

Introducing changes to The University of Alabama System voluntary retirement plans beginning October 2019

Helping employees plan and save for the future is important. The University of Alabama System is pleased to announce updates to the voluntary retirement plans. **The changes do not require you to take any action at this time.**

While the basic design of the retirement program, including contribution rates, eligibility and vesting requirements remain the same, beginning in October 2019, TIAA will become the single service provider for the voluntary retirement plans of The University of Alabama System. Here are some important things to know:

- **New investment options**

The University of Alabama System is taking this opportunity to improve the investment options available through the plan. Several investment options will be removed from the lineup and replaced with new options.

- **Lower costs**

Some investment options will be directed to a lower-cost share class of the same fund. Investing in a lower-cost share class means that less of your money goes toward fees. As a result, you keep a larger portion of the potential returns generated by each investment. While returns cannot be guaranteed, paying lower fees may help you reach your retirement goals faster.

- **Increased transparency on fees**

Your retirement plan has always been subject to fees—now they will be more transparent. A new fee structure will make it easier to see the cost of each investment option.

- **New TIAA contracts**

New contracts with TIAA will be created for VALIC and TIAA participants. You will receive instructions for accessing and managing your new contract(s), as well as information on changes to investment options. Eligible balances currently with VALIC will be transferred to TIAA.

- **Online contributions**

TIAA will become the new portal for making contribution elections. New salary deferral agreements and changes to current deferrals will be completed through your TIAA online access for pre-tax and Roth contributions. After-tax contributions can only be made once pre-tax and Roth contribution limits have been reached. You can make percentage elections only. Any existing flat dollar deferrals will be converted to a percentage.

- **New retirement plan loans**

Retirement plan loans will continue to be available. New loans will be offered with a fixed interest rate and funded directly from your plan account.

- **Retirement plan investment advice**

TIAA financial consultants are available to meet one-on-one with you to provide help choosing investment options, not only for the transition, but also going forward. This service is available at *no additional cost to you* whether you're just starting out or an experienced investor.

Make the most of your retirement benefits

The upcoming changes provide an excellent opportunity for you to revisit your retirement program options. A Transition Guide with additional information will be mailed to you later this fall. Carefully review the guide for more details on key dates, specific action steps, upcoming information sessions, and resources available to you.

It is our goal to keep you informed throughout the upcoming transition. If you have questions or need assistance, please call TIAA at **800-842-2252**. Consultants are available weekdays, 7 a.m. to 9 p.m., and Saturday, 8 a.m. to 5 p.m. (CT).