is insured by a bank or government agency. The level of risk you take depends on your choice of investment portfolio. Money may be lost through any of these investments.

Please Note: It is important for you to know that no mutual fund or portfolio listed within this document

If the terms of this summary conflict with the terms of the Plan document, the Plan document terms will control.

To learn more about the details of the Plan, you should consult the Plan document and the Plan's web site at http://www.globaladminservices.ca/AUB.html.

WHERE ARE YOUR CONTRIBUTIONS HELD?

Your employer contribution account will be invested as you direct from among the investment options offered in the Program. You will have access to your employee contribution account to make changes among the different investment options. You will have the choice of investing your employee contribution account in one of three different portfolios made up of a group of investment funds, or in any of the underlying funds.

The portfolio options are as follows:
- Conservative Portfolio
- Moderate Portfolio
- Aggressive Portfolio

If you do not make a valid investment election, your employee contributions will be invested in the Moderate Portfolio. Please note U.S. citizen and resident aliens will not be allowed to direct investment of their accounts under the Program; these amounts will be deemed to be invested along with other amounts allocat-ed to the Memorandum Account.

Effective January 1, 2010, the amounts allocated to the Memorandum Account under the Program will be deemed to be invested in a portfolio comprised of the following deemed investments: 14% Vanguard Euro Government Bond Index, 26% Vanguard U.S. Government Bond Index, and 60% Vanguard Global Stock Index. That portfolio allocation may be adjusted in the future by the Board of Trustees of the University or a Board Committee.

DISTRIBUTION OF BENEFITS

The Program is intended to allow you to save for your future. When you leave AUB’s employment you will receive the cash value of your account in a lump sum, subject to any offsets as provided under the Program.

TAX IMPLICATIONS

Participants in the Program should seek independent tax advice in their own country, in regard to their personal implications relating to contributing and/or receiving a distribution from the Program.

BENEFICIARY

If you die before your separation from service or retirement, your beneficiaries will receive the entire balance of your account, subject to any offsets as provided under the Program.

ADDITIONAL INFORMATION

You should refer to the Program Document and the Program’s website for further information. You will have online up-to-date access to your account, on a daily basis, through the Program’s website. Once you have been enrolled in the Program, you will be sent further information on how to access your account.
Basics of Investing

Your plan allows you to put your money to work by offering investments that are made up of stocks, bonds, and money market instruments. All of these different investments can play a valuable role in helping you pursue your retirement goals.

Stocks represent part ownership of a company’s earnings and assets. As a company grows and earns profits, its stock can increase in value and reward shareholders with a return on their investment. Historically, stocks have been the investment most likely to outpace inflation over the long term.

Bonds represent loans to companies or governments to be repaid with interest. Although a bond’s price can fluctuate with changes in the financial markets, particularly in response to changes in interest rates, bonds historically have fluctuated less than stocks. As a result, investors who add bonds to a portfolio of stocks can help reduce risk while still building wealth over time.

Money market instruments are very short term loans to a government, highly rated corporations, or other types of safe investments. While these are very conservative investments with a premium on preservation of capital, they offer a relatively low potential for return.

Mutual funds are the most common way to invest in self-directed retirement plans. A fund is essentially a corporation or trust whose sole business is to collect and invest money. You join the pool by buying shares in the fund. Your money is then invested by a team of professionals, who research a wide variety of stocks, bonds, and money market instruments. They then invest the money as wisely as they can so you can benefit from their expertise and provide for instant diversification among different investments.

Risks

The saying “no risk, no reward” can be aptly applied to investing. Generally, the more risk an investment represents, the greater its potential returns over time. It is important to understand these risks when determining the best investment strategy for you. The most common risks faced by investors include:

INVESTMENT RISK

All investments carry the risk of earning less than expected returns or even losing value. Generally, among asset classes, stocks present more investment risk and volatility than bonds or short-term instruments, but may provide greater potential return over the long term.

BUSINESS RISK

Business, firms, and properties have specific risks pertaining to their particular line of business. Poor management or poor earnings from operations may cause a business to fail.

INFLATION RISK

Over several years, your investment earnings lose purchasing power due to inflation - the increase in the price of goods and services. When choosing your investments, you need to consider the long term effects that inflation will have on your savings.

MARKET RISK

Stock and bond prices may be affected by many issues that will cause their prices to rise and fall. Although volatility can be high over the short term, it becomes less significant over time.

INTEREST RATE RISK

Bond values are affected by changes in interest rates. When interest rates rise, prices of existing bonds usually fall, thus lowering bond values. Conversely, when interest rates fall, bond prices and values usually rise.

Your Investments

The Retirement Program “Plan B” for Non-U.S. Citizens or Resident Alien Employees of the American University of Beirut offers a variety of investment portfolios in which you may invest the contributions you make into your employee contribution account. Before deciding upon an investment strategy, it may be helpful to identify what type of investor you are and how much risk you are willing to assume.

Choose the best answer for each question and enter the corresponding point value on the appropriate score line. Adding up the total points will give you an idea as to what type of investor you are, and which portfolio may be best suited for your retirement balance. Please answer the questions below based on the following scale:

<table>
<thead>
<tr>
<th>low/disagree</th>
<th>medium/neural</th>
<th>high/agree</th>
</tr>
</thead>
<tbody>
<tr>
<td>0</td>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
</tbody>
</table>

1. Please rate your tolerance to investment risk.
2. Of what importance is obtaining the maximum growth of your portfolio if it may mean loss in your principal (account balance)?
3. The safety of my principal (account balance) is not important.
4. I am comfortable investing in mutual funds that offer a potential for high return even if my account balance may fluctuate substantially.
5. If an investment loses money over the course of a year, I can easily resist the temptation to sell it.

Your Total Score

Investor Profile

If your score is:

0 - 8: Conservative Portfolio
Investor Profile
- 6 years or less from retirement and/or
- Low tolerance for risk

9 - 17: Moderate Portfolio
Investor Profile
- 6 years or less from retirement
- Moderate tolerance for risk
or;
- More than 6 years from retirement
- Low tolerance for risk

18 - 25: Aggressive Portfolio
Investor Profile
- At least 4 years from retirement
- High tolerance for risk
or;
- More than 6 years from retirement
- Very high tolerance for risk