# The University of Chicago

# Retirement Income Plan for Employees ("ERIP")

Defined Contribution Plan as in effect July 1, 2016

Summary Plan Description

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# About This Summary Plan Description

This Summary Plan Description (SPD) summarizes the provisions of the Defined Contribution Plan of the Retirement Income Plan for Employees (ERIP) as it pertains to current and former University employees (other than employees who are members of the International Brotherhood of Teamsters Local 743) and their beneficiaries on or after July 1, 2016.

For information on the provisions of ERIP's Defined Contribution Plan as it pertains to University employees before July 1, 2016 and to University employees whose employment is currently covered by a collective bargaining agreement between the University and the International Brotherhood of Teamsters Local 743, you should refer to the separate Summary Plan Description in effect prior to July 1, 2016.

If you are a participant in the Defined Benefit Plan of ERIP, *i.e.*, you became a participant in ERIP's Defined Benefit Plan before January 1, 2009, you should refer to the separate Summary Plan Description for that Plan.

The University of Chicago Medical Center (the "Medical Center") also has adopted ERIP for the benefit of its eligible employees.  Current and former Medical Center employees and their beneficiaries should refer to the separate Summary Plan Description maintained by the Medical Center for its ERIP participants.

## About Your ERIP Defined Contribution Plan Benefits

ERIP's Defined Contribution Plan was established by The University of Chicago (the "University") to provide **Eligible Employees** with a portion of the income they will need during retirement.

ERIP is a plan described in Section 403(b) of the Internal Revenue Code. Under ERIP's Defined Contribution Plan, you are required to make **Mandatory Employee Contributions** and may elect to make **Voluntary Employee Contributions** each pay period. The University will make **Mandatory University Contributions** and, if you elect to make Voluntary Employee Contributions, will make **University Match Contributions** each pay period. These **Employee Contributions** and **University Contributions** as well as any **Rollover Contributions**, as adjusted for any investment gains or losses, make up your retirement savings account from which you can draw additional retirement income. This portion of ERIP is referred to as the Defined Contribution Plan because the contributions are defined, and the benefits you receive from ERIP's Defined Contribution Plan depend on the **Vested** value of your retirement savings account at the time you retire or otherwise terminate employment. These benefits are tax-deferred. This means you pay no income taxes on your benefits until you withdraw amounts from your retirement savings account.

We encourage you to read this SPD carefully and share it with your family. Note that for the remainder of this SPD, all references to "ERIP" mean ERIP's Defined Contribution Plan.

If you have questions about your ERIP benefits, call the Benefits Office at 773-702-9634 or send an e-mail to benefits@uchicago.edu.

# ERIP Highlights

| Highlights | |
|---|---|
| **Eligibility** | You are eligible to participate in ERIP if you are a regular nonacademic employee of the University and are not an Excluded Employee. See Eligibility for the definition of Excluded Employee. |
| **Mandatory Contributions** | After one **Year of Service**, your participation will begin and you must, as a condition of employment, make **Mandatory Employee Contributions** of 3% of your **Compensation** and the University will make **Mandatory University Contributions** equal to 4.0% of your Compensation. |
| **Voluntary Contributions and University Match Contributions** | After one **Year of Service**, you may elect to make **Voluntary Employee Contributions** in amount equal to 1% or 2% (only whole percentages are permitted) of your **Compensation** and the University will make **University Match Contributions** equal to 200% of your Voluntary Employee Contributions not to exceed 4% of your Compensation. These Voluntary Employee Contributions are separate from any contributions you make to The University of Chicago Supplemental Retirement Plan ("**SRP**"). |
| **Total Savings Opportunity** | With the **Mandatory University Contributions** and **University Match Contributions**, you could receive an amount equal to **13%** of your **Compensation** — with only 5% coming out of your paycheck. |
| **Enrollment** | If you are an **Eligible Employee**, you will be enrolled in ERIP once you satisfy the participation requirements and your 3% **Mandatory Employee Contributions** will automatically begin. At this time, you may also elect to make **Voluntary Employee Contributions** by logging into Workday at workday.uchicago.edu and making a Salary Reduction Election.<br><br>When your ERIP participation is about to begin, an email will be sent to your Workday inbox. |
| **Investment Companies** | You may allocate your **ERIP Contributions** to TIAA, Vanguard, or both. |
| **Investment Funds** | You can invest your **ERIP Contributions** in a variety of investment funds, including a guaranteed investment fund, variable annuity funds, and mutual funds.<br><br>For more details regarding TIAA's investment funds, visit the UChicago/TIAA website at https://www.tiaa.org/public/tcm/uchicago or call 800-842-2252 to speak with a TIAA representative.<br><br>For more details regarding Vanguard's investment funds, visit the UChicago/Vanguard website at uchicago.vanguard-education.com or call 800-523-1188 to speak with a Vanguard representative. |

| Highlights | |
|---|---|
| **Vesting** | If you were hired:<br>• Before July 1, 2005, you are always 100% **Vested** in all **ERIP Contributions** held in your retirement savings account.<br>• After June 30, 2005, you are always 100% Vested in your **Employee Contributions** (including **Rollover Contributions**). You will become fully Vested in your **University Contributions** after you complete three (3) **Vesting Years** or, if earlier, the date you attain age 65 or die while employed by the University. |
| **Loans** | You may obtain participant loans under ERIP while employed by the University. The minimum amount that may be borrowed is $1,000, and the maximum amount that may be borrowed is $50,000. See **Participant Loans** for further information.<br>Prior loans under ERIP's participant loan program and the participant loan programs under any other University, Medical Center, or other University affiliate plan may reduce your maximum loan amount. |
| **Benefit Amount** | Your ERIP benefit is determined by the value of your **Vested** retirement savings account that includes your **ERIP Contributions** and any investment gains or losses. |
| **Payment Options** | You can receive your **Vested** ERIP benefit any time after you terminate employment with the University. ERIP offers a number of payment options, including annuities, lump sum payments, and periodic payments. In most cases, you may also elect that all or a portion of your Vested ERIP benefit be rolled over to an eligible retirement plan, *e.g.*, an individual retirement account (IRA).<br>If you choose an annuity option, the amount of your monthly benefit depends on the type of annuity option you select and the amount of the Vested portion of your retirement savings account you choose to annuitize.<br>Note that lump sum payments may not be available for amounts invested in the TIAA Traditional Annuity.<br>See **Benefit Payments Under ERIP** for further information. |

## Eligibility

You are an **Eligible Employee** if you are a regular nonacademic employee of the University and you are not an Excluded Employee as described below.

You are an Excluded Employee and not eligible to participate in ERIP if you are a/an:

- Student worker that, at any time during the calendar year, performs services to satisfy course and degree requirements or is compensated through financial aid or other similar assistance programs,
- Post-doctorate fellow,
- Patient actor employed by the Biological Sciences Division,
- Member of the University police who works concurrently for the Chicago Police Department and who is classified as non-benefits-eligible,
- Substitute teacher for the Laboratory Schools,
- Teacher or instructor without an academic appointment at the Graham School of General Studies,
- Individual whose employment is covered by a collective bargaining agreement that does not provide for coverage under ERIP, including but not limited to the collective bargaining agreements between the University and Service Employees International Union, Local No. 1, International Union of Operating Engineers of Chicago, Illinois and Vicinity, Local No. 399, and Local 829, United Scenic Artists,
- Individual employed by the Court Theatre for specific productions of the theater,
- Individual participating or eligible to participate in The University of Chicago Contributory Retirement Plan, or
- Employee of a University affiliate that has not adopted ERIP.

If you are a University employee whose employment is currently covered by a collective bargaining agreement between the University and the International Brotherhood of Teamsters Local 743, you are an Eligible Employee for purposes of ERIP. However, your participation is governed by ERIP terms in effect prior to July 1, 2016 until further notice. You should refer to the separate Summary Plan Description in effect prior to July 1, 2016 for information regarding your ERIP participation.

### Employment Classification

Your employment classification or job position is determined solely from the payroll or personnel records maintained by the University at the time services are performed, and such determination is binding and conclusive for all purposes of ERIP participation.

For example, if you are classified as an independent contractor or an individual whose services are performed pursuant to a leasing agreement (*i.e.*, you are not classified as a common law employee by the University at the time services are performed), you are not eligible to retroactively participate in ERIP regardless of any judicial or administrative reclassification or subsequent reclassification by the University.

# Participation Requirements

If you are an **Eligible Employee**, you will become a participant in ERIP once you have **both**:

- Attained age 21, and
- Completed one **Year of Service**.

You will be automatically enrolled in the mandatory portions of ERIP and will have the option to enroll in the voluntary portion of ERIP at that time.

If you transfer employment from the Medical Center to the University or are rehired by the University following a termination of employment with the Medical Center, the participation requirements may be different. See **For Employees Transferring from the Medical Center to the University** for further information.

The participation requirements were different prior to July 1, 2005. If you have any questions regarding the prior participation requirements, contact the Benefits Office.

## Computation of Year of Service

All employment with the University (including employment with the Medical Center or any other University affiliate) is taken into account regardless of whether you are employed as an **Eligible Employee**, and each continuous period of time during which you are performing **Qualified Military Service** is taken into account when calculating whether you have completed a **Year of Service**. For example, assume you are employed by the University but you are not an Eligible Employee. If you are subsequently reclassified as an Eligible Employee, your employment as a non-Eligible Employee will be taken into account to determine whether you have completed a Year of Service.

