THE EMPLOYEE INVESTMENT PROGRAM

The Employee Investment Program (EIP or Program) has two components:

1) The Employee Investment Plan Account governed by Internal Revenue Code Section 403(b) - the account that accepts and holds your before-tax contributions; <u>and</u>

2) The Employee Investment Plan Match Account governed by Internal Revenue Code Section 401(a) - the account that holds the Getty's contributions.

Different rules apply to each account:

- You have different investment options for each account.
- Your own contributions always belong to you, while you earn a right to the Getty contributions in the Match Account over five years of service.
- Hardship withdrawals are permitted from the EIP Account [403(b)] but not from the Match Account [401(a)].

Eligibility and Participation in the Employee Investment Program

Who Is Eligible

You are eligible to participate in the EIP on the first day you are eligible if:

- You are a Getty employee and are regularly scheduled to work 20 hours or more a week, <u>or</u>
- If you are regularly scheduled to work less than 20 hours a week, after you complete 1,000 hours of service in your first anniversary year (the 12-month period beginning with your date of hire or during any subsequent calendar year).

You participate in the Match Plan when you contribute to the EIP.

You are not eligible to participate in the EIP if:

- You are covered by a collective bargaining agreement
- You are a leased employee, <u>and/or</u>

- For purposes of the Match Account, you are not a U.S. resident and are covered by a foreign retirement system to which the Getty contributes.

When Participation Begins

Participation begins the first payroll period as is practical after you become eligible and complete the appropriate enrollment forms.

How to Enroll

You may enroll at any time by completing an Account Application and a Beneficiary Designation Form. These are available on www.getty.edu/staff, or you may request them from your HR Coordinator. Once you complete the forms, return them to HR Benefits. Obtain an estimate of the maximum amount you can contribute to the EIP based on Internal Revenue Code rules by logging onto Fidelity's website at www.mysavingsatwork.com or by calling Fidelity at 800.343.0860. Your EIP contributions are deducted automatically from your paycheck.

Designating a Beneficiary

When you join the plan you will be asked to name your beneficiary by completing a Beneficiary Designation Form. A beneficiary is the person(s) or organization you name to receive your account balances if you die before receiving them. If you don't have a Beneficiary Designation Form on file, any balances will be paid as required by law to your surviving spouse. If you do not have a surviving spouse, any balances will be paid to your estate. If you are married and name a beneficiary other than your spouse, your spouse's notarized consent is required.

You may change your beneficiary at any time by completing a new Beneficiary Designation Form and sending it to HR Benefits. The forms are available on www.getty.edu/staff or from your Human Resources Coordinator. The change of beneficiary will be effective on the date the form was signed by you (and your spouse, if applicable) or the date it is received by HR Benefits—whichever is later.

About the Employee Investment Program

How The Program Works

Under the Employee Investment Program, you make before-tax payroll contributions to the EIP account, and the Getty adds a matching contribution to the Match account.

The program has two parts:

The EIP Account, which holds your before-tax payroll contributions, is authorized under Section 403(b) of the Internal Revenue Code. You make contributions through payroll deductions, **before** Federal (and usually state) taxes are withheld. This means you do not pay Federal and state income taxes on your contributions or earnings until the money is withdrawn or distributed. Your contributions, however, are subject to Social Security (FICA) taxes. When you authorize payroll contributions to the plan, they are deposited in the investment funds you have chosen.

The Match Plan Account, which holds the Getty's matching contributions, is authorized under Section 401(a) of the Internal Revenue Code. The Getty matches your contributions to the EIP Account, up to 4% of your base salary on a payroll period basis. This means for every dollar you contribute, the Getty contributes one dollar, up to a maximum of 4% of base pay each payroll period.

The EIP Account

How Much You Can Contribute

The *minimum* amount you can contribute to your EIP Account is $50.00 a year. The *maximum* amount you can contribute in 2006 is $15,000. If you are age 50 or older before the end of the 2006 plan year, you can contribute an additional $5,000 (a "catch-up contribution").

