WRITE YOUR OWN FINANCIAL STORY

Prepare for the future you imagine

Welcome to the University of Pittsburgh Retirement Savings Plan

The University of Pittsburgh is committed to helping you prepare for the future you imagine. Eligible University of Pittsburgh faculty and staff may participate in the University's Retirement Savings Plan on the first of the month following 30 days of employment. Take full advantage of the Retirement Savings Plan and begin planning for your financial future.

A few questions you need to consider:

1. How much should you contribute?

2. Pretax or Roth after-tax contributions?

3. What is your investment strategy?

University of Pittsburgh

University of Pittsburgh
Retirement Savings Plan

1. How much should you contribute?

Maximize your benefits!

To receive matching contributions from the University, you must contribute at least 3% of your pay to the 403(b) plan. The University will match your contributions, dollar for dollar, up to 8% of your pay. Take full advantage of the University's matching contribution by electing an 8% contribution or setting a plan to get there over time.

The more you contribute now, the more time and opportunity your contributions have to grow.

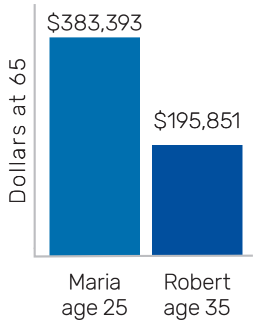
You may make additional contributions (above 8%) to the plan, up to the IRS limits.

Take a look at two investors

Maria starts saving at age 25...
She contributes $200 a month to the retirement plan.

Robert starts saving when he is 35...
He also contributes $200 a month to the retirement plan.

Assuming a 6% annual return until the age of 65, Maria's earlier start gives her $187,542 more than Robert.*



The illustration is purely hypothetical and is not intended to predict or project returns. Actual returns will vary.

2. Pretax or after-tax contributions?

You have three options for your contributions:

- **Pretax contributions** come out of your pay before taxes are deducted, which means you will lower your current taxable income. Your money has the potential to grow tax deferred, so you will pay taxes when you make a withdrawal.** You may combine traditional pretax and Roth after-tax contributions up to the IRS maximum contribution limits for which you are eligible for both the 403(b) and 457(b) plans.

- **Roth after-tax contributions** come out of your pay after taxes are deducted. Your money has the potential to grow tax free. If you no longer work for the University, you may withdraw funds tax free if you wait until you are age 59½ (or you are permanently disabled) and your withdrawal is made at least five years after making your first Roth contribution. You may combine Roth after-tax and traditional pretax contributions up to the IRS maximum contribution limits for which you are eligible for both the 403(b) and 457(b) plans.

- **Regular after-tax contributions** give employees who have already reached their IRS maximum contribution limits the opportunity to take advantage of the University match. Contributions come out of your pay after taxes are deducted. Your earnings have the potential to grow tax deferred. Regular after-tax contributions are limited to faculty and staff contributions considered eligible for University matching contributions only, and are not available for supplemental contributions.

If your tax rate in retirement is expected to be:	Your preferred option may be:
Higher than current rate	Roth after-tax contribution option
Lower than current rate	Pretax contribution option
Same as current rate	Either pretax or Roth after-tax contribution option

It is recommended that you consult with your tax advisor to determine which option is best for your personal situation.

* The examples shown above reflect only voluntary contributions and do not take into account matching contributions from your employer. They do not reflect deduction of any expenses or taxes due upon distribution. If expenses were included, the performance would be lower. Withdrawals made prior to age 59½ may be subject to an additional 10% penalty, in addition to ordinary income tax.

** All withdrawals are subject to ordinary income tax. Withdrawals made prior to age 59½ may also be subject to an additional 10% federal penalty. The information above is addressing taxation. The 403(b) plan only allows for in-service withdrawals of supplemental contributions above 8%.

3. Create a tailored investment strategy.

To write your own financial story, start with creating or having a better understanding of your investment style and long-term goals. The new investment menu for the Retirement Savings Plan offers a variety of investment options from several mutual fund families. Think about the level of involvement with which you are comfortable and invest in funds from any of the following options to tailor your retirement strategy to what works best for you.

One-Step Investing	
For those who prefer a hands-off approach to investing	**Lifecycle/Target Retirement Date Funds*** are professionally managed investments that offer a diversified portfolio by providing multiple asset classes in a single fund. You may select a TIAA-CREF Lifecycle or Vanguard Target Retirement Fund by providing your target retirement date. The target date indicates when you may plan to begin making withdrawals. As with all mutual funds, the principal value of a target retirement date fund is not guaranteed at any time, even at the target date, and will fluctuate. **Note:** *The lifecycle/target retirement date options reflect two diversified investment styles—actively managed funds (TIAA) that seek to outperform general markets and indexes, and passively managed funds (Vanguard) that attempt to match the risk/returns of an unmanaged market index. The actively managed investment style relies on research, market forecasts, and management expertise to select securities to buy and sell. As a result, this style may have higher operating costs (expense ratio) than the passively managed investment style.*