You will complete a Year of Service if you work at least 1,000 **Hours of Service** during an **Eligibility Computation Period**. Your first Eligibility Computation Period begins on your date of hire and subsequent Eligibility Computation Periods begin each anniversary thereafter. For example, assume you are hired by the University on January 1, 2017 as an Eligible Employee. Your first Eligibility Computation Period is January 1, 2017 to December 31, 2017. If you complete at least 1,000 Hours of Service during your first Eligibility Computation Period that ends on December 31, 2017, you will be credited with a Year of Service and your participation in ERIP begins on January 1, 2018 if you are at least 21 years of age.

If you do not complete 1,000 Hours of Service during your first Eligibility Computation Period, you can begin participating in ERIP by completing at least 1,000 Hours of Service during any subsequent Eligibility Computation Period.

For each Eligibility Computation Period, you are also credited with Hours of Service for periods during which you were not performing services as follows:

- For each period during which you are absent from work on account of holiday, sick, vacation time or jury duty.
- For each period during which you are on an authorized leave of absence or performing Qualified Military Service, provided you timely return to work following the end of such leave of absence or Qualified Military Service. If you are absent from work on account of Qualified Military Service, the number of Hours of Service credited to you for such absence will be no less than the number required under the Uniformed Services Employment and Reemployment Rights Act of 1994 (“USERRA”).

## Non-Forfeiture of Year of Service

If you terminate employment with the University after completing a **Year of Service**, your Year of Service will be restored if you are rehired by the University.

# Participating in ERIP

## When Participation Begins

Once you satisfy the requirements for participation, you will be enrolled in ERIP and your participation in ERIP will begin.

### Mandatory Contributions

Your **Mandatory Employee Contributions**, which are required as a condition of employment will begin as follows:

- If you are a monthly-paid employee, the first day of the month in which you satisfy the participation requirements.
- If you are a bi-weekly-paid employee, the first day of the first pay period ending in the month in which you satisfy the participation requirements.

The enrollment dates for Mandatory Employee Contributions were different prior to July 1, 2005. If you have any questions regarding enrollment dates prior to July 1, 2005, contact the Benefits Office.

### Voluntary Contributions

If you elect to make **Voluntary Employee Contributions** by making a Salary Reduction Election, your Voluntary Employee Contributions will begin as of the first pay period following the date you submit your Salary Reduction Election if administratively feasible or the next pay period after July 1, 2016. You must log in to Workday at workday.uchicago.edu to make a Salary Reduction Election. Note that if you choose not to make Voluntary Employee Contributions at the time your participation in ERIP begins, you can elect to make Voluntary Employee Contributions at any time thereafter by making a Salary Reduction Election through Workday.

### For Employees Transferring from the Medical Center to the University

If you transfer employment from the Medical Center to the University or are rehired by the University following a termination of employment with the Medical Center and you have completed at least one **Year of Service**, you will continue or commence participation in ERIP as of your transfer date or rehire date, provided you are hired by the University as an **Eligible Employee**.

If you transfer employment from the Medical Center to the University or are rehired by the University following a termination of employment with the Medical Center **prior** to completing one Year of Service, you will participate in ERIP once you satisfy the requirements for participation. In other words, you will be treated like any other new hire of the University except that your periods of employment with the Medical Center will be taken into account for purposes of determining Years of Service.

## Participation During a Leave of Absence

### Unpaid Leave

While you are out on an approved leave of absence without pay, including an unpaid leave under the Family Medical Leave Act, your contributions and University contributions to ERIP are suspended. When you return to work in the same or another **Eligible Employee** position, your **Mandatory Employee Contributions** and **Mandatory University Contributions** will automatically resume. If you want to resume your **Voluntary Employee Contributions** (and receive corresponding **University Match Contributions**), you will need to make a new Salary Reduction Election through Workday.

### Paid Leave

While you are out on a paid leave of absence, including a short-term disability leave, your **Employee Contributions** and **University Contributions** to ERIP will continue based on the actual pay you receive.

### Long-term Disability

If you become totally disabled, the University will contribute on your behalf 7% of your pre-disability salary, *i.e*., the percentage which is equal to the sum of your 3% **Mandatory Employee Contribution** and the **Mandatory University Contribution** of 4%. These contributions will cease when you are no longer disabled, no longer eligible to receive payments under the University's long-term disability program, or when the contributions cease to be excludable from your income under applicable tax laws, whichever occurs first. If you later return to work in the same or another **Eligible Employee** position, your Mandatory Employee Contributions and Mandatory University Contributions will automatically resume. If you want to resume your **Voluntary Employee Contributions** (and receive corresponding **University Match Contributions**), you will need to make a new Salary Reduction Election through Workday. If you became disabled prior to July 1, 2016, the contribution rate was different. If you have any questions regarding contribution rates for participants who became disabled prior to July 1, 2016, contact the Benefits Office.

### Qualified Military Service

If you leave the University to perform **Qualified Military Service**, special provisions under the Uniformed Services Employment and Reemployment Rights Act may apply to you if you return to employment with the University. If you timely return to employment with the University or any other University affiliate when your military service ends, you will be given an opportunity to make the contributions you would have made to ERIP if you had not been absent due to your Qualified Military Service. If you make these contributions following reemployment in accordance with time limits under USERRA, the University will also contribute the amount it would have contributed on your behalf had you not been performing Qualified Military Service.

## When Participation Ends

Generally, you continue to actively participate (*i.e*., you continue to make and receive contributions under ERIP) so long as you are an **Eligible Employee**. Your active participation in ERIP will terminate upon any of the following events:

- You retire or otherwise stop working for the University.
- Your position changes to an Excluded Employee position.
- ERIP is amended to exclude from participation a classification of employees of which you are a member.
- ERIP is terminated by the University.

If your participation ends because you no longer meet ERIP's eligibility requirements, your **Employee Contributions** and **University Contributions** to ERIP will stop. However, you will continue to accrue **Vesting Years** under ERIP as long as you remain employed by the University, the Medical Center, or a University affiliate.

# How ERIP Works

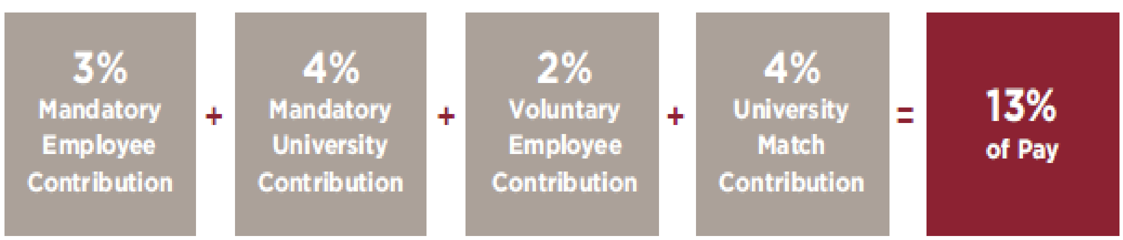
The following pages contain a more detailed explanation of ERIP's contribution features.

## Contributions to ERIP

Under ERIP, the University establishes a retirement savings account into which both you and the University make contributions each pay period. After one **Year of Service** and so long as you are an **Eligible Employee**:

- **Mandatory Employee Contributions.** You are required to contribute 3% of your **Compensation** to ERIP as a condition of employment for each pay period.
- **Voluntary Employee Contributions.** You may elect to make Voluntary Employee Contributions of 1% or 2% of your Compensation to ERIP for each pay period. If you want to make contributions in addition to your Mandatory Employee Contributions and Voluntary Employee Contributions to ERIP (5% of Compensation), you can do so by making contributions to **SRP**.
- **Mandatory University Contributions**. The University will make Mandatory University Contributions equal to 4% of your Compensation for each pay period.
- **University Match Contributions**. If you make Voluntary Employee Contributions to ERIP, the University will make University Match Contributions equal to 200% of your Voluntary Employee Contributions, not to exceed 4% of your Compensation. This means if you make Voluntary Employee Contributions of 1% of your Compensation for a pay period, the University will make University Match Contributions of 2% of your Compensation for that pay period; if you make Voluntary Employee Contributions of 2% of your Compensation for a pay period, the University will make University Match Contributions of 4% of your Compensation for that pay period.

If you contribute 5% of your Compensation, the University contributes 8% of your Compensation, for a total savings opportunity of 13%:




These contributions — along with any **Rollover Contributions** (and **Transition Contributions**, if eligible) — and any investment gains or losses make up your retirement savings account from which you can draw your retirement income. Prior to July 1, 2016, ERIP's contribution formula was different. If you have any questions regarding the prior contribution formula, contact the Benefits Office or review the Summary Plan Description for the ERIP Defined Contribution Plan prior to July 1, 2016.

