Getting a head start on your future

An overview of the University of Richmond Defined Contribution Plan

Lacey Fisher
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Welcome to the University of Richmond retirement program

- About your employer's plan
- Retirement program advantages
- Creating a retirement strategy
- Account updates
- Learn more

Getting a head start: An overview of your employer’s plan
About your plan

Getting a head start: An overview of your employer's plan
The University of Richmond has created a retirement plan to work for you

- Many investment options
- Investment advice
- Enhanced services and tools

Getting a head start: An overview of your employer’s plan
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The specifics of your plan

1. All employees, except for student employees, may make pre-and/or post-tax Contributions to the retirement plan as soon as you become an employee and complete a salary reduction agreement. This includes the Roth option.

2. All employees who have completed 1 year of service (worked 1,000 hours during a 12 month period) and have reached age 21 are eligible to participate in the employer contribution portion of the Plan.

3. If an employee is eligible to participate in the employer contribution portion of the plan, the University may make "basic contributions" and "matching contributions" on their behalf. Basic contributions are made by the University on behalf of each eligible employee at 5% of the employee’s base salary paid during each pay period in which they make a salary reduction contribution. So, once a participant is eligible if you contribute 5%, you will receive 10% in employer contributions.

4. Contributions to this account will be 100% vested immediately.

You can get more information on your retirement plan by going to the Retirement Benefits section of TIAA.org/richmond.
Your investment options offer choice and flexibility

You can get specific investment options by going to the Retirement Benefits section of TIAA.org/richmond.

Higher Risk
- EQUITIES
- REAL ESTATE
- MULTI-ASSET
- FIXED INCOME
- MONEY MARKET

Lower Risk
- GUARANTEED*

*Investment options offered in the “guaranteed” asset class are subject to the claims-paying ability of the issuing company.

Investing involves risk of loss of principal.
The Roth contribution option in 403(b) plans

- Available in IRAs since 1997: Offered in employer sponsored plans since 2006.
- Not a different plan, but a contribution option under the current 403(b) plan.
- Contributions are made on an after-tax basis and do not reduce your current taxable income.
- Earnings are tax free at withdrawal if qualifying conditions are met.*
- You can make both pretax and Roth contributions, subject to IRS limits.

* A withdrawal of Roth earnings is tax free, provided eligible participants meet the five-year seasoning period and attain age 59½ (or are disabled or deceased).
### Comparing after-tax Roth and pretax contributions

<table>
<thead>
<tr>
<th></th>
<th>Roth 403(b)</th>
<th>Roth IRA</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Annual contribution</strong></td>
<td>$19,500 (under age 50) or $26,000 (50+)</td>
<td>$6,000 (under age 50) or $7,000 (50+)</td>
</tr>
<tr>
<td><strong>Income limitations to quality of contribution</strong></td>
<td>No income limitations</td>
<td>See your tax advisor—maximum IRS limit</td>
</tr>
<tr>
<td><strong>Access to plan balance</strong></td>
<td>Subject to the rules/restrictions of your employer-based plan</td>
<td>Individually held assets—more accessible</td>
</tr>
<tr>
<td><strong>Taxability of assets in the future</strong></td>
<td>Each 403(b) Roth plan must be held for five years; reach age 59½ for tax favor</td>
<td>Initial Roth IRA established date must be five years; reach age 59½ for tax favor</td>
</tr>
<tr>
<td><strong>Required minimum distribution</strong></td>
<td>Balances ARE subject to IRA required minimum distribution rules</td>
<td>No required minimum distribution requirements</td>
</tr>
<tr>
<td><strong>Conversions from pretax to Roth permitted</strong></td>
<td>Subject to specific plan provisions if available in-plan</td>
<td>Conversions are permitted</td>
</tr>
<tr>
<td><strong>Rollovers permitted</strong></td>
<td>Subject to specific plan provisions if available in-plan</td>
<td>Rollovers are permitted</td>
</tr>
</tbody>
</table>
Why the Roth option may be right for you

You want to maximize your after-tax savings
- You can use both the Roth contribution option and a Roth IRA, up to their respective IRS limits

You expect to be in a higher tax bracket in retirement
- Pay taxes on the contributions now—potentially at a lower tax rate
- Receive money tax free when you retire

You earn too much to contribute to a Roth IRA
- After-tax Roth contributions to your retirement plan have no income limits

You want to pass on tax-free income to your heirs
- After-tax Roth contributions may be tax free for your beneficiaries under certain circumstances

Consult with your tax advisor regarding your situation.
Benefits of the Roth option