Age	2006 EIP Account Maximum Contribution
49 or younger	$15,000
50 or older	$20,000

The catch-up contribution limit will be indexed for inflation in $500 increments after 2006.

Earnings

Earnings refers to the amount of your base salary, including payroll deductions for medical coverage, Flexible Spending Accounts and EIP contributions. Bonuses, lump-sum payments, overtime payments, other allowances, relocation allowance payments and similar payments are not considered part of your base earnings for determining how much you may contribute to your EIP Account or in calculating the Getty's matching contribution.

Tax Advantages

Let's suppose your base salary is $60,000 a year. The maximum you can contribute based on IRS regulations is $15,000 in 2006 if you are age 49 or younger. Because you are contributing $15,000 on a before-tax basis, your annual taxable income is $45,000:

$60,000	Base Salary
($15,000)	Maximum Contribution
$45,000	Annual Taxable Income

By making EIP contributions on a before-tax basis, you defer Federal and, in many states, state income taxes. These taxes will be based on $45,000 earnings, not $60,000. However, you do not defer Social Security (FICA) taxes. So, when you retire, there's no effect on your Social Security benefits.

Changing or Stopping Your Contributions

To **change** or **stop** your contributions, you must complete the Employee Investment Plan Contribution Change Form and submit it to HR Benefits. The form is available on www.getty.edu/staff or you may request one from your Human Resources Coordinator.

Your contributions will change or stop as of the first pay period after your request is processed. If you stop your contributions, you must complete another Employee Investment Plan Contribution Change Form to resume contributions.

Rollover Contributions

You may have participated in a previous employer's 401(k) or 403(b) plan or you may have an individual retirement account (IRA) consisting solely of funds from a former employer's tax-qualified 401(a) plan or 403(b) plan. The Match Plan will accept rollover contributions, if you provide information acceptable to the plan administrator, even if you are not yet eligible for the plan. Certain other restrictions may apply.

You **cannot** roll over:

- A distribution that is paid to you in installments for a period of 10 years or more, for your life expectancy or your beneficiary's life expectancy.
- A required minimum distribution paid to you when you reach age 70 ½ or older.

- An amount you received as a plan loan

- Contributions you made directly to an IRA or

- Amounts that represent refunds of excess contributions, excess deferrals, or amounts in excess of IRS limits.

Contact HR Benefits if you would like to roll over funds. Make sure either you request a *direct rollover* from the previous plan or roll over your distribution within 60 days from the date on your check. Otherwise, your distribution will not be eligible for a rollover and could become taxable to you. For more information about making a rollover contribution to this plan, send an email HR Benefits at Benefits@Getty.edu or call the PhoneLine at 310.440.6523.

Vesting

Vesting is the nonforfeitable right to receive benefits from the plan. The contributions you make to your EIP Account always belong to you. You are also always fully vested in any rollover contribution you make under the Program.

The Match Plan Account

Matching Contributions

The Getty will match each dollar you put into your EIP Account up to 4% of your base salary. The matching contribution is computed each pay period and wired to your account with Fidelity.

For example, if you earn $1,200 per pay period ($31,200 per year) and save 4% each payroll period, your per pay period contribution is:

Your contribution ($1,200 x 4%)	$48.00
Getty Matching contribution	$48.00
Total contribution	$96.00

Vesting

The contributions you make to your EIP Account always belong to you. You "vest in," or earn a right to, the Match Plan Account over time, depending on your years of service. A year of service is a calendar year in which you have completed at least 1,000 hours of service.

Note: Your vesting depends on years of service, not the number of years you participate in the EIP. For example, if you have worked at the Getty for at least five years when you first join the EIP, you are immediately 100% vested in the Match Plan upon enrollment.

Years of Service You Have Completed	**Vesting Percentage**
0 – 1	0%
2	40%
3	60%
4	80%
5 or more	100%

If you were to leave before completing five years, you would be vested at the percentage shown on the above chart. For example, if you have worked for the Getty for three years and have $1,000 in your Match Plan Account, 60% of that amount (or $600) is vested. You gain the right to the full Match Plan Account after five years of service while employed by the Getty.