### Transition Contributions

**If you are a former SEPP participant, the University will make additional contributions for up to seven (7) years beginning with Compensation paid after July 1, 2016. You are a former SEPP participant if, as of June 30, 2016, you were (1) actively employed by the University and accruing benefits under The University of Chicago Pension Plan for Staff Employees (SEPP) and (2) age 45 or, at least age 40 with 10 or more Years of Participation. The transition contribution amount is based on age and Years of Participation, as described in the table below.** To remain a former SEPP participant throughout the 7-year transition period ending June 30, 2023, you generally must remain actively employed by the University (or receiving **Compensation**). For example, if you take an unpaid non-FMLA, you will cease to be a former SEPP participant and you will not be eligible to receive Transition Contributions following your return to active employment.

| | **Years of Participation as of June 30, 2016 as defined in The University of Chicago Pension Plan for Staff Employees (SEPP)** | |
|---|---|---|
| **Age as of June 30, 2016** | **Less than 10 Years of Participation** | **10 or more Years of Participation** |
| 40-44 | 0% | 2% |
| 45-49 | 2% | 4% |
| 50+ | 5% | 7% |

### Rollover Contributions

Subject to any restrictions imposed by the investment companies, you may make a tax-deferred cash rollover (not stock, securities or mutual fund shares) to your retirement savings account under ERIP. The amount rolled over may be invested among the TIAA and Vanguard investment funds offered under ERIP. Eligible cash rollovers include distributions from employer retirement plans such as other 403(b) plans, 401(k) plans, and 457(b) governmental plans, as well as lump sum distributions from defined benefit pension plans. Taxable distributions from traditional IRAs also are accepted. You may roll over after-tax contributions only if directly rolled over from a 403(b) plan, 401(k) plan or other qualified retirement plan. To make a rollover to your retirement savings account, contact TIAA or Vanguard.

## Compensation

For purposes of calculating your **Employee Contributions** and **University Contributions**, Compensation means your total gross wages paid by the University excluding amounts paid on account of termination of employment such as final accrued vacation and sick pay but including your contributions to ERIP and salary reduction contributions to **SRP**, Flexible Spending Plan, and Qualified Transportation Program.

## Tax Advantages of ERIP

Your **Employee Contributions** and **University Contributions** and any investment earnings or gains are tax-deferred. This means:

- Your **Employee Contributions** are deducted from your pay before taxes are withheld. That way, you save money on income taxes today while you save for your future retirement. Your contributions are taxed when paid to you following your retirement or other termination of employment. However, your Employee Contributions do not reduce your pay for purposes of computing your Social Security and Medicare taxes.
- **University Contributions** are not taxed as compensation when made to your retirement savings account. Like your Employee Contributions, University Contributions are taxed when paid to you following your retirement or other termination of employment.
- **Your retirement savings account** grows faster because any investment earnings or gains on your Employee Contributions and University Contributions are not taxed until paid to you following your retirement or other termination of employment.

**Tax-deferred dollars can boost your retirement savings**

Assume that you set aside 5% of your Compensation or $100 for savings each month and are in a 28% tax bracket.

If you save through a regular savings account:

- You will be able to deposit $72 each month after taxes.
- Assuming a 6% earning rate, the contributions will grow to $10,800 in ten years after taking into account estimated taxes on the earnings.

However, by saving through ERIP:

- The full $100 a month is deposited to your retirement savings account.
- Assuming a same earning rate of 6%, the contributions will grow to $16,400 ($5,600 more than with a regular savings account).

## Contribution Limits

Federal tax laws limit the amount you and the University can contribute to your retirement savings account under ERIP each year. For 2016, the sum of your **Employee Contributions** and **University Contributions** to ERIP, and any contributions to **SRP** or any other plan maintained by a University affiliate, cannot exceed 100% of your **Compensation** or $53,000, whichever is less. As a practical matter, it is unlikely that your Employee Contributions and University Contributions to ERIP when added to your SRP contributions will be adversely affected by this limitation.

In addition, your **Voluntary Employee Contributions** to the ERIP when added to your contributions to SRP cannot exceed the "elective deferral" limit of $18,000 (for 2016). If you are age 50 or older at any time during the year, your elective deferral limit is increased by a "catch-up" dollar amount ($6,000 for 2016, so a total of $24,000). In order to maximize your **University Match Contributions** under ERIP, you must make sure to make Voluntary Employee Contributions equal to 2% of Compensation to ERIP each pay period. This means you must monitor your contributions to SRP to ensure that you do not reach your elective deferral limit before the end of the year. For example, assume you want to maximize your University Match

Contributions under ERIP and maximize your contributions to SRP. Assume that in September, your Voluntary Employee Contributions to ERIP when added to your contributions to SRP equal your elective deferral limit, you will not be permitted to make Voluntary Employee Contributions to ERIP for the remaining pay periods in the year and as result you will not receive corresponding University Match Contributions for those remaining pay periods.

Note that the contribution limits described above are expected to increase periodically.

# Enrolling in ERIP

## Enrollment

When your ERIP participation is about to begin, you will receive an email in your Workday inbox. The email will notify you when your **Mandatory Employee Contributions** and **Mandatory University Contributions** will begin. At this time, you may also elect to make **Voluntary Employee Contributions**. In order to receive **University Match Contributions**, you must make Voluntary Employee Contributions in ERIP.

As part of the enrollment process, you need to designate the percentage of your **Employee Contributions** and **University Contributions** that you want allocated to each of the two available investment companies: Teachers Insurance and Annuity Association ("TIAA") and The Vanguard Group, Inc. ("Vanguard"), each of which offer an array of investment funds. Then, you need to complete the investment company's enrollment process to:

- Choose among the various investment funds offered by the investment company.
- Designate your beneficiaries. See **Naming a Beneficiary** for further information.

If you do not complete the allocation election between TIAA and Vanguard, your contributions and University contributions to ERIP will be invested in a TIAA age-appropriate life-cycle fund.

## Your Enrollment Elections

Your enrollment election is made in several steps.

**You determine whether you want to make Voluntary Employee Contributions**

If you want to receive **University Match Contributions**, you must make **Voluntary Employee Contributions.** You must designate whether you want to make Voluntary Employee Contributions equal to 1% or 2% of your **Compensation**. The University will make University Match Contributions for each pay period equal to 200% of your Voluntary Employee Contributions, not to exceed 4% of your Compensation.

**You determine your investment company allocation**

For both your **Employee Contributions** and **University Contributions**, you decide whether you want all or a percentage (as such percentages are established by the University) of your Employee Contributions and University Contributions invested with TIAA or with Vanguard. You must make two (2) separate investment company allocation elections, one for your Employee Contributions and one for your University Contributions. You may not allocate your **Mandatory Employee Contributions** to one investment company and your **Voluntary Employee Contributions** to another. Similarly, you may not allocate your **Mandatory University Contributions** to one investment company and your **University Match Contributions** to another.

- For more information about **TIAA**, visit the UChicago/TIAA website at https://www.tiaa.org/public/tcm/uchicago or call 800-842-2252 to speak with a representative.
- For more information about **Vanguard**, visit the UChicago/Vanguard website at uchicago.vanguard-education.com or call 800-523-1188 to speak with a representative.

Although TIAA and Vanguard are the two investment companies currently available under ERIP, the University has the right, upon reasonable notice to participants, to add or eliminate an investment company.

**You determine your investment funds**

For each investment company you select, you must specify the investment funds in which you want your **Employee Contributions** and **University Contributions** invested. You must make two (2) separate investment fund elections, one for your Employee Contributions and one for your University Contributions. Your allocation may be to one investment fund or among any of the investment funds offered by the investment company in such amounts (or in such percentages) as established by the University. It is important that you carefully choose your investment funds because the benefits payable from ERIP depend on the performance of the investment funds you choose over the years. You can obtain a current list of ERIP's investment funds and performance information from the investment companies.

- For more information about **TIAA** investment funds, visit the UChicago/TIAA website at https://www.tiaa.org/public/tcm/uchicago or call 800-842-2252 to speak with a TIAA representative.
- For more information about **Vanguard** investment funds, visit the UChicago/Vanguard website at uchicago.vanguard-education.com or call 800-523-1188 to speak with a Vanguard representative.

The University has the right to add other investment funds and to remove any existing investment funds upon reasonable notice to participants.

**Failure to elect your investment company and/or investment funds**

If you do not allocate your **Employee Contributions** and **University Contributions** to or between TIAA and Vanguard, they will be automatically invested in a TIAA age-appropriate life-cycle fund. If you allocate your Employee Contributions and University Contributions to or between TIAA and Vanguard but do not specify the investment funds in which you want them invested, Employee Contributions and University Contributions allocated to TIAA will be automatically invested in a TIAA age-appropriate life-cycle fund and Employee Contributions and University Contributions allocated to Vanguard will be automatically invested in a Vanguard age-appropriate target retirement fund.

**You can change your investment company and investment fund allocations**

You may change your investment elections any time at no charge.

- **Within an investment company.** You may change your allocation of future contributions among investment funds within TIAA or Vanguard simply by contacting the investment company.
- **Between investment companies.** You may change your allocation of future contributions between TIAA and Vanguard by logging onto Workday with your CNet ID and password. If you are electing a new investment company, you will need to update your allocations in Workday and contact the appropriate investment company to complete the investment company's enrollment forms.

## Investment Fund Disclosures

**NOTE: This Section is not intended to provide information regarding ERIP's investment funds. Detailed information regarding ERIP's investment funds is provided through ERIP's investment fund disclosures as described below. You will receive ERIP's investment fund disclosures annually. To access ERIP's investment fund disclosures at any time, visit** https://www.tiaa.org/public/tcm/uchicago or uchicago.vanguard-education.com.

Before you make your initial investment elections and, at least annually thereafter, you will receive both "plan-related information" and "investment-related information."

### Plan-Related Information

Plan-related information includes the following:

- **General Plan Information**. General plan information consists of information about the structure and mechanics of ERIP such as an explanation of how to give investment instructions under ERIP and a current list of ERIP's investment funds.
- **Administrative Expenses Information**. An explanation of any fees and expenses for general plan administrative services that may be charged to or deducted from your retirement savings account.
- **Individual Expenses Information**. An explanation of any fees and expenses that may be charged to or deducted from your retirement savings account based on services provided solely for your benefit, *e.g*., service fees, if any, for taking a **Participant Loan** or processing a **Qualified Domestic Relations Order**.

