

## **University of Louisville 403(b) Retirement Plan**

After one year of benefit eligible service, the University of Louisville will automatically start depositing money toward your retirement – an amount equal to 7.5% of your pay! In addition, you will also receive Long Term Disability insurance coverage at no cost to you.

More great news! If you'd like to contribute some of your own pay in the Employee Match 2.5% option toward your retirement, the University will match your contribution dollar for dollar on 2.5% of your pay. That's a total of 10% that the university gives you in your retirement plan. Of course, you may contribute more if you wish in the Employee Additional and Roth Additional options.

### **Big Tax Advantage!**

Participating in the plan can reduce your current income taxes because you contribute with pre-tax income. You will end up with more in your paycheck than you might think. Additionally, you do not pay taxes on your pre-tax contributions or any earnings until you withdraw your money.

### **How much can I contribute?**

Annual contribution limits are set by the IRS. The 2017 contribution limit for an employee is \$18,000. The IRS allows an additional contribution, known as "Catch-up", of \$6,000 for employees 50 year of age or older for 2017. The combination of employee and employer contributions cannot exceed \$54,000 for 2017.

### **How will my plan account be invested?**

Your initial contributions will be invested in a Fidelity Life Cycle Fund. Fidelity Life Cycle Funds have a proven long-term track record with demonstrated results and performance for over ten years. Once the first contribution has been posted to your account, you may choose an investment option that works best for you. However, if no elections are made, then your contributions will remain in the Fidelity Life Cycle Fund.

### **How do I manage my account?**

The University of Louisville has retained Fidelity Investments to support the enrollment process and provide ongoing administrative services for the retirement plan. You may also direct your contributions to an account at TIAA (more details below).

You will be able to view your account balances, make exchanges between Fidelity & TIAA investment options, track your contributions and investments, request a loan, and access a variety of educational and planning tools.

### **Can I change the amount of my contributions?**

Yes, you can make changes anytime throughout the year. All contribution election changes for both Fidelity and TIAA are entered on the Netbenefits website, [www.Netbenefits.com](http://www.Netbenefits.com).

### **Can I switch from Fidelity to TIAA?**

Yes, you have the ability to invest your contributions through Fidelity Investments or TIAA. Each provider offers a variety of investment options to choose from. **After the initial contribution, you can go online to select the investment provider that best suits your investment goals.**

### **Toll-Free Telephone Service**

Whether you invest on your own or need one on one advice or assistance, Fidelity and TIAA retirement plan professionals are dedicated to helping you. With their depth of experience and resources, they are able to provide a wide range of services to help you work toward your financial goals.

Fidelity's retirement plan professionals are available to assist you Monday through Friday, from 8:00 a.m. to 12:00 a.m., ET, at 1-800-343-0860.

TIAA's retirement plan professionals are also available to assist you Monday through Friday, from 8:00 a.m. to 10:00 p.m., ET, at 1-800-842-2252.

### **Where will I find my contributions and the University's contributions on my paycheck?**

Employee Pre-Tax contributions can be found on the left hand side of your paycheck under the title "Before-Tax Deductions". Employee Roth After-Tax contributions can be found under the title "After-Tax Deductions". The University's contributions can be found on the right hand side of your paycheck under the title "Employer Paid Benefits".

### **Beneficiary Designations**

Once enrolled in the 403(b) Plan, you can enter your beneficiary designations directly on Fidelity and/or TIAA's websites.

### **Can I opt out of participating in the University of Louisville Retirement Plan?**

If you would like to opt-out of the University's contribution, you may do so by contacting Fidelity Investments, within 30 days of the date of this letter. You can update your information online by visiting [www.netbenefits.com](http://www.netbenefits.com) or you may call the Fidelity Retirement Services Center at 1-800-343-0860. Representatives are available each business day from 8:00 A.M. to midnight Eastern time. Please be aware that opting out of the retirement plan will result in the forfeiture of Long Term Disability benefits.

### **Save for your future!**

A comfortable retirement requires careful planning. The sooner you start, the faster your tax-deferred savings will grow and the more money you will have to enjoy your retirement.

If you have any questions about how the plan works or your rights and obligations under the plan, please feel free to contact Kathy Hite, University of Louisville, Retirement Administrator, at 502-852-3555 or [Kathy.Hite@louisville.edu](mailto:Kathy.Hite@louisville.edu).