You are *automatically* vested in the Match Plan Account when you reach age 65 while employed at the Getty, if you die or if you become totally and permanently disabled and are eligible to receive benefits under the Getty's Long-Term Disability Plan.

If You Leave and are Rehired

If you leave the Getty fully vested in the Match Plan Account and are rehired, you remain fully vested.

If you leave the Getty with no vesting or partial vesting in the Match Plan and are rehired, your previous vesting service will be restored as follows:

- If your break in service is less than one year; or
- If your break in service is one year or more and you complete one additional year of service.

You incur a break in service if you work less than 500 hours in a calendar year.

Here are two examples:

Example 1.	You have worked at the Getty for one year and are not vested. You leave the Getty for two years, are rehired and complete a year of service. Your one year of previous service will be restored and, with your additional completed year, you become 40% vested.
Example 2.	You have worked at the Getty for 2 years and are 40% vested in the Match Plan. You leave the Getty for three years, are rehired and complete a year of service. Your previous two years of service will be restored and, with your additional completed year, you become 60% vested.

Note: If you leave the Getty for more than five years and are not vested, you lose your previous years of service that count toward vesting; if you are partially vested, your previous service credit will be restored.

Restoring Non-Vested Getty Contributions

If you leave the Getty and are rehired within five years, the non-vested portion of your Getty matching contribution will be restored under certain circumstances. (The matching contribution is not restored if you are not rehired for more than five years.) If you took a distribution from the Match Plan Account when you left, you must repay the amount you received in order to have the forfeited Getty matching contribution restored. You have five years to repay the amount you received. If you do not repay this amount within 5 years, the non-vested amount is forfeited. Here are two examples:

Example 1.	You have $1,000 in the Match Plan Account and are 60% vested. You leave the Getty, take the vested amount ($600) with you and forfeit the non-vested amount ($400). You are rehired by the Getty within five years. You then have five years within which to repay the $600 to your Match Plan Account so the forfeited $400 can be restored. If you do not pay back the $600 within five years, you lose the $400.
Example 2.	You have $1,000 in the Match Plan Account and are 60% vested. You leave the Getty but leave the money in your account. If you are rehired within five years, the forfeited 40% will be restored to your Match Account.

Nondiscrimination Tests

In order to satisfy IRS rules, the Employee Investment Program must periodically undergo nondiscrimination tests to ensure that highly paid employees, as defined by the IRS, are not benefiting disproportionately under the Program.

If the Program, or any portion thereof, fails these tests, the matching contribution level for highly paid employees might have to be reduced. You will be notified if this applies to you.

Investing Your EIP Accounts

When you participate in the Employee Investment Program, you decide how you want your EIP Account and the Match Account balances to be invested.

Investment Choices

The EIP Account and the Match Plan Account both have a variety of investment options to choose from. For a list of fund choices, go to www.getty.edu/staff or request one from your HR Coordinator.

If you were contributing to the Prudential Fund as of July 1, 1995, you can continue to direct your own before-tax contributions—but not the Match Plan or rollover contributions—to this fund. Special rules apply. (See "A Note on the "Prudential Fund" on page 28.) The Prudential Fund is no longer available to participants.

Your Investment Strategy

The amount of retirement savings you'll receive from your EIP and Match Plan Accounts depends on how you invest your account balances, how your investments perform over time, and when you take distribution. In making your investment decisions, only you can determine your own financial objectives and your tolerance for risk.

Fidelity's website, www.mysavingsatwork.com, has a broad range of planning tools and learning resources to help you manage various aspects of your retirement savings. You can also call Fidelity at 800.343.0860 for help.

A prospectus for each fund is available from Fidelity's website at www.mysavingsatwork.com or you may request one by calling Fidelity at 800.343.0860. Read the prospectus carefully before making an investment choice. Any applicable investment fees plus expenses will be disclosed in each prospectus.