### Investment-Related Information

Investment-related information includes the following:

- **Performance Data**. Specific information about historical investment performance, 1-, 5- and 10-year returns of investment funds that do not have a fixed or stated rate of return, *e.g*., the mutual funds and for investment funds that have a fixed or stated rate of return, *e.g*., the TIAA Traditional Annuity, the annual rate of return, and the term of the investment.
- **Benchmark Information**. The name and returns of an appropriate broad-based securities market index over 1-, 5-, and 10-year periods so you can benchmark the investment funds.
- **Fee and Expense Information**. The total annual operating expenses expressed as both a percentage of assets and as a dollar amount for each $1,000 invested, and any shareholder-type fees or restrictions that may affect your ability to purchase or transfer from investment funds that do not have a fixed or stated rate of return, *e.g*., the mutual funds and any shareholder-type fees or restrictions on your ability to purchase or withdraw from investment funds that have a fixed or stated rate of return, *e.g*., the TIAA Traditional Annuity.
- **Internet Web Site Address**. Information on how to access additional or more current investment-related information online.

When appropriate, investment-related information will be furnished in a chart or similar format designed to facilitate a comparison of the investment funds offered under ERIP.

## Monitoring Your Investment Fund Elections

It is important that you regularly review your investment funds to ensure that they continue to meet your personal investment objectives. You can monitor your investment funds by:

- **Contacting Your Investment Company**. You have 24/7 access to your retirement savings account information from the UChicago/TIAA website at https://www.tiaa.org/public/tcm/uchicago and the UChicago/Vanguard website at uchicago.vanguard-education.com. You may also call TIAA (800-842-2252) or Vanguard (800-523-1188) and speak to a representative.
  - To access your **TIAA** retirement savings account information online, you will need your Social Security number, date of birth, and your TIAA contract number. Your contract number is provided in the original welcome package sent to you by TIAA. It also appears on your quarterly statements and your annual retirement planner. If you cannot locate your contract number, call TIAA at 800-842-2252. When you have the information you need, go to the UChicago/TIAA website and click "Create Log-in" under "Secure Access" in the upper left-hand corner of the UChicago/TIAA home page. Then follow these 5 easy steps:

1. Enter your Social Security number and date of birth; check the box next to "I am a current TIAA customer."
2. Enter your TIAA contract number.
3. Create and enter a User ID and password.
4. Confirm your User ID and password by re-entering them in the fields provided.
5. Click on the word "submit."

Once you have completed these steps, you will be able to access your TIAA retirement savings account information immediately.

- To access your **Vanguard** retirement savings account information online, you will need your Social Security number, plan number (090005), birth date, and zip code. When you have the information you need, go to the UChicago/Vanguard website and follow the steps below:

  1. Select "Personal Investors."
  2. Click the "Log on" button.
  3. Select "Set up your user name and password" and follow the instructions provided.

- **Reviewing your Quarterly Benefit Statements**. The investment companies will provide either by mail or, at your election, electronic delivery, quarterly benefit statements that show fund balances, a summary of transactions made during the quarter period and the number and value of units or shares you own in each variable annuity contract or mutual fund. You may receive, from time to time, *Premium Adjustment Notices* that summarize adjustments made to amounts invested in the TIAA Traditional Annuity. General information on diversifying the investment of your retirement savings account is also included on your quarterly statement.
- **Reviewing Your Annual Investment Fund Disclosures**. You will receive by mail or, at your election, electronic delivery, annual disclosures of "plan-related information" and "investment-related information" described above.
- **Arranging a "One-on-One" Appointment**. You may also review your investment funds by speaking with an investment company representative by telephone or arranging a "one-on-one" on-campus appointment with an investment company representative.

## Transferring Amounts Among Investment Funds

You may transfer your investment fund balances among the various investment funds and from one investment company to another at no charge. You can transfer fund balances among the various investment funds offered by an investment company online or by calling its representative. You can transfer amounts between TIAA and Vanguard by completing a Vanguard Asset Transfer Authorization and TIAA Request for Direct Transfer form (transfer from TIAA to Vanguard) or a TIAA Transfer or Rollover Authorization form (transfer from Vanguard to TIAA) that you can obtain from the recipient investment company (the investment company receiving the amounts). Transfers among investment funds may be subject to restrictions, *e.g.*, transfers from the TIAA Retirement Annuity are restricted to a 10-year transfer period. If you want to obtain further information regarding transfer restrictions, contact the investment company.

## Investing Your Account After Termination of Employment

Once you terminate employment or if you cease to actively participate in ERIP, your retirement savings account will remain invested in your selected investment funds. Therefore, it is important that you continue to regularly monitor and review your investment funds. Your retirement savings account will continue to participate in the market experience of its respective investment funds or, in the case of amounts invested in the TIAA Traditional Annuity, those amounts will continue to be credited with the same interest as they would have been had you continued employment with the University or continued active participation in ERIP. Keep in mind that you continue to have access to your retirement savings account and investment fund information and the flexibility to make transfers among the investment funds in the same manner as described above.

ERIP is intended to constitute a plan described in Section 404(c) of the Employee Retirement Income Security Act of 1974 ("ERISA"). This means that ERIP fiduciaries, including the University, will be relieved of liability for any losses or the lack of gains which are the direct and necessary result of investment instructions given by you or your beneficiary. Accordingly, it is important that you review all available materials to ensure that your investment decisions meet your personal investment objectives. You also may want to consult your investment or financial advisor to assist you in making your investment decisions.

# Vesting in ERIP

## General Vesting Requirements

You are always 100% **Vested** in your **Employee Contributions** (including any **Rollover Contributions**) as adjusted for investment gains and losses. You will become 100% Vested in your **University Contributions** upon your:

- Attainment of age 65 while employed by the University,
- Death while employed by the University, or
- Completion of three (3) **Vesting Years**.

### Vesting Requirements for Employees Transferring from the Medical Center to the University

If you transfer employment from the Medical Center to the University or are rehired by the University following a termination of employment with the Medical Center:

- **After attaining age 21 and completing at least one Vesting Year**, you will be 100% Vested in your University retirement savings account established under ERIP upon your participation date.
- **With less than one Vesting Year or under age 21**, you will be 100% Vested in your retirement savings account established under ERIP once you satisfy the vesting requirements described above. In other words, you will be treated like any other new hire of the University except that your periods of employment with the Medical Center will be taken into account for purposes of determining Vesting Years and **Breaks in Service**.

## Vesting Years

### General Rule

A **Vesting Year** is a 365-day period that generally begins on your hire date. All employment with the University (including employment with the Medical Center or any other University affiliate) is taken into account, regardless of whether you are employed as an **Eligible Employee**, and each continuous period of time during which you are performing **Qualified Military Service** is taken into account. For example, if you are hired by the University to work as an Excluded Employee, your employment as an Excluded Employee will be taken into account in determining your Vesting Years.

Keep in mind that Vesting Years are credited in whole periods only. For example, if you terminate employment after working 321 days in your third year of employment, you will not be credited with a Vesting Year for your third (partial) year of employment.

### Bridging Rule

If you do not complete a **Vesting Year** during your initial 365-day period that begins on your hire date (*i.e.*, you terminate employment) but you are rehired within 12 months of your termination date, your period of separation is treated as a period of employment.

For example, if you are hired by the University on March 1, 2017 and terminate employment on July 31, 2017, but are rehired on November 1, 2017, your first period of employment (March 1, 2017 through July 31, 2017) will be aggregated with your period of separation (August 1, 2017 through October 31, 2017), and if you work through February 28, 2018, you will be credited with a Vesting Year on March 1, 2018.

### Aggregation of Periods of Employment

If you do not complete a **[Vesting Year]** during your initial 365-day period that begins on your hire date and you are rehired more than 12 months after your termination date but prior to incurring five (5) consecutive 1-Year **Breaks in Service**, your period of separation will not be treated as a period of employment. However, your periods of employment will be aggregated to determine whether you have completed a Vesting Year.

For example, if you are hired by the University on March 1, 2017 and terminate employment on July 31, 2017, but are rehired on September 1, 2018, your first period of employment (March 1, 2017 through July 31, 2017) will be aggregated with your second period of employment beginning on September 1, 2018, and if you work through March 31, 2019, you will be credited with a Vesting Year on April 1, 2019.

### Forfeiture of Non-Vested Portion of Account

If you terminate employment before you are 100% **Vested** in your University contributions, the portion of your retirement savings account attributable to your University contributions as adjusted for any gains or losses will be forfeited on the earlier of:

- **Distribution**. Upon distribution of the Vested portion of your retirement savings account, *i.e.*, your employee contributions as adjusted for any gains or losses.
- **5-Year Break in Service**. Once you incur five (5) consecutive 1-Year **Breaks in Service**.

All forfeitures are used to reduce future University contributions, restore forfeited University contributions or to pay plan expenses.

### Restoration of Non-Vested Portion of Account

If you are rehired by the University, the Medical Center or any other University affiliate and your University contributions (as adjusted for gains or losses) were forfeited because you requested a distribution of the **Vested** portion of your retirement savings account, the amount forfeited (unadjusted for gains or losses) will be restored to your retirement savings account if you are rehired prior to incurring five (5) consecutive 1-Year **Breaks in Service**. If you are rehired after incurring five (5) consecutive 1-Year Breaks in Service, the amount forfeited will **not** be restored to your retirement savings account.