- Provides additional flexibility in planning retirement income
- Protects against higher future ordinary income tax rates
- Unlike Roth IRAs, there are no maximum income limits for Roth 403(b) contributions.
A one-on-one advice session can help you answer key questions

- Am I saving enough?
- How should I invest?
- How can I address my retirement income needs?
- Get retirement plan advice from a TIAA financial consultant.
Help with your plan is available

One-on-one advice session

Scheduling options

You can sign up at a TIAA workshop

You can call TIAA at 800-732-8353, weekdays, 8 a.m. to 8 p.m. (ET)

TIAA.org/schedulenow

Getting a head start: An overview of your employer’s plan
Retirement program advantages

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Retirement program advantages

- Invest more for retirement
- Lower your current taxable income
- Potential tax-deferred growth
Getting a head start: An overview of your employer’s plan

Current-year limits for salary deferral retirement plans

- **Employees under age 50**: $19,500
- **Employees age 50 or older**: $26,000

![Salary deferral limits chart](chart.png)
The earlier you start, the less you’ll have to sacrifice to pursue the retirement you want. For example, to reach approximately $500,000 by age 67:

<table>
<thead>
<tr>
<th>Starting at age</th>
<th>What you’ll have to “give up”</th>
</tr>
</thead>
<tbody>
<tr>
<td>25</td>
<td>Daily cup of barista coffee ($187/month)</td>
</tr>
<tr>
<td>35</td>
<td>Monthly car payment ($365/month)</td>
</tr>
<tr>
<td>45</td>
<td>Annual family vacation ($782/month)</td>
</tr>
</tbody>
</table>

This hypothetical illustration assumes a 6% annual return on investment and a 3% increase every year to account for inflation. It does not represent the actual performance of any TIAA account nor does it reflect expenses or taxes, which would reduce performance. Total returns and the principal value of the accounts will fluctuate, and yields may vary. This table cannot predict or project investment performance.
Creating a retirement strategy

Getting a head start: An overview of your employer's plan
You can choose your retirement strategy

- One-step investing
- Active investing
One-step investing

Target-date funds

2030 Fund

The chart is only a visual representation of the target date or lifecycle fund fixed-income and equity percentages. Please refer to the prospectus for the funds for more details on asset allocation for each of the target-date funds.
One-step investing

You can pick the fund closest to your anticipated retirement date

Target-date funds

Age-appropriate allocations

Target-date funds are actively managed, so their asset allocations are subject to change and may vary from those shown.

As with all mutual funds, the principal value of a target-date funds isn’t guaranteed at any time and will fluctuate with market changes. The target date approximates when investors may plan to start making withdrawals. However, you are not required to withdraw the funds at that target date. After the target date has been reached, some of your money may be merged into a fund with a more stable asset allocation.

Target-date funds share the risks associated with the types of securities held by each of the underlying funds in which they invest. In addition to the fees and expenses associated with the target-date funds, there is exposure to the fees and expenses associated with the underlying mutual funds.

The charts are only visual representations of the target-date or lifecycle fund’s fixed-income, equity and real estate allocations. Please refer to the prospectus for the funds for more details on asset allocation for each of the target-date funds.

In addition to the fees and expenses associated with lifecycle funds and target-date funds, there is exposure to fees and expenses associated with the underlying investment options. The fund is also subject to risks associated with the types of securities held by each of its underlying funds.
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One-step investing

Professional managers adjust the fund’s asset allocation

- Fixed-income funds
- Equity funds
- Direct real estate

The chart is only a visual representation of the target-date funds, fixed-income, equity and real estate. Please refer to the prospectus for the funds for more details on asset allocation for each of the target-date funds.

As with all mutual funds, the principal value of a target-date funds isn’t guaranteed at any time and will fluctuate with market changes. The target date approximates when investors may plan to start making withdrawals. However, you are not required to withdraw the funds at that target date. After the target date has been reached, some of your money may be merged into a fund with a more stable asset allocation.

Target-date funds share the risks associated with the types of securities held by each of the underlying funds in which they invest. In addition to the fees and expenses associated with the target-date funds, there is exposure to the fees and expenses associated with the underlying mutual funds.
Active investing options

You can:

- Use your own selections from the plan’s new investment options.
- Use Retirement Advisor located under Retirement Planning at TIAA.org/tools.
- Work with a TIAA financial consultant.
Getting a head start: An overview of your employer's plan

Updating your TIAA account
All of your accounts are visible on your home page.

Visit TIAA.org/richmond
My Account on TIAA.org

You can:

1. Review investment options
2. Manage your portfolio
3. Update beneficiaries
4. Get help

All of your accounts are visible on your home page.
How to update your investment choices

1. Select *Actions* then choose *Change your investments*
2. Choose *Exchange* or *Choose future investments*
3. Choose new investment choices and corresponding percentages

Materials depicted are samples and not intended to depict specific results.
You can improve your financial know-how with advice and education

- Read informative articles about life events
- Access online tools and calculators
- Educate yourself about retirement concepts
- Attend monthly live webinars on a variety of financial and retirement planning topics at TIAA.org/webinars
Importance of updating your beneficiary

You should review and update your beneficiary designation at least yearly, and more often if there is a change in your personal situation.
How to update your beneficiaries

1. Select *Add/edit beneficiaries*

2. Input the information

3. Add your beneficiary information and percentage
You can manage your money with the 360º Financial View

You can:

- Link all of your accounts to get a complete picture of your finances
- View all your accounts on one screen
- Track your spending
- Create a budget in minutes and set goals for your spending
Next steps

You can:

- Enroll in the plan if you are not already enrolled
- Review and update your beneficiary designation
- Review investment options and contribution rate
- Get retirement plan advice and education on the plan’s investment options from a TIAA financial consultant
How to learn more

- Dedicated retirement plan website: TIAA.org/richmond
- Call TIAA at 800-842-2252. Consultants are available weekdays, 8 a.m. to 8 p.m. (ET).
Questions?

Getting a head start: An overview of your employer’s plan
The Retirement Advisor does not monitor your retirement assets or personal circumstances. The purpose of the retirement income tool is to show how the performance of the underlying investment accounts could affect the participant's policy cash value and the resulting retirement income. It is not intended to project or predict investment results. The advice may vary over time and with each use. There may be other investments not considered by the Retirement Advisor that have characteristics similar or superior to those being analyzed. The tool's advice is based on statistical projections of the likelihood that you will achieve your retirement goals. The projections rely on financial and economic assumptions of historical rates of return of various asset classes that may not reoccur in the future, volatility measure and other facts, as well as information you have provided.

IMPORTANT: Projections and other information generated through the Retirement Advisor regarding the likelihood of various investment outcomes are hypothetical, do not reflect actual investment results and are not a guarantee of future results. The projections are dependent in part on subjective assumptions, including the rate of inflation and the rate of return for different asset classes. These rates are difficult to accurately predict. Changes to the law, financial markets or your personal circumstances can cause substantial deviation from the estimates. This could result in declines in the account's value over short or even extended periods of time.
Investment products may be subject to market and other risk factors. See the applicable product literature or visit TIAA.org/richmond.

This material is for informational or educational purposes only and does not constitute investment advice under ERISA. This material does not take into account any specific objectives or circumstances of any particular investor, or suggest any specific course of action. Investment decisions should be made based on the investor’s own objectives and circumstances.

The TIAA group of companies does not provide legal or tax advice. Please consult with your legal or tax advisor.

Diversification is a technique to help reduce risk. However, there is no guarantee that diversification will protect against a loss of income.
Morningstar Investments Management, LLC (Morningstar) is an unaffiliated investment advisor that provides TIAA with independent, third-party asset allocation models and specific investment recommendations for purposes of the Retirement Plan Portfolio Manager program. Program recommendations are generated by Morningstar as an independent investment authority, retained by TIAA to provide independent advice.

The Morningstar tool's advice is based on statistical projections of the likelihood that an individual will achieve their retirement goals. The projections rely on financial and economic assumptions of historical rates of return of various asset classes that may not reoccur in the future, volatility measures and other facts, as well as information the individual provides.

IMPORTANT: Projections and other information generated through the Morningstar tool regarding the likelihood of various investment outcomes are hypothetical, do not reflect actual investment results and are not a guarantee of future results. The projections are dependent in part on subjective assumptions, including the rate of inflation and the rate of return for different asset classes. These rates are difficult to accurately predict. Changes to the law, financial markets or individual personal circumstances can cause substantial deviation from the estimates. This could result in declines in an account's value over short or even extended periods of time.
Investment, insurance, and annuity products are not FDIC insured, are not bank guaranteed, are not bank deposits, are not insured by any federal government agency, are not a condition to any banking service or activity, and may lose value.

You should consider the investment objectives, risks, charges, and expenses carefully before investing. Go to TIAA.org/richmond for current product and fund prospectuses that contain this and other information. Please read the prospectuses carefully before investing.

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