The Employee Investment Program is designed to satisfy section 404(c) of the Employee Retirement Income Security Act ("ERISA") and title 29 of the Code of Federal Regulations Section 2240.404(c)-1. As such, the Program offers you the opportunity to exercise control over your Employee Investment Plan Account and your Match Plan Account by allowing you to:

a) choose from a broad range of investment choices;

b) determine the manner in which these assets will be invested; and,

c) receive and access information necessary to make informed decisions with respect to the investment options under the plan.

The fiduciaries of the Program (The J. Paul Getty Trust and Fidelity) are obligated, with certain exceptions, to comply with these instructions. As a result, fiduciaries of the Program are generally relieved of liability for any losses which are the direct and necessary result of investment instructions given by you or your beneficiary.

Any proxy voting or similar rights apparent to your EIP accounts may be passed on to you; consult the investment information for each fund.

Obtaining Your Account Balance

You can obtain your current account balance by logging onto Fidelity's website at www.mysavingsatwork.com, or by calling Fidelity at 800.343.0860.

Each quarter you will receive a statement that indicates the balances of your EIP Account. The statement also shows the funds in which your accounts are invested. You can also find the daily price of the Fidelity Funds in most major newspapers, on Fidelity's website at www.mysavingsatwork.com or by calling Fidelity at 800.343.0860.

Quarterly statements, prospectuses, and other plan literature are mailed to your home address. However, you may elect to receive these documents via email. To do so, log onto www.mysavingsatwork.com > Your Profile > Mail Preferences.

Changing Your Investments

The EIP Program gives you the flexibility to change your investments at any time to suit your personal investment goals.

You may move your account balances in the EIP Account and the Match Account among the available funds at any time by logging onto Fidelity's website at www.mysavingsatwork.com or by calling Fidelity at 800.343.0860. Certain funds may require transaction fees; refer to each fund's prospectus before investing.

Transfers will be made according to Fidelity's trading rules for the Program. In general, transfers made weekdays by 1:00 p.m. PST will be processed the same day at the day's share price; transfers made after 1:00 p.m. will be processed the next day at the next day's share price. Transfers are not processed on Saturdays or Sundays.

Prudential Fund

Only the employees who were contributing to the Prudential Fund as of July 1, 1995, are able to continue contributing through salary reduction. If you have a balance in the Prudential Fund, certain special rules apply to you:

- You may be eligible to take a loan from your Prudential Fund balance. Contact HR Benefits for more information.

- You can transfer money from the Prudential Fund to the Fidelity Funds (subject to vendor restrictions) at any time, but early withdrawal penalties may apply. Contract Prudential at 800.458.6333 for details.

- You have different payout options from the Prudential Fund than from the Fidelity Funds (see "Receiving Your Account Balances" on page 31).

Withdrawals from the EIP Account While a Getty Employee

The goal of the Employee Investment Program is to help you create long-term security. The law permits you to defer taxes until retirement. The longer you participate in the Program, the more opportunity you have for investment growth. Usually the money in your Program Accounts is paid out when you retire, become disabled, end your employment with the Getty, or die. However, while you're actively employed, you may be eligible to take:

- A withdrawal of your contributions to the EIP Account to meet a financial hardship;

- A lump-sum withdrawal at age 59 ½ of all or part of the amount in the EIP Account; and

- A loan (from the Prudential Fund only).

Please note that only your EIP contributions are available for any of these types of withdrawals—not earnings. The money in your Match Plan Account is not available for withdrawal while you are employed by the Getty. Please see the section titled, "Receiving Your Account Balances" on page 31 for more information on the availability of both your EIP Account and the Match Plan Account when you leave the Getty.

Hardship Withdrawals

The IRS permits a *hardship withdrawal* only if you experience an immediate and heavy financial need and other resources are not available to meet the need. A "hardship" generally means you have a financial need on account of:

- Payment of tax-deductible medical expenses for you, your spouse, children, or dependents

- Payment of tuition, related educational fees, and room and board for the next 12 months of post-secondary education for you, your spouse, children, or dependents

- Purchase of your principal residence (excluding mortgage payments) or

- Need to prevent eviction from, or foreclosure on, your principal residence.