### Restoration of Vesting Years

If you are rehired by the University, the Medical Center or any other University affiliate, your **Vesting Years** will be restored on your rehire date. However, if your University contributions (including any gains or losses) were forfeited and you are rehired after incurring five (5) consecutive 1-Year **Breaks in Service**, Vesting Years credited to you on or after your rehire date will not be taken into account to re-determine the Vested portion of your "pre-break" University contributions (including any gains or losses).

### Breaks in Service

You will incur a 1-Year Break in Service for each 365-day period that begins on your termination date and on each anniversary thereof during which you do not complete an hour of employment. For purposes of determining whether you have incurred a 1-Year Break in Service, a special rule applies to a maternity or paternity leave. Under the special rule, if you terminate employment for maternity or paternity reasons, you cannot incur a 1-Year Break in Service for the 365-day period that begins on your termination date and for the following 365-day period that begins on the first anniversary of your termination date. A maternity or paternity leave is a period during which you are initially absent from work on account of:

- Your pregnancy,
- Birth of your child,

- Placement of a child in connection with your adoption of such child, or
- Care of a child described above immediately after such birth or placement.

You must timely provide the University with sufficient information prior to your maternity or paternity leave to establish that your termination from work is on account of maternity or paternity reasons.

# Participant Loans

You may obtain participant loans under ERIP while you are employed by the University, the Medical Center, or any other University affiliate. ERIP's participant loan program is administered by TIAA, and all loans from ERIP are subject to the rules and requirements set forth in the *TIAA Retirement Plan Loans* pamphlet. If your retirement savings account is invested with Vanguard, you must transfer the necessary amount of funds to TIAA before you can take advantage of ERIP's participant loan program. A brief summary of ERIP's participant loan program is provided below.

## Amount of Loan

- **Dollar Limits**. The minimum amount that you may borrow is $1,000, and the maximum amount is the least of: (1) **45%** of the **Vested** balance of your retirement savings account, (2) **90%** of the balance of your **Employee Contributions** and **Rollover Contributions**, or (3) **$50,000** (reduced by the excess of the highest outstanding loan balance of all your loans including an active outstanding loan, a defaulted loan and a defaulted loan that is a deemed distribution (see **Loans in Default** for further information) during the 12-month period ending on the day before the new loan over the outstanding balance of all your loans from ERIP on the date of the new loan). Your maximum loan amount may be limited if all or portion of your retirement savings account is invested in the TIAA Traditional Annuity.
- **Loan Aggregation**. For purposes of computing the dollar limits described above, prior loans under ERIP's participant loan program and the participant loan programs under any other University, Medical Center, or other University affiliate plan may reduce your maximum loan amount.

## Securing Your Loan

- **Amount of Collateral**. A portion of your retirement savings account invested with TIAA — that is, an amount equal to **110%** of the loan amount — must serve as collateral for your loan and will be invested in the TIAA Retirement Loan Contract. For example, if you borrow up to your maximum loan limit of $4,500, $4,950 (110% of $4,500) must serve as collateral for your loan and will be invested in the TIAA Retirement Loan Contract; you may invest the remaining amount in your retirement savings account among any of the other TIAA investment funds. Also, amounts invested in the TIAA Retirement Loan Contract are not available for benefit payouts until you have repaid your loan.
- **Collateral Sweep**. As you repay the loan, a portion of the collateral being held in the TIAA Retirement Loan Contract is "swept" out of that contract back to the CREF Money Market. Once the sweep is completed, you may then request that the funds be transferred to other investment funds. The collateral sweep will take place only if/when a loan payment causes the amount in the TIAA Retirement Loan Contract to exceed 110% of the existing loan balance (*i.e.*, the collateral requirement) by at least $100. If the excess collateral resulting from the loan payment is less than $100, a sweep will not occur until a subsequent loan payment causes the excess collateral to equal or exceed $100.

## Interest Rate

You will be charged a variable rate of interest on your loan. Please refer to your loan application materials regarding the timing of interest rate changes.

## Loan Term

You can take up to five years to repay your loan (up to 10 years if the loan proceeds are used to purchase your principal residence). You can repay your loan early without penalty.

## Loan Payments

Loans can be repaid either quarterly or monthly. Payments can be made by check sent directly to TIAA and must be made by automatic deduction from your bank account if you choose to repay your loan on a monthly basis. Loan payments cannot be made by payroll deduction.

## Loans in Default

If you miss a loan payment, you will be considered in default on the entire outstanding loan balance. Generally, if the total overdue amount is not paid by the end of the calendar quarter following the calendar quarter in which repayment was due, the outstanding loan balance (including accrued interest) will be reported to the IRS as current taxable income to you and may be subject to penalties for early distribution. Your loan will remain outstanding and that portion of your retirement savings account held as collateral for your loan, *e.g.*, the amount invested in the TIAA Retirement Loan Contract is not available for benefit payments until you have repaid your loan. Repayment may be made either by direct repayment or by deemed repayment through a plan loan offset (that is, repayment of your outstanding loan by application of your loan collateral up to the amount that is due at such time as permitted by law).

## Spousal Consent

If you are married at the time you make a loan request, your spouse must consent to the loan. Your spouse's consent must be in writing and witnessed by a notary public. Unless a **Qualified Domestic Relations Order** requires otherwise, your spouse's consent is not required if you are legally separated or if you have been abandoned (within the meaning of local law) and you have a court order to such effect. Spousal consent is also not required if you can establish that you have no spouse or that he or she cannot be located.

## Qualified Military Service

At your request, loan payments will be suspended while you are performing **Qualified Military Service**. Also, if you take a loan and are then called to Qualified Military Service, the Servicemembers Civil Relief Act ("SCRA") requires that the interest rate on your loan cannot exceed 6% during your Qualified Military Service if you provide written notice of your call to military service and a copy of your military orders (or any order extending your military service) to TIAA within 180 days after you terminate service or are released from military service. You should contact TIAA, as applicable, for additional information prior to your Qualified Military Service if you want to take advantage of these options.

## Loan Set-Up Fee

Currently, there is no loan set-up fee. Please refer to your loan application materials for applicable fees, if any.

## Applying for Loans

You can request a loan at any time while you are employed by the University, the Medical Center, or any other University affiliate. To obtain a copy of the *TIAA Retirement Plan Loans* pamphlet, determine the amount you can borrow and the amount of your loan repayments, or to apply for a loan, you can visit the UChicago/TIAA website at https://www.tiaa.org/public/tcm/uchicago or you can call 800-842-2252 and speak with a TIAA representative.

# Receiving Your Benefits

## While You Are Employed by the University

You cannot withdraw money from ERIP while employed by the University or any other University affiliate (collectively, the "University" for purposes of this Section). In-service withdrawals (including hardship withdrawals) are not permitted. However, loans are available from ERIP. See **Participant Loans** for further information.

## After You Leave the University

You can start receiving benefit payments from the **Vested** portion of your retirement savings account (for purposes of this Section, all references to your "retirement savings account" means the Vested portion of your retirement savings account) at any time following termination of your University employment. The following pages contain a more detailed explanation of the types of benefits and forms of benefit payment available under ERIP.

## Benefit Payments Under ERIP

### Amount of Benefits

Your benefit payments from ERIP will be determined by the value of your retirement savings account and the form of payment you choose. You can start receiving benefit payments from ERIP upon your termination of employment for any reason.

### Required Form of Payment

If you are married on the date your benefit payments begin, your retirement savings account must be paid in the form of a survivor annuity with your spouse as your co-annuitant, unless you and your spouse waive the survivor annuity form of payment and you elect an optional form of payment with your spouse's consent. See **Electing an Optional Form of Payment** for further information. Under a survivor annuity, monthly payments (or quarterly, semi-annual, or annual payments in the case of small benefit payments) are made for your lifetime and, at your death, if your spouse survives you, he or she will receive monthly payments (or quarterly, semi-annual, or annual payments in the case of small benefit payments) equal to 100% of your monthly benefit. After your surviving spouse dies, all payments stop.

If you are not married on the date your benefit payments begin, your retirement savings account must be paid in the form of a single life annuity unless you waive the single life annuity and elect an optional form of payment. Under a single life annuity, monthly payments (or quarterly, semi-annual, or annual payments in the case of small benefit payments) are made for your lifetime, and at your death, all payments stop.

If you or your spouse ***do not*** waive the required form of payment form for amounts invested in the TIAA or Vanguard mutual funds, you must transfer those amounts to the TIAA Traditional Annuity, the TIAA Real Estate Account, or to a CREF Account if you want to commence distributions.

### Optional Forms of Payment

When you terminate employment from the University, you will be able to receive payment of your retirement savings account in the form of a life annuity (with or without survivor or a guaranteed payment period), a lump sum distribution, installment payments over a set period of time or any of the optional forms of payment offered by your investment company. The optional forms of payment vary depending on the investment funds in which your retirement savings account is invested and are governed by the terms of the investment funds as well as federal tax laws, including but not limited to:

- **Lump Sum Distributions from the TIAA Traditional Annuity**. A lump sum distribution is *not* available for amounts invested in the TIAA Traditional Annuity that are held under a Group Retirement Annuity (GRA) or a Retirement Annuity (RA) except as follows:
  - **Group Retirement Annuity (GRA)**. You may elect a one-time lump sum: (1) at any time if the amount invested in the TIAA Traditional Annuity does not exceed $5,000 and you have not previously elected to receive such amounts over a fixed period or transferred such amounts to a Transfer Payout Annuity (payable over a 10-year period) or (2) if such lump sum election is made **within 120 days following termination of employment and you pay a 2.5% surrender charge**.
  - **Retirement Annuity (RA)**. You may elect a one-time lump sum at any time if the amount invested in the TIAA Traditional Annuity does not exceed $2,000 and (1) you have not previously elected to receive such amounts over a fixed period or transferred such amounts to a Transfer Payout Annuity and (2) you elect a lump sum distribution of all amounts invested in TIAA investment funds at the same time.

