T. or any other person, may fire you or otherwise discriminate against you in any way to prevent you from obtaining a Plan benefit or exercising your rights under ERISA.

Enforcing Your Rights
If your claim for a Plan benefit is ignored or denied in whole or in part, you have the 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 these rights. For example, if you request materials to which you have a right from the M.I.T Benefits Office and do not receive them within 30 days, you may file suit in a federal court. In such a case, the court may require that you be provided the materials and may order that you be paid 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 that is denied or ignored, in whole or in part, you may file suit in a state or federal court, but if you file suit in a state court, that suit may be removed to the federal court.

If it should happen that Plan fiduciaries misuse the Plan’s money, or if you are discriminated against for asserting your rights, you may seek assistance from the U.S. Department of Labor, or you may file suit in a federal court. 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 if, for example, it finds that your claim is frivolous.

Assistance with Your Questions
If you have any questions about the Plan, you should contact the M.I.T. Benefits Office. 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 visit <www.dol.gov/pwb> or contact the nearest office of the Pension and Welfare Benefits Administration of the U.S. Department of Labor listed in your telephone directory or:

Division of Technical Assistance and Inquiries
Pension and Welfare Benefits 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 Pension and Welfare Benefits Administration.

Your Responsibilities
You are responsible for providing truthful and accurate information to the best of your knowledge. If you willfully and knowingly provide untruthful or inaccurate information, benefits will be determined according to the true facts, and disciplinary action may be taken.

DIRECTORY

Plan Name	Massachusetts Institute of Technology Supplemental 401(k) Plan
Plan Sponsor	Massachusetts Institute of Technology ("M.I.T.") 77 Massachusetts Avenue Cambridge, Massachusetts 02139-4307
M.I.T.'s Employer Identification Number	04-2103594
Plan Number	005
Plan Administrator and Agent for Legal Process	M.I.T., c/o The Administrative Committee of the M.I.T. Supplemental 401(k) Plan 77 Massachusetts Avenue; E19-215 Cambridge, Massachusetts 02139-4307 Telephone: (617) 253-4272
Type of Plan	A trusteed defined contribution profit sharing plan with a cash or deferred arrangement under section 401(k) of the Internal Revenue Code, intended to qualify under section 401(a) of the Internal Revenue Code. The Plan is intended to constitute a plan described in section 404(c) of ERISA.
Plan Year	Calendar year
M.I.T. Benefits Office	*On campus:* 77 Massachusetts Avenue; E19-215 Cambridge, MA 02139-4307 Telephone: (617) 253-4272 Email: benefits-www@mit.edu *At Lincoln Laboratory:* 244 Wood Street; S2-170 Lexington, MA 02420-9108 Telephone: (781) 981-7055
Participating Employer	M.I.T.
Plan Funding Medium	M.I.T. contributes to a trust fund created under the Plan. M.I.T.'s contributions include employee elective deferrals (i.e., employee "pre-tax" contributions) and matching employer contributions. Assets from which benefits will be paid are held and invested in the trust fund.
Trustee	Fidelity Management Trust Company 82 Devonshire Street Boston, MA 02109

Appendix

Converting Your Account Balance to Annuity Income
To convert all or part of your account balance to lifetime annuity income, you must transfer your 401(k) monies to an annuity provider that will pay your lifetime annuity income.

Fixed Annuities
A fixed annuity provides for fixed dollar income payments for as long as you live. You may elect a form of payment that provides for a survivor benefit, such as the continuation of payments to your spouse in the event that you die first and/or you may elect to have payments guaranteed for a minimum period such as 10 years. Any survivor benefit reduces your income payments.

M.I.T. has a special arrangement for you to transfer all or a portion of your 401(k) account balance to Hartford Life Insurance Company or Travelers Life & Annuity.

Variable Annuities
A variable annuity provides for income payments as long as you live. However, the payments increase and decrease based on the returns of the investment options you elect, adjusted for the 4% assumed annual rate of return.

You can elect to have payments paid for as long as you live or elect a form of payment that provides for a survivor benefit. A survivor benefit provides for the continuation of benefits to another person, such as your spouse, in the event you die first and/or may provide for a minimum guarantee period such as 10 years.

You may elect to transfer your 401(k) balances (exclusive of any balances attributable to a rollover from another plan) to the M.I.T. Basic Retirement Plan for the purchase of a variable annuity either through Hartford Life Insurance Company or TIAA-CREF.

Prior to July 1, 2008, if you terminate employment or attain age 65 and work 50% or less of a regular full time work schedule, M.I.T. will increase the balance used to purchase a variable annuity. The increase, which is based on your age and the calendar quarter that the variable annuity payments commence, is a percentage of the 401(k) dollars transferred. For the calendar quarter beginning October 1, 2005, the increase will be:

Under Age 60	7%
Age 60 or over and under age 65	12%
Age 65 or over and under age 70	17%
Age 70 or over	22%

These percentages are reduced each calendar quarter by 1%. If you would like additional information contact the Benefits Office.

Rights of Certain Participants who Ceased Employment Prior to January 1, 2004
Generally, a Participant’s right to benefits will be determined in accordance with the provisions of the Plan in effect at the time the Participant terminates employment. For a Participant who terminated employment but did not commence benefits prior to January 1, 2004, however, his or her right to retirement benefits will be determined in accordance with the Plan in effect on or after January 1, 2004, except that the Participant’s normal retirement age will be determined under the terms of the Plan in effect on the date of the Participant’s termination of employment.