Hardship withdrawals are subject to the following restrictions:

- You may only withdraw money from your contributions of the EIP Account, not your Match Account;

- You may not withdraw any earnings credited to your EIP Account after 1988;

- You will be suspended from making contributions to the EIP Account for 6 months, beginning with the pay period after your hardship withdrawal is approved; and

To request a hardship withdrawal packet send an email HR Benefits at Benefits@Getty.edu or call 310.440.6523. The form will ask you to indicate the amount you want to withdraw, the reason for the withdrawal and whether the withdrawal is for contributions made before or after 1988. You must provide documentation showing you cannot meet the hardship in any other way.

Keep in mind that hardship withdrawal requests can be denied. If your request is approved by the EIP Committee, it will then be sent to Fidelity and/or Prudential. Your withdrawal will be processed as soon as administratively possible, usually within 30 days.

Additional Tax on Hardship Withdrawals

In addition to normal tax withholdings, the IRS requires you to pay an extra 10% Federal penalty tax and California requires you to pay an extra 2.5% penalty tax on any funds you withdraw while actively employed before you reach age 59 ½, unless you use the money to pay for certain tax-deductible medical expenses. These penalties may not apply if the withdrawal is due to your total disability.

It is important to consult your tax advisor when considering a hardship withdrawal.

Age 59 ½ Lump-Sum or Partial Withdrawal

If you're an active employee age 59 ½ or older, you may apply in writing to receive a total or partial lump-sum distribution of the amount in your EIP account. The Match Plan Account balances are not available while employed unless you become disabled. To apply for this withdrawal, you must fill out an enrollment form and submit it to HR Benefits. You are allowed one withdrawal.

If you request an in-service withdrawal after age 59 ½, your request will not affect your continued participation in the Employee Investment Program.

Receiving Your Account Balances

You have the right to receive 100% of your EIP Account balance (your contributions adjusted for earnings and losses) if you leave the Getty for any reason. You earn the right to receive the vested portion of the balance of your Match Plan Account over time (see page 24 for information on vesting). The amount of the payment from the Program will be based on the value of your account(s) under each fund as of the day your written request is processed by Fidelity or Prudential.

The balance of your Match Plan Account is always paid in a single lump-sum amount unless you elect a rollover (see page 23). Depending on your situation, you may receive payment from your EIP Plan account in a few different ways.

Balances Less Than Or Equal To $5,000
Within 90 days from the date you leave the Getty, Fidelity will contact you regarding payout options for balances less than or equal to $5,000. Account balances less than or equal to $5,000 will be automatically rolled over into an Individual Retirement Account (IRA) with Fidelity unless you elect to receive a lump-sum payment or roll it over into another qualified plan or IRA. As required by law, this account will be invested in an investment product designed to preserve principal and provide a reasonable rate of return and liquidity.

Balances More Than $5,000
If your balance is more than $5,000, you can choose to receive it under the following methods:

Fidelity-Held Fund(s). Your balance held at Fidelity Investments may be paid to you, according to your written direction, in one of the following forms:

- **Lump Sum.** Under this option, you are paid a single cash amount of your entire account balance.

- **Installments.** Under this option, you are paid monthly or quarterly until your entire account balance has been paid. If you die before your entire account has been paid, installments continue to your beneficiary until your account balance is zero.

Prudential Fund. Your balance in the Prudential Fund may be paid to you as follows:

- **Lump Sum.** Under this option, you are paid a single cash amount of your entire account balance.

- **100% joint and survivor annuity.** Under this option, you receive a reduced monthly retirement benefit for as long as you live. After your death, your beneficiary—who can be anyone with your spouse's consent—will receive 100% of your monthly benefit, for the remainder of his or her lifetime.

- **120 certain payments.** Under this option, you receive a reduced monthly retirement benefit for as long as you live. If you die before receiving 120 monthly payments, the remaining payments are made to your named beneficiary. If he or she dies before all 120 payments are made, the balance of payments will be paid to your beneficiary's estate. Married participants need spousal consent to elect this option.