    If all or a portion of your retirement savings account is invested in the TIAA Traditional Annuity and you do not know whether your TIAA Traditional Annuity is offered under a GRA or RA contract, contact TIAA directly.

- **Required Minimum Distribution (RMD) Option**. The RMD Option enables you to comply automatically with the required minimum distribution rules *and* is available only in the year you attain age 70½ or retire, if later. Under the RMD Option, you will receive the minimum distribution that is required by federal tax law while preserving as much of your retirement savings account as possible. If you die while receiving payments under the RMD Option, your beneficiary will receive the remaining portion(s) of your retirement savings account. This option may not be available for amounts invested in certain investment funds. For further information regarding the RMD Option, contact your investment company. See **Required Minimum Distributions** for further information including the 50% excise tax that may be imposed if you fail to take a required minimum distribution.

## Electing an Optional Form of Payment

The election of an optional form of payment must be made during the 180-day period before payments begin. If you are married when payments begin, your spouse has special rights under ERIP. If you want to elect an optional payment form or a co-annuitant other than your spouse, federal law requires that you waive the required form of payment, *i.e.*, the 100% survivor annuity, in writing and that your spouse consent to your waiver during the 180-day period before payments begin. The waiver also may be revoked during the same 180-day period but cannot be revoked after payments begin.

Your spouse's consent must be in writing and witnessed by a notary public and must contain his or her acknowledgment as to the effect of the consent and that it is irrevocable. Your spouse must either consent to a specific form of payment or provide a general consent that expressly permits you to choose an optional form of payment without his or her consent. Your spouse's consent is not required if you are legally separated unless a **Qualified Domestic Relations Order** requires otherwise or if you have been abandoned (within the meaning of local law) and you have a court order to such effect. Spousal consent is also not required if you can establish that you have no spouse or that he or she cannot be located. The waiver and spousal consent form are included with the benefit application that must be completed when you request a payment from ERIP.

### Starting Benefit Payments from ERIP

To receive payment of your retirement savings account upon your retirement or other termination of employment, you must complete the appropriate benefit application. The type of application depends on:

- Where your retirement savings account is invested (*i.e.*, with TIAA or Vanguard), and
- How you want to receive your benefit (*i.e.*, in the form of an annuity, lump sum, periodic payment, direct rollover or a combination of payment options).

To obtain the necessary forms, please call TIAA and Vanguard directly at:

| Investment Company | Phone Number |
|---|---|
| **TIAA** | 800-842-2552 |
| **Vanguard** | 800-523-1188 |

## Things to Consider Before Choosing a Payment Option

As you consider the different benefit payment options offered under ERIP, you should keep the following in mind:

- If you cash out the entire value of your retirement savings account, no future benefits will be payable to you, your spouse, or beneficiaries upon your death.
- If you elect an annuity option, your annuity payment will be determined by TIAA based on the amount of your retirement savings account that you choose to annuitize and your life expectancy and, if applicable, your co-annuitant's life expectancy, at the time annuity payments begin. Also, federal tax laws may limit the length of a guaranteed period or the amount of a survivor annuity if you name a co-annuitant who is not your spouse.
- A single life annuity pays a benefit for your lifetime with no benefits continuing after your death. In contrast, a survivor annuity pays a reduced benefit for your lifetime with benefits continuing to your co-annuitant upon your death if he or she survives you. Payments are reduced during your lifetime because benefits are expected to be paid for a longer period of time (*i.e.*, your lifetime plus your co-annuitant's lifetime). Note, however, that all survivor annuities are calculated in a way that makes them equal in value to the single life annuity.
- Different payment options have different tax consequences. Be sure to read **Paying Taxes** and consult your professional financial advisor before deciding when and how to take a payment from ERIP.

## Direct Rollovers

If you receive a payment that is an "eligible rollover distribution," you may roll over all or a portion of it either directly or within 60 days after receipt into:

- An individual retirement account or annuity ("IRA") described in Section 408(a) or 408(b) of the Internal Revenue Code, including a Roth IRA described in Section 408A of the Internal Revenue Code,
- A qualified plan described in Section 401(a) or 403(a) of the Internal Revenue Code,

- A tax-deferred annuity contract described in Section 403(b) of the Internal Revenue Code, or
- An eligible plan described in Section 457(b) of the Internal Revenue Code that is maintained by a state, political subdivision of a state, or any agency or instrumentality of a state or political subdivision of a state that accepts your eligible rollover distribution and, to the extent required, separately accounts for your eligible rollover distribution.

An eligible rollover distribution, in general, is any cash distribution other than an annuity payment, a minimum distribution payment, or a payment that is part of a fixed period payment over ten or more years.

An eligible rollover distribution is subject to a mandatory federal income tax withholding rate of 20% ***unless*** it is rolled over directly to an IRA or other eligible retirement plan; this process is called a "direct rollover." If you have an eligible rollover distribution paid to you, then 20% of the distribution must be withheld even if you intend to roll over the money into an IRA or other eligible retirement plan. This means that, in order to roll over the entire distribution in a 60-day rollover to an IRA or other eligible retirement plan, you must use other funds to make up for the 20% withheld. To avoid withholding, instruct the investment company to directly roll over the money to the new institution for you.

## Required Minimum Distributions

Distributions from your retirement savings account must commence no later than your "Required Beginning Date," *i.e.*, April 1 of the calendar year following the year in which you attain age 70½, or, if later, April 1 following the calendar year in which you terminate employment from the University. The amount of your required minimum distribution depends on the value of your retirement savings account, your life expectancy or, if you may elect, the joint life expectancy of you and your spouse. The payment of your required minimum distributions is extremely important because the IRS can impose a 50% excise tax on the difference between your required minimum distribution amount due for the calendar year and the amount that is actually distributed to you if it is less than the required minimum distribution amount. There are two exceptions to this rule:

- You may satisfy the minimum distribution requirement by taking your entire required minimum distribution amount from ERIP or any other 403(b) plan in which you have an account balance.
- If you contributed amounts to TIAA prior to January 1, 1987 AND such amounts remained invested in TIAA or CREF annuity contracts and were accounted for separately by TIAA, your required minimum distributions must commence by the last day of the calendar year in which you attain age 75 or, if later, April 1 following the calendar year in which you terminate employment from the University. For further information regarding the special rules that apply to amounts accumulated prior to January 1, 1987, contact TIAA.

It is your responsibility to keep the investment companies informed of your current mailing address. The University is not responsible for any excise taxes that may be imposed if you cannot be located at the time a required minimum distribution is due.

# Paying Taxes

Your benefits under ERIP are subject to federal income taxation when you receive them.  This section describes some of the rules that affect the taxation of your benefits.

### Lump Sum Distributions

A lump sum distribution is subject to a mandatory federal income tax withholding rate of 20% to the extent you do not elect a direct rollover to another tax-deferred retirement vehicle such as an IRA or other eligible retirement plan.  If you timely roll over all or a part of your lump sum distribution, that portion will not be subject to federal income tax in the year of distribution and will continue to be tax-deferred.

Portions you do not roll over are treated as taxable income in the year of distribution and you may be required to pay income taxes in addition to the 20% withheld when you file your tax return for that year.  You also may be required to pay an additional 10% tax penalty if your distribution is an early withdrawal.  See **Early Distribution Penalty** for further information.

### Annuity Payments

Annuity payments are not subject to mandatory federal income tax withholding.  You may elect that withholding not apply to your annuity payments, but if you do nothing, federal income tax will be withheld as if you are married claiming three withholding allowances.  You cannot roll over annuity payments to an IRA or other eligible retirement plan.  The election to waive withholding is included with the benefit application that must be completed when you elect your annuity option.

### Periodic Payments

Periodic payments may or may not be subject to mandatory federal income tax withholding.  If your periodic payments are scheduled to last for a period of less than 10 years, they are subject to tax as described under **Lump Sum Distributions** above.  If your periodic payments are scheduled to last for a period of 10 years or more, they are subject to tax as described under **Annuity Payments** above.

### Early Distribution Penalty

If you receive a distribution prior to age 59½, the portion you do not roll over to another tax-deferred retirement vehicle is subject to an additional 10% tax penalty unless the distribution is made because:

- You retire or leave the University at age 55 or older.
- You die or become disabled.
- You have elected to receive the distribution as part of a series of substantially equal periodic payments (not less frequently than annually) for your life (or life expectancy) or the joint lives (or joint life expectancies) of you and your beneficiary.
- The distribution is received pursuant to a **Qualified Domestic Relations Order**.

### An Important Point About Taxes

This section entitled “Paying Taxes” is not intended to give specific tax advice to you or your beneficiaries.  A more detailed summary, “*Special IRS Tax Notice Regarding Plan Payments*,” is available upon request from TIAA and/or Vanguard.  Tax laws are complicated and change often. They also affect different individuals in different ways.  A professional tax advisor is your best source of information about the tax laws applicable to your distributions from ERIP.

