

Important information

Yale University Matching Retirement Plan

Investment of Plan Contributions

The Yale University Matching Retirement Plan (the “Plan”) allows participants and beneficiaries to direct the investment of their Plan contributions, i.e., employee contributions and university Match contributions. If you do not provide investment instructions, Plan contributions are automatically invested in the Plan’s qualified default investment option and remain invested in the qualified default investment option until you direct otherwise. To make a choice regarding the investment of your Plan contributions, you may do so online at TIAA.org/yale.

TIAA-CREF Lifecycle Fund

Your Plan contributions are automatically invested in an age-appropriate TIAA-CREF Lifecycle Fund if you do not select your investment options. If you designated Vanguard as your investment company prior to March 24, 2015, and did not select your investment options, your Matching Retirement Plan contributions continue to be automatically invested in a Vanguard Target Retirement Fund. The default fund election will remain in effect until you select other investment options by contacting TIAA at TIAA.org/yale or 855-250-5424.

TIAA-CREF Lifecycle Funds, also known as Target Date funds, consist of a series of target retirement date funds in five-year increments where you select the fund that most closely matches your retirement year, for example, a Lifecycle 2040 Fund is for an investor planning to retire in or around 2040. If your investments are defaulted to the TIAA-CREF Lifecycle Fund, your investments will be placed in the fund that most closely matches the year of your 65th birthday. They are professionally managed and automatically adjust over time—relieving you of the need to make investment, allocation and rebalancing decisions every year.

TIAA-CREF Lifecycle Funds aim for an age-appropriate investment return over time while maintaining a diversified, risk-managed exposure across a wide range of asset classes. By providing exposure to equities during early periods of retirement savings, the Lifecycle Funds are designed to provide opportunities for asset growth and favorable risk-adjusted returns. As retirement approaches, the gradual increase in fixed income investments, up to and during the target retirement period, addresses the investor’s need for increased stability of principal over shorter savings horizons. The ongoing allocation to equities during retirement is designed to strike a balance between the need for both current income and continued growth throughout retirement years.

The TIAA-CREF Lifecycle Funds are intended to be “qualified default investment alternatives” as described in Section 404(c)(5) of the Employee Retirement Income Security Act (ERISA). Specific information, including a description of the fund’s investment objectives, risk and return characteristics, fees and expenses, are included.

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Change How Your Plan Contributions are Invested

If your Plan contributions are automatically invested in a TIAA-CREF Lifecycle or Vanguard Target Retirement Fund, you have the option at any time to change the investment of your future and past Plan contributions. If you do nothing, your Plan contributions will continue to be invested in a TIAA-CREF Lifecycle or Vanguard Target Retirement Fund.

To make investment changes, to change the amount you want to contribute to the Plan, or to learn more about the Plan's investment options, log on to your account at TIAA.org/yale, or call TIAA at **855-250-5424**.

University Match

Once you complete two (2) years of benefit service, the university will match 100% of your employee contributions up to two percent (2%) of your eligible pay. Once you complete five (5) years of benefit service and attain age 45, the university will match your employee contributions up to four percent (4%) of your eligible pay.

Employee Pre-Tax Contribution

Pre-tax contributions are deducted *before* federal and most state and local income taxes are calculated which means that your current taxable income is reduced by the amount of your pre-tax contributions. Taxes on your contributions (and any investment returns) will apply when funds are withdrawn from the Plan.

Employee Roth 403(b) After-Tax Contribution

Roth 403(b) after-tax contributions are an alternative you may select. If you satisfy certain plan IRS requirements, including that your first Roth 403(b) after-tax contribution to the Plan was at least five years prior and you are 59½ years or older at the time of distribution or withdrawal, your contributions and earnings won't be taxable.

Participants may choose to make all pre-tax contributions, all Roth 403(b) after-tax contributions, or a combination of both.

Changing the Amount You Contribute

You can change your contribution rate at any time by logging onto your account at TIAA.org/yale. There are federal limits that apply to the maximum amount you can contribute to the Plan and the maximum salary that can be considered for university contributions. These IRS plan limits can be found on your TIAA personal account page at TIAA.org/yale.

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Vesting of Plan Contributions

You are immediately vested in your Employee Contributions, University Match and any investment returns thereon. To be fully vested means that your contributions and any investment returns will always belong to you, and you will not lose them even if your employment with the university terminates.

Even though you are fully vested, there are restrictions on when you may withdraw funds from your Matching Retirement Plan account. You may withdraw funds or roll them over to another employer or IRA after you retire or terminate your employment with Yale. You may also withdraw your Employee Contributions and earnings after age 59½, even if you are still employed at Yale.

Withdrawals before age 59½ typically are subject to a 10% excise tax. Your beneficiary is entitled to any amounts remaining in your Matching Retirement Plan account upon your death.

Change to a Calendar Year Plan Year

As part of the continuing program improvements, beginning January 1, 2017, the Plan Year is being changed to follow the calendar year to simplify the Plan. This required an interim Short Plan Year (July 1 – December 31, 2016), in accordance with guidance from the Internal Revenue Service (IRS). This change does not impact your account.

Designate Your Beneficiary

To view or change your beneficiary designation, visit TIAA.org/yale and log in to your secure account or register for online access. Click on the *My Account* tab, and choose **Change beneficiaries** under the *Profile* heading.

Keep in mind that if you had a TIAA and a Vanguard account prior to April 24, 2015, the beneficiary designation on your existing TIAA account applies to the Vanguard assets that were transferred to TIAA. If you had only a Vanguard account, your prior beneficiary designation on your Vanguard account is no longer valid. Until you designate a beneficiary, your designation will default to your estate if you are unmarried, and to your spouse if you are married.

Access Your Account at TIAA

Register at TIAA.org/yale to set up access to your account so that you can review and manage your contributions and investments online. To register for secure online access, visit TIAA.org/yale and select *Register* or *Log in* to establish your user ID and password. For assistance with setting up a user ID and password, call TIAA at **855-250-5424**, Monday to Friday, 8 a.m. to 10 p.m., or Saturday, 9 a.m. to 6 p.m. (ET).