- **Single life annuity.** Under this option, which is available to married employees with spousal consent, you receive a monthly retirement benefit for as long as you live. When you die, all payments stop.

You select the payment method you prefer. However, if you have an outstanding loan from the Prudential Fund at the time of payment, your outstanding loan amount will be deducted from your account before payments are made to you.

For installment payments, the expected payout period must satisfy IRS rules and be within the expected lifetimes of you and your designated beneficiary.

When Payments Begin

Your vested account balances will be paid to you (or to your beneficiary, if you die):

- When you reach age 65, unless you specifically request to receive your balances at an earlier or later date <u>or</u>

- As soon as administratively possible after the request for payment is made.

If you wish, you can postpone receiving the money in your accounts. You don't have to start receiving your money until the April 1 after the calendar year in which you reach age 70 ½. However, if you are still working at the Getty after you reach age 70 ½, you may defer payments until you retire.

It will be your responsibility to request money from your account after you reach age 70 ½. If you die, and your beneficiary is your spouse, the money can be left in the Program until the April 1 after the calendar year you would have reached age 70 ½. In this case, it will be your beneficiary's responsibility to request money from your account. HR Benefits will **not** notify you. If you do not take distributions when and in the amounts required by law, a 50% excise tax could be imposed on you.

Direct Rollovers

In lieu of any of the above payment methods, you may choose to have the balance of your EIP Account (your contribution and the earnings on them) transferred directly to a 403(b) plan of another employer or to an Individual Retirement Account (IRA). The balance of your EIP Account (your contributions and earnings) and Match Plan Account (Getty matching contributions plus earnings) may be rolled over to another employer's qualified 401(a) plan or 403(b) plan (provided the employer's plan accepts rollovers), a governmental 457 plan, or to an Individual Retirement Plan (IRA). Amounts that are **not** transferred or rolled over directly will generally be subject to a 20% Federal withholding tax.

Requesting a Distribution

To receive a distribution from the EIP Program, you must complete a Distribution Form and submit it to HR Benefits. You should submit the form to HR Benefits at least 30 days before you want your payment(s) to begin. Do not send your form directly to Fidelity or Prudential. The Getty must review and approve all distributions before Fidelity or Prudential can process them. To request a hardship withdrawal packet send an email HR Benefits at Benefits@Getty.edu or call 310.440.6523.

Taxes on Your Account Balance

While you are a participant in the Program, you postpone paying taxes on your account balances until you actually receive the money. When you receive a payment from the Program, the payment is subject to taxes. The amount of taxes you pay depends on the type of distribution you select and the tax laws in effect when the payment is made.

Additional Tax On Early Payments

If you stop working for the Getty before reaching age 55 and you take your payment in a lump-sum, the IRS requires that you pay a 10% Federal penalty tax on payments. Additionally, California requires you to pay a 2.5% state penalty tax. The state penalty taxes do not currently apply to participants who reside outside of California. These penalty taxes are in addition to regular income taxes and apply to your before-tax rollover contributions, the Getty Match and all earnings.

You may avoid the penalty tax, however, if any of the following apply:

- You directly roll the balance of your EIP Account or Match Account into an Individual Retirement Account (IRA) or into any other qualified plan;
- You withdraw the money to pay for tax-deductible medical expenses over the Federal cap (in excess of 7 ½% of adjusted gross income);
- You wait until you reach age 59 ½ to receive a payout;
- You or your beneficiaries receive a payout because of your death or disability; or
- You take your payment in regular installments over your (or you and your beneficiary's) life expectancy.

Remember, a 20% Federal withholding tax generally applies if your payment is not rolled directly into an IRA or another qualified plan. See "Direct Rollovers" on page 33 for more information.

Making Your Decision

The tax laws that apply to payments from the Employee Investment Program are complicated, and the Getty cannot provide you with specific tax advice. Consult a tax advisor before deciding how you want your account balances paid to you.