# Death Benefits

Death benefits under ERIP are administered by the investment companies. To obtain further information regarding death benefits payable from that portion of your retirement savings account invested with TIAA, visit the UChicago/TIAA website at https://www.tiaa.org/public/tcm/uchicago or call 800-842-2252 to talk to a TIAA representative. For that portion of your retirement savings account invested with Vanguard, visit the UChicago/Vanguard website at uchicago.vanguard-education.com or call 800-523-1188 to talk to a Vanguard representative.

## Naming a Beneficiary

### Beneficiary Designation Form

It is important for you to designate one or more beneficiaries by completing a beneficiary designation form or separate beneficiary designation forms if you have amounts invested with both TIAA and Vanguard. Your beneficiary is the person who will receive your death benefits, if any. You are encouraged to complete your beneficiary designation form online through the investment companies' websites.

Please note the following:

- If you are not married, you can name anyone as your beneficiary.
- If you are married at the time of your death, your spouse is automatically entitled to 100% of your death benefits. If you want to designate a beneficiary other than your spouse to receive your death benefits, your spouse must consent to your choice of beneficiary or beneficiaries. See **Designation of Non-Spouse Beneficiary** for further information.

To complete a beneficiary designation form:

- **TIAA**. To designate a beneficiary for amounts invested with TIAA, you can complete your TIAA beneficiary designation form online using the UChicago/TIAA website at https://www.tiaa.org/public/tcm/uchicago. If you are married and designate a beneficiary other than your spouse to receive your death benefits, your beneficiary designation is not complete (or effective) until you mail a signed and notarized spousal consent form to TIAA at the address below:

  TIAA<br>P.O. Box 1268<br>Charlotte, N.C. 28201-1268

  If you do not want to complete your TIAA beneficiary designation form online, you may print a paper copy from the UChicago/TIAA website or you may request a paper copy by calling TIAA at 800-842-2252. You must mail a completed and signed TIAA beneficiary designation form and, if applicable, notarized spousal consent form to TIAA at the address above.

- **Vanguard**. To designate a beneficiary for amounts invested with Vanguard, you can complete your Vanguard beneficiary designation form online using the UChicago/Vanguard website at uchicago.vanguard-education.com. If you are married and designate a beneficiary other than your spouse to receive your death benefits, your beneficiary designation is not complete (or effective) until you mail a signed and notarized spousal consent form to Vanguard at the address below:

  Vanguard<br>P.O. Box 1101<br>Valley Forge, PA 19482

If you do not want to complete your Vanguard beneficiary designation form online, you may print a paper copy of the Vanguard beneficiary designation form from the UChicago/Vanguard website or you may request a paper copy by calling Vanguard at 800-523-1188. You must mail a completed and signed Vanguard beneficiary designation form and, if applicable, notarized spousal consent form to Vanguard at the address above.

**Failure to Properly Designate a Beneficiary**

A beneficiary designation form that is filed with one investment company is not effective with respect to amounts held by another investment company. If you fail to designate a beneficiary, improperly designate a beneficiary, or if no beneficiary survives you, your death benefits, if any, will be distributed as set forth below:

- If you are not married on the date of your death and a beneficiary designation form is not on file on the date of your death or your designated beneficiary does not survive you, 100% of your death benefits, if any, will be paid to your estate.
- If you are married on the date of your death and a beneficiary designation form is not on file on the date of your death or your designated beneficiary does not survive you, 100% of your death benefits, if any, will be paid to your spouse. If you improperly designated a non-spouse beneficiary, for example, you filed a beneficiary designation form designating that 100% of your death benefits be paid to a non-spouse beneficiary but failed to file a completed spousal consent form prior to your death, 100% of your death benefits will be paid to your spouse.

**Periodic Review of Your Designated Beneficiary**

You should review your beneficiary designation periodically to make sure the person you want to receive your death benefit is properly designated. For example, if your marital status changes, you should review your beneficiary designation. If you marry, your new spouse is automatically the beneficiary with respect to your death benefits as a matter of law. However, your divorce will not automatically revoke a beneficiary designation naming your former spouse as your beneficiary. You can change your beneficiary at any time (subject to the spousal consent requirement) by submitting a new TIAA beneficiary designation form to TIAA or a new Vanguard beneficiary designation form to Vanguard, as applicable. You may obtain beneficiary designation forms and, if applicable, spousal consent forms from your investment company.

**Designation of Non-Spouse Beneficiary**

If you are married and you want to designate a beneficiary other than your spouse, the following rules apply:

- **Designation Prior to Age 35**. You may designate a non-spouse beneficiary with spousal consent at any time, but if you designate a non-spouse beneficiary prior to the calendar year in which you attain age 35, such designation shall not be treated as effective designation beginning on the first day of the calendar year in which you attain age 35. If you want a non-spouse beneficiary to continue to receive your death benefits, you must again designate a non-spouse beneficiary on or after the first day of the calendar year in which you attain age 35. If you terminate employment with the University including any other University affiliate prior to the first day of the calendar year in which you will attain age 35, a designation of non-spouse beneficiary with spousal consent on or after your termination date will remain effective unless you change your beneficiary. Also, consent by a former spouse is not effective with respect to a subsequent spouse.
- **Spousal Consent.** Your spouse must waive the **Qualified Pre-Retirement Survivor Annuity** and consent to your beneficiary or beneficiaries. Your spouse's waiver and consent must be in writing and witnessed by a notary public and must contain his or her acknowledgment as to the effect of the waiver and consent and that it is irrevocable. Your spouse may provide a general consent that expressly permits you to designate a beneficiary without any further consent by your spouse. If a designated beneficiary dies, a new consent is necessary unless your spouse gave his or her express consent of your right to designate a new beneficiary without further

spousal consent. Your spouse's consent is not required if you are legally separated unless a Qualified Domestic Relations Order requires otherwise or if you have been abandoned (within the meaning of local law) and you have a court order to such effect. See **Qualified Domestic Relations Order** for further information. Spousal consent is also not required if you can establish that you have no spouse or that he or she cannot be located.

## Amount of Death Benefit

If you die, the entire balance (or remaining balance) of your retirement savings account is payable as a death benefit. If you are not married on the date of your death, the entire balance of your retirement savings account will be paid to your designated beneficiary(ies). If you are married on the date of your death, your retirement savings account is payable to your spouse in the form of a **Qualified Pre-Retirement Survivor Annuity** unless your spouse waives the Qualified Pre-Retirement Survivor Annuity or waives the Qualified Pre-Retirement Survivor Annuity and consents to a non-spouse beneficiary.

## Forms of Payments for Death Benefits

- **Qualified Pre-Retirement Survivor Annuity**. If you are married on the date of your death, your investment company is required to pay your death benefits in the form of a Qualified Pre-Retirement Survivor Annuity to your surviving spouse. Under a Qualified Pre-Retirement Survivor Annuity, monthly payments (or, in the case of small payments, quarterly, semi-annual, or annual payments) are made for your spouse's lifetime, and at his or her death, all payments stop. Your surviving spouse may waive the Qualified Pre-Retirement Survivor Annuity and elect an optional payment form. Alternatively, you may choose the form of payment to your spouse during your lifetime if you do so in a manner acceptable to your investment company.
- **Optional Forms of Payment**. A surviving spouse who waives the Qualified Pre-Retirement Survivor Annuity or a non-spouse beneficiary may elect any optional payment form. Alternatively, you may choose the form of payment to your beneficiary during your lifetime if you do so in a manner acceptable to your investment company. The optional payment forms available are similar to the **Optional Forms of Payments** available to you for payments during your lifetime. For further information regarding distributions to beneficiaries and available forms of payment, contact your investment company. If your death benefits are paid in the form of an eligible rollover distribution, a surviving spouse and non-spouse beneficiary may elect a **Direct Rollover**. A non-spouse beneficiary, however, may only elect a direct rollover to an individual retirement account or an individual retirement annuity described in Section 408(a) or Section 408(b) of the Internal Revenue Code, respectively, that will be treated as an inherited IRA pursuant to the provisions of Section 402(c)(11) of the Internal Revenue Code.

## Required Minimum Distributions

If you die **after** your Required Beginning Date, *i.e.*, April 1 of the calendar year following the calendar year in which you attain age 70½ or, if later, April 1 following the calendar year in which you terminate employment with the University including any other University affiliate, your beneficiary must begin receiving required minimum distributions from ERIP commencing with the calendar year following the calendar year of your death. The amount of the required minimum distribution is based on the value of your retirement savings account and your beneficiary's life expectancy or, if longer, your life expectancy had you continued to live.

If you die **prior to** your Required Beginning Date, your beneficiary must begin receiving required minimum distributions from ERIP commencing with the calendar year following the calendar year of your death. If your beneficiary is your spouse, required minimum distributions can be deferred until the calendar year in which you would have attained age 70½ had you continued to live. The amount of the required minimum distribution is based on the value of your retirement savings account and your beneficiary's life expectancy. Under a special rule, your beneficiary may elect that the entire value of your retirement savings account be distributed by the end of the calendar year that contains the fifth anniversary of your death. The 5-year election must be made by your beneficiary by the end of the calendar year following the calendar year of your death or such earlier date as established by your investment company.

Your beneficiary may satisfy the minimum distribution requirement by taking your entire required minimum distribution from ERIP or any other 403(b) plan in which you have an account balance. In addition, the foregoing rules do not apply to amounts contributed to TIAA or CREF annuity contracts prior to January 1, 1987 ***if*** such amounts remained invested in TIAA or CREF annuity contracts and were accounted for separately by TIAA. For further information regarding the special rules that apply to amounts accumulated prior to January 1, 1987, contact TIAA.