You Choose	
For those comfortable choosing their investments	**Core Investment Menu** of funds consist of a broad range of carefully selected options designed to help you build a diversified investment portfolio. When you diversify your portfolio, or spread your savings across several asset categories, you are less dependent on the performance of a single investment. The University and its Retirement Oversight Committee will continue to monitor these funds for performance and fees compared to benchmarks and peers. These funds represent many categories set by Morningstar, a research company that rates the performance of mutual funds, as well as fixed and variable annuities. Some Morningstar categories include: Large Growth, Long-Term Bond, Mid-Cap Value, Small Value, Diversified Emerging Markets, Foreign Large Blend, and World Bond. Morningstar classifies funds based on their investment styles, market capitalization, and asset mix as measured by their underlying portfolio holdings over the past three years. If a fund is new and has no history, Morningstar estimates where it will fall before assigning a more permanent category.
For active, experienced investors	**Self-Directed Brokerage Accounts**** provide access to thousands of mutual funds from many well-known fund families. While the core investment menu is designed to meet the majority's needs, the brokerage account may appeal to active, experienced investors who seek more investment choices or investors who have specific investment preferences outside of the carefully selected and monitored core investment menu. **Note:** *The University of Pittsburgh and the Retirement Oversight Committee do not monitor investments offered through the brokerage account.*

To review a complete listing of the funds available in the plan, visit **TIAA.org/pitt**. A glossary of financial terms is available at **hr.pitt.edu/your-financial-story/glossary**.

Need help choosing funds?

Schedule a one-on-one advice session with a TIAA financial consultant. See the next page for details.

* 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.

** Fees may apply to the brokerage account; however, you will pay no trading fees for transactions made in the brokerage account through June 15, 2018.

Take action and enroll today!

Online

Visit **my.pitt.edu** and log in using your Pitt user name and password (provided to you by your Department Administrator). Click on the *My Resources* tab, then select *Human Resources* from the drop-down menu. Next, click on *Retirement Savings Plan Access*. You will be taken to the Personal Information page to begin the enrollment process.

By phone

Call the University of Pittsburgh's Retirement Plan Call Center at **800-682-9139**, weekdays, 8 a.m. to 10 p.m., and Saturday, 9 a.m. to 6 p.m. (ET).

We are here to help.

As part of your retirement benefit, you can receive personalized retirement plan advice from TIAA at no additional cost. A TIAA financial consultant can help tailor a portfolio to your individual needs. You can also access advice and education resources online at **TIAA.org/pitt**.

Schedule a one-on-one advice session:

You can receive personalized retirement plan investment advice over the phone, on campus, or in person at TIAA's local office at 118 Bakery Square. To schedule your session, call **800-732-8353**, weekdays, 8 a.m. to 8 p.m. (ET), or visit **TIAA.org/schedulenow-PITT**.

If you would like to review detailed University of Pittsburgh Summary Plan Descriptions, visit **hr.pitt.edu/benefits**.

Financial advice can help you answer these important questions and more:

- Are you on track to reach your retirement savings goals?
- What combination of retirement savings plan investments may be right for you?
- How can you meet your income needs in retirement?

Summary of the Retirement Savings Plan

The University of Pittsburgh is proud to offer one of the most generous defined contribution plans in higher education. The Retirement Savings Plan includes University matching contributions. You choose specific investment options for both your and the University's contributions from a broad menu of funds. The value of your account is based on the amount of contributions made to your account and the performance of the investments you select. The accumulated balance will provide you with a number of distribution options when you are ready to leave employment with the University, including those that offer lifetime income.

Here are some of the highlights of the Retirement Savings Plan:

Faculty and staff contributions	You must contribute 3%-8% of your salary to the University 403(b) plan through a payroll deduction in order to receive matching contributions from the University. You can also make supplemental contributions over 8% to the 403(b) plan through payroll deductions. Your contributions to the 403(b) plan are subject to the annual IRS limits.* The 457(b) plan is for active faculty and staff, and offers added flexibility to help you save. These contributions can be made in addition to 403(b) contributions and may be deducted from your pay either on a pretax or Roth after-tax basis. There is no University match associated with this plan. Contributions to the 457(b) plan are separate from those made to the 403(b) plan and are subject to their own annual IRS limits.* **If you have contributed to a 401(k), 403(b), and/or 457(b) plan, or another employer plan in the calendar year, please disclose that amount to the Office of Human Resources Benefits Department. For the 403(b) and 457(b) plans, you can contribute up to $18,500 to your retirement account in pretax and/or Roth after-tax contributions. And if you are 50 or older, you can contribute an additional $6,000, for a total of $24,500. These are 2018 IRS contribution limits and are subject to change in future years.*
University contribution	The University matches the 3%-8% employee contribution as follows: **During vesting:** 100% match on faculty and staff contributions of 3%-8%. **After vesting:** 150% match on faculty and staff contributions of 3%-8%, resulting in a match of 4.5%-12%. You may also elect the accelerated option if you meet the eligibility criteria upon becoming vested. The University match can increase to 14.5% under this election. University contributions are made to the University of Pittsburgh 401(a) plan.
Vesting	**Employee contributions:** Immediate vesting. **University contributions:** Three-year vesting period based on a minimum 1,000 hours of participation per calendar year.
Automatic enrollment	If you do not actively enroll, you will be automatically enrolled into the 403(b) plan at a rate of 3%. You will have a 60-day period to opt out before the enrollment is effective. You can take action on your own to opt out or increase/reduce your contribution percentage; otherwise, 3% of your pay will be contributed from your paycheck before taxes. Your contributions and the University's matching contributions will be invested in the TIAA-CREF Lifecycle Fund corresponding to the year you reach age 65.



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

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.

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.

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