

Default Retirement Investment, Automatic Enrollment Notice, & Automatic Increase Notice for the Loyola University Chicago Defined Contribution Retirement Plan

Loyola University Chicago (your “Employer”) is making saving for retirement under the Loyola University Chicago Defined Contribution (your “Employer”) makes saving for retirement under the Loyola University Chicago Defined Contribution Retirement Plan (the “Plan”) easy. We make contributions to your account, offer an automatic enrollment feature, and will also make employer matching contributions to your account. Starting the pay period in which you attain 60 days of employment in an eligible position, you will be automatically enrolled in the Plan and receive matching contributions. This means that amounts will be taken from your pay and contributed to the Plan. These automatic contributions will be 1% of your eligible pay each pay period, and will increase by 1% each year on July 1, until they reach a maximum of 5% of salary. However, you can increase or decrease your contribution amount, or even choose not to contribute to the Plan.

This notice gives you important information about some Plan rules, including:

1. What amounts the Employer will contribute to your Plan account;
2. What amounts will be automatically taken from your salary and contributed to the Plan; and
3. Where you can direct contributions to the Plan;
4. How your plan account will be invested in the event you fail to provide adequate investment instructions;
5. When your plan account will be vested (that is, not surrendered when you leave your job), and when you can withdraw your Plan account;
6. How you can change the investment of your contributions;

1. What will my Employer contribute to my Plan account?

Benefits-eligible faculty and staff are eligible for participation in the Loyola University Chicago 403(b) Defined Contribution Retirement Plan (DCRP). Loyola’s DCRP provides a contribution equal to 5% of salary into your Plan account. Additionally, the Employer will match employee contributions, up to a maximum of 5%. For example, if you contribute 5% of your salary, the Loyola will also contribute an additional 5%.

Participation for both contributions is effective the pay period in which you attain 60 days of employment in an eligible position. For example, if you are employed in an eligible position on June 1, you are eligible for retirement contributions beginning the first pay period in August. All participants are immediately 100% vested in all the Employer’s contributions.

2. If I do nothing, how much will be taken from my salary and contributed to the Plan?

If you do not contact the Loyola Retirement Center to opt out of the automatic enrollment program, 1% of your eligible salary for each pay period will be taken as a pre-tax deduction from each pay check and contributed to the Plan. This starts with your first pay in which you attain 60 days of eligible employment. Beginning with your first pay period each July, your contribution level will increase by 1% each year, until it reaches 5% of your eligible pay. To learn more about the Plan’s definition of eligible salary, review the Plan document, which is available from the Plan Administrator, or write to the address listed at the end of this notice.

Your contributions to the Plan will be taken out of your salary and are not subject to federal income tax at that time. Your contributions will be in whole percentages. Your account will be subject to federal income tax only when withdrawn. This helpful tax rule is a reason to save for retirement through Plan contributions.

Contributions will be taken out of your salary if you do nothing. But you are in charge of the amount that you contribute. You may decide to do nothing and become automatically enrolled, or you may choose to contribute an amount that better meets your needs. For example, you may want to get the full amount of your employer's matching contributions by contributing at least 5% of your eligible pay. In this scenario you would receive a 10% total contribution from Loyola University Chicago — 5% from the employer contribution and 5% from the employer match. You can change your contributions by contacting the Loyola Retirement Center to make a salary deferral election. You can save more than 5% of your annual salary, but the maximum employer match is 5%. Please note, there are limits on the maximum amount you can contribute to the Plan. These limits are described in the Benefit booklet, which is available from the Plan Administrator or by writing to the address listed at the end of this notice.

3. Participants have the choice to direct their own and the Employer's contributions to one of the three retirement service providers:

- AIG Retirement (Valic)
- Fidelity Investments, Inc.
- TIAA-CREF

You may direct the Employer's contributions and your pretax contributions to any of our three service providers by phoning the Loyola Retirement Center, staffed by TIAA-CREF consultants, who are available from 7 a.m. to 9 p.m. weekdays, and 8 a.m. to 5 p.m. on Saturdays, by phoning 773 508-2770. Remember, you can always change the amount you contribute to the Plan by phoning the Loyola Retirement Center.

PLEASE NOTE: The contributions you make to the plan up to 5% of salary, as well as the Employer's contributions (both the DCRP and matching contributions) must all be directed to the same service provider. Any amounts you contribute to the plan a greater than 5% may go to a second provider of your choice.

4. How will my contributions be invested?

TIAA-CREF has been selected by Loyola University Chicago as the default investment provider for Auto Enroll contributions. The Plan lets you invest the contributions in a number of different investment choices. Unless you choose a different investment provider or fund, the Auto Enroll contributions will be invested in the default investment option for the Loyola University Chicago Defined Contribution Retirement Plan, which is the age-based TIAA-CREF Lifecycle Fund that corresponds to your estimated date of retirement. The TIAA-CREF Lifecycle Funds provide a ready-made diversified portfolio using TIAA-CREF mutual funds as underlying investments that include both equity and fixed-income instruments. The allocation strategy for the underlying equity, fixed-income and short-term mutual funds is based on the number of years expected to reach the target retirement dates.

The Lifecycle Funds seek to provide favorable total returns until the target retirement date. Each fund's goal is to seek favorable current income and, as a secondary objective, capital appreciation. Additionally, each fund's target asset allocation percentages automatically change over time to become more conservative by gradually reducing the allocation to equity funds and increasing the allocation



to fixed-income and short-term funds. If the default investment fund changes at any time in the future, you will be notified. Please note that as with all mutual funds, the principal value of a Lifecycle Fund isn't guaranteed. Also, the target date of a Lifecycle Fund is an approximate date when investors may plan to begin withdrawing from the fund.

You can obtain updated information on fee expenses and a more detailed explanation of the TIAA-CREF Lifecycle Funds at www.tiaa-cref.org/luc or by contacting the Loyola Retirement Phone Center at

773 508-2770. You have the right to change the allocation of your investments at any time. If you elect to change the allocation of your account from one of the Lifecycle Funds, there are no fees or expenses imposed in connection with that transfer. But certain restrictions may apply if multiple transfers are made from any one account during any 60-day period. See the fund prospectus at www.tiaa-cref.org/luc for more details on restrictions on frequent transfers.

The Plan allows you to choose from a diverse set of investment options. A list of the Plan's available funds and a copy of the prospectus or information statement for each fund may be obtained from the Loyola Retirement Phone Center at 773 508-2770 or at www.tiaa-cref.org/luc. You can change how you invest your contributions among the Plan's investment funds by contacting the Loyola Retirement Phone Center at 773 508-2770 or by accessing your account online at tiaa-cref.org.

To learn more about the Plan's investment choices contact each vendor. To learn more about procedures for changing how the contributions are invested, you can review the Plan Document. Also, you can contact the Plan Administrator using the contact information at the end of this notice.

5. When will my Account be vested and available to me?

You are fully vested in your contributions and Loyola's contributions to the Plan. To be fully vested in Plan contributions means that the contributions (together with any investment gain or loss) will always belong to you, and you will not lose them when you leave your job. You can review the Plan Document, which you can obtain from the Plan Administrator at the address listed at the end of this notice. Even if you are vested in your Account, there are limits on when you may withdraw your funds. These limits may be important to you in deciding how much money, if any, to contribute to the Plan.

6. Can I change the amount of my contributions?

Yes. If you do not wish to contribute to the Plan or if you wish to contribute a greater amount to the Plan, you can contact the Loyola Retirement Center and change your salary deferral election. You can always choose to continue or restart your contributions by contacting the Loyola Retirement Phone Center at

773 508-2770. If you have any questions about how the Plan works, your rights and obligations under the Plan, or if you would like a copy of the Plan Document, please contact the Plan Administrator at:

Deborah M. Meister
Loyola University Chicago - Human Resources
820 N. Michigan Ave – Suite 820
Chicago, Illinois 60611
312 915-6175
dmeiste@luc.edu





Human Resources
820 N. Michigan Ave
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**Acknowledgement of Receipt of the Default Retirement Investment,
Automatic Enrollment Notice, and Automatic Increase Notice**

I, _____, acknowledge receiving the Default Retirement
(Name)

Investment, Automatic Enrollment Notice, and Automatic Increase Notice for the Loyola University Chicago
Defined Contribution Retirement Plan.

Employee Signature: _____ Date: _____

Employee ID Number: _____

Please return to:

Loyola University Chicago
Human Resources – Benefits Department
Water Tower Campus Room 820
820 North Michigan Avenue
Chicago, IL 60611