The payment of required minimum distributions to your beneficiary is extremely important because federal tax laws impose a 50% excise tax on the difference between the required minimum distribution amount and the amount actually distributed if it is less than the required minimum distribution amount. The investment companies will notify your beneficiary of the minimum distribution requirements at the time he or she notifies them of your death. If your beneficiary fails to timely notify an investment company of your death, the University is not responsible for any excise taxes that may be imposed if your retirement savings account is not distributed timely.

# Administrative Information

## Your ERISA Rights

As a participant in ERIP, you are entitled to certain rights and protections under the Employee Retirement Income Security Act of 1974 ("ERISA"). ERISA provides that all plan participants shall be entitled to:

**Receive Information About ERIP and Benefits**

- Examine, without charge, at the Benefits Office, all documents governing ERIP, including insurance contracts and collective bargaining agreements, and a copy of the latest annual report (Form 5500 Series) filed by ERIP with the U.S. Department of Labor and available at the Public Disclosure Room of the Employee Benefits Security Administration.
- Obtain, upon written request to the Benefits Office, copies of documents governing the operation of ERIP, including insurance contracts and collective bargaining agreements, and copies of the latest annual report (Form 5500 Series) and updated summary plan description. The Benefits Office may make a reasonable charge for the copies.
- Receive a summary of ERIP's annual financial report. The Benefits Office is required by law to furnish each participant with a copy of this summary annual report.

**Prudent Actions by Plan Fiduciaries**

In addition to creating rights for plan participants, ERISA imposes duties upon the people who are responsible for the operation of ERIP. The people who operate ERIP, called "fiduciaries" of ERIP, have a duty to do so prudently and in the interest of you and other plan participants and beneficiaries. No one, including the University, your union or any other person, may fire you or otherwise discriminate against you in any way to prevent you from obtaining a pension benefit or exercising your rights under ERISA.

**If Your Benefit Application is Denied**

If all or part of your benefit application is denied, you (or your authorized representative) will receive a written or electronic explanation of the denial containing the following:

- Specific reasons for the denial.
- Specific references to ERIP's provisions on which the denial is based.
- A description of any additional information that is required and why the information is needed.
- The steps you can take to ask for a review of the decision.
- A statement of your right to bring a civil action under Section 502(a) of ERISA if your claim is denied upon review.

The written or electronic explanation of the denial ordinarily will be provided within 90 days of the date you file your benefit application. However, in special situations, additional time may be needed (up to another 90 days) to process your application. If an extension is needed, you will be provided with a written or electronic notice of the reasons for the delay and the date you can expect to receive a decision on your benefit application.

If your benefit application is denied and you want to request a review of the denied application, you must submit such request to the Benefits Office in writing **within 60 days** after you receive the denial notice. Under ERIP's review procedures:

- You may submit appropriate issues, comments and reasons why you think your application should not have been denied.

- You may review all pertinent documents and submit issues and comments in writing in connection with the review and request reasonable access to, and copies of, all documents, records and other information relating to your application free of charge.
- Your request for review will be given full and fair review taking into account all claim-related comments, documents, records and other information you have submitted without regard to whether such information was submitted or considered under the initial decision.

Normally, you will receive a written or electronic explanation of the University's final decision within 60 days. If more time is needed (up to another 60 days), you will be notified, in writing or electronically, of the reasons for the delay and the date you can expect to receive a final decision about your application.

If upon final review your application is denied, a written or electronic explanation of the denial will be provided by the University and will state:

- The specific reasons for the denial,
- The specific references to ERIP's provisions on which the denial is based,
- A statement that you are entitled to receive (upon request and free of charge) reasonable access to, and copies of, all documents, records and other information relating to your application, and
- A statement of your right to bring a civil action under Section 502(a) of ERISA.

**Enforce Your Rights**

If your claim for a pension benefit is denied or ignored, in whole or in part, you have a right to know why this was done, to obtain copies of documents relating to the decision without charge, and to appeal any denial, all within certain time limits.

Under ERISA, there are steps you can take to enforce your rights. For instance, if you request a copy of the plan document or the latest annual report from ERIP and do not receive it within 30 days, you may file suit in a federal court. In such a case, the court may require the University to provide the materials and pay you up to $110 a day until you receive the materials, unless the materials were not sent due to reasons beyond the University's control.

If you have a claim for benefits that is denied or ignored, in whole or in part, you may file suit in a state or federal court. In addition, if you disagree with the University's decision or lack thereof concerning the qualified status of a domestic relations order, you may file suit in a federal court.

If it should happen that plan fiduciaries misuse ERIP's money, or if you are discriminated against for asserting your rights, you may seek assistance from the U.S. Department of Labor, or you may file suit in a federal court. The court will decide who should pay court costs and legal fees. If you are successful, the court may order the person you have sued to pay these costs and fees. If you lose, the court may order you to pay these costs and fees, for example, if it finds your claim is frivolous.

**Assistance with Your Questions**

If you have any questions about ERIP, you should contact the Benefits Office. If you have any questions about this statement or about your rights under ERISA, or if you need assistance in obtaining documents from the University, you should contact the nearest office of the Employee Benefits Security Administration, U.S. Department of Labor, listed in your telephone directory or the Division of Technical Assistance and Inquiries, Employee Benefits Security Administration, U.S. Department of Labor, 200 Constitution Avenue N.W., Washington, D.C. 20210. You also can obtain certain publications about your rights and responsibilities under ERISA by calling the publications hotline of the Employee Benefits Security Administration.

## Plan Administrator

The University has all discretionary power and authority necessary to administer ERIP, including, but not limited to, the power and authority to interpret the provisions of ERIP, to compute the amount and kind of benefits payable to participants and beneficiaries, to direct the payment of plan expenses from ERIP, and to resolve any questions relating to eligibility to participate in ERIP. Any action taken in good faith by the University in the exercise of the discretionary power and authority conferred upon it, including a final decision made under the review and appeal process described herein, shall be conclusive and binding upon participants and their beneficiaries.

## Plan Amendment and Termination

While it is expected that ERIP will continue indefinitely, the University reserves the right to amend, modify or terminate ERIP and to discontinue plan contributions at any time under any circumstance it deems advisable (including, but not limited to, the need to address legal changes or cost or plan design considerations). Any termination or modification of ERIP shall not adversely affect the benefits accrued by participants prior to the date of termination or modification except to such extent as the University may decide in accordance with applicable law. Upon termination of ERIP, all participants who are employed by the University shall be 100% **Vested** in any plan benefits accrued prior to the termination date.

## Qualified Domestic Relations Orders

As a general rule, your ERIP benefits may not be alienated. This means that your ERIP benefits may not be sold, used as collateral for a loan, given away, or otherwise transferred. In addition, your creditors may not attach, garnish, or otherwise interfere with your ERIP benefits.

There is an exception, however, to this general rule. Under certain circumstances, a court may award all or part of your ERIP benefits to your current or former spouse, child, or other dependent (referred to as an "Alternate Payee") by issuing a "domestic relations order." If it is determined that the domestic relations order is a "qualified domestic relations order" or "QDRO", ERIP will comply with the QDRO, and all or a portion of your ERIP benefit will be paid as indicated in the order. A domestic relations order is a QDRO if it is consistent with the terms and conditions of ERIP and your investment funds. A QDRO may preempt the usual requirements that your spouse be considered your primary beneficiary for all or a portion of your ERIP benefits.

You or your attorney can obtain QDRO Procedures as well as a model QDRO at no charge from the Willis Towers Watson QDRO Service Center by e-mailing WTWQDRO@willistowerswatson.com or by calling 855-481-2661. Requests for determination as to whether a domestic relations order is a QDRO can be sent to Willis Towers Watson as follows:

**By Mail or Delivery**: Willis Towers Watson QDRO Service Center, P.O. Box 712728, Los Angeles, CA 90071

**By Facsimile**: 213-337-6017

**By E-mail Attachment**: WTWQDRO@willistowerswatson.com (Identifying information, such as Social Security numbers, must be provided under separate cover.)

It is recommended that prior to filing a decree or order with the court, you or your attorney should send a draft decree or order to Willis Towers Watson for review. By doing so, required revisions can be made prior to filing and you will avoid multiple filings with the court.

An Alternate Payee may request a distribution (to the extent permitted under the QDRO) as soon as administratively practicable following the date the domestic relations order is determined to be a QDRO and prior to the participant's termination date. The process by which the amount awarded is paid to the Alternate Payee shall be determined by the investment company including, but not limited to, the issuance or establishment of separate contracts on behalf of the Alternate Payee.

# Glossary

| Term | Definition |
|---|---|
| **Compensation** | For purposes of calculating Employee Contributions and University Contributions, Compensation means your total gross wages paid by the University ***excluding*** amounts paid on account of termination of employment such as final accrued vacation and sick pay but ***including*** your contributions to ERIP and salary reduction contributions to the University's Supplemental Retirement Plan ("SRP"), Flexible Spending Plan, and Qualified Transportation Program. |
| **Eligibility Computation Period** | The 12-consecutive month period that begins on your hire date and each anniversary of that date. |
| **Eligible Employee** | A nonacademic University Employee who is a United States-based payroll Employee and who is not an Excluded Employee. A University Employee's status as an Eligible Employee shall be determined by the payroll or personnel records maintained by the