



University of North Carolina 403(b) and 457(b) Plans

The University of North Carolina 403(b) and 457(b) Plans are additional retirement savings options for voluntary contributions.

Your contributions to the UNC 403(b) and 457(b) Plans may be made on a pretax basis, which lowers your current taxable income, or as Roth contributions (after-tax dollars). Your contributions are automatically deducted from your paycheck each pay period to help make saving simple and offer one more way to build your retirement portfolio.

The basics

Eligibility and entry

The University of North Carolina Section 403(b) Plan

You are eligible to participate in the UNC 403(b) Plan on your first day of employment. This plan accepts employee contributions; there is no employer match. Rollovers are allowed within the UNC 403(b) Plan. This plan offers a Roth feature, so you may contribute on an after-tax basis and potentially enjoy tax-free withdrawals in retirement.¹

The University of North Carolina Section 457(b) Plan

All permanent and temporary employees who are subject to FICA withholdings are eligible to participate. This plan accepts employee contributions; there is no employer match. Rollovers are allowed within the UNC 457(b) Plan. This means that all or a portion of your 457(b) account values held outside of TIAA may be eligible for consolidation into the UNC 457(b) Plan with TIAA.² To take advantage of the plan, the simple steps to enroll are outlined on the next page.

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Employee contributions

- You may choose to contribute either pretax or post-tax (via the Roth contribution type) or even split your contributions between pretax and Roth.
- You are always 100% vested in your own contributions.
- You may contribute up to 100% of your income or \$22,500 for 2023, whichever is less. If you're 50 or older, you're eligible to contribute an additional \$7,500 for a total of \$30,000.
- You may start, change, or stop contributing by submitting a UNC 403(b) Salary Reduction/Deduction Agreement or a UNC Voluntary Salary Deferral Agreement at any time to your Human Resources/Benefits Office.



Enrollment at-a-glance

Don't wait! Saving even a small amount now can add up over time. To begin saving in the UNC 403(b) and 457(b) Plans, visit TIAA.org/unc. First, choose your employer. Next, select *Ready to Enroll*, choose the plans and click *Next*. Then complete the TWO steps as outlined below.

Step 1. Complete the required document:

- Go to TIAA.org/unc to download the University of North Carolina 403(b) Plan Salary Reduction Agreement and the University of North Carolina 457(b) Plan Voluntary Salary Deferral Agreement.

Submit the completed form to your employer's Human Resources or Benefits department.

Step 2. Enroll with TIAA:

- Continue to online enrollment by selecting the *Begin Enrollment* button.
 - If you are a first-time user: Click *Register Now* to create your user ID and password.
 - If you are a returning user: Enter your TIAA user ID and password, then click *Log In*.
- Follow the on-screen instructions to select your investments and name your beneficiary to complete your enrollment in the UNC 403(b) and 457(b) Plans.

Please remember that investing poses risks and you can lose money.

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Investments

Based on your retirement goals, you can create your own investment mix from among the various investment options offered in the plans or select from one of the UNC ORP model portfolios. For detailed information about the plans' investment options, including current performance and fees, visit TIAA.org/unc.

In order to make informed investment decisions, it's important that you attend periodically scheduled educational meetings and read the available material from your employer for your benefit.

You may invest your contributions in any of the investment options offered under the plans. For detailed information about the investment options, including the brokerage account option, please review the *Investment Options* section at TIAA.org/unc or speak to a TIAA representative at **800-842-2252**.

If you do not take the steps to select investment options, your contributions will be automatically invested in the appropriate Vanguard target-date fund, which is the designated default investment option per the UNC 403(b) and 457(b) Plan Documents. The target date corresponds to the year closest to the year you will turn age 65. Target-date funds automatically adjust, making asset allocation investment decisions for you as you approach retirement. As with all mutual funds, the principal value in the fund is not guaranteed, including at the target date. Also, please note that the fund's target date is an estimate of when you might begin withdrawing from the fund but there is no requirement for you to do so at that time.³



Expenses

Each investment option charges an annual fund operating expense, and other fees and expenses. The investment fees and expenses vary based on the investment option you choose. For specific fee and expense information, see a list of the investment choices under these plans on the *Investment Options* section of the website, and read the fact sheet or the prospectus for that investment.

Beneficiary information

Remember to name your beneficiary(ies). In the event of your passing, you'll want to ensure that your loved ones receive the funds you've worked so hard to save. Please remember that if you don't designate a beneficiary, your retirement savings will be directed based on the UNC 403(b) and 457(b) Plan Documents. Leaving "The Estate" as the beneficiary designation means that account assets, upon your death, could be subject to probate. To update your beneficiary online, visit TIAA.org/unc select your employer and sign in to your secure account with your personal ID number and password.

Rollover contributions

Rollovers are allowed within the UNC 403(b) and 457(b) Plans. This means that all or a portion of your 403(b) and 457(b) account values outside of TIAA may be eligible for consolidation with TIAA.²

Where to go for more information

If you have any questions, please call **800-842-2252** to speak with an experienced TIAA representative who is available to assist you, weekdays, 8 a.m. to 10 p.m. (ET).

University of North Carolina 403(b) and 457(b) Plans

Meet with your financial consultant

You can get personalized retirement plan advice on the UNC ORP and supplemental retirement plans, as well as the investments available for your retirement saving and planning. Your TIAA financial consultant is available for your personal advice session, which is designed to help you answer three questions:

1. Am I on track toward saving enough for a comfortable retirement?
2. Do I have the right mix of investments to maximize my potential?
3. What are my options for receiving income when I retire?

To schedule your one-on-one advice session, call **800-732-8353**, weekdays, 8 a.m. to 8 p.m. (ET) or schedule online at **TIAA.org/schedulenow**.

Getting started is easy—visit TIAA.org/unc



Distributions from 403(b) plans before age 59½, severance from employment, death, or disability may be prohibited, limited, and/or subject to substantial tax penalties. Different restrictions may apply to other types of plans.

¹ Withdrawal of earnings prior to age 59½ are subject to ordinary income tax and a 10% penalty may apply. Earnings can be distributed tax free if distribution is no earlier than five years after contributions were first made and you meet at least one of the following conditions: age 59½ or older or permanently disabled. Beneficiaries may receive a distribution in the event of your death.

² You should carefully consider your other available options. You may also be able to leave money in your current plan, roll over money to an IRA, or cash out all or part of the account value. You should weigh each option carefully and its advantages and disadvantages, including desired investment options and services, fees and expenses, withdrawal options, required minimum distributions, tax treatment, and your unique financial needs and retirement plan. You should seek the guidance of your financial professional and tax advisor prior to consolidating assets.

³ 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.

This material is for informational or educational purposes only and does not constitute fiduciary investment advice under ERISA, a securities recommendation under all securities laws, or an insurance product recommendation under state insurance laws or regulations. 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.

You should consider the investment objectives, risks, charges, and expenses carefully before investing. Please call 800-842-2252 or log in to TIAA.org/unc for a current prospectus that contains this and other information. Read the prospectus carefully before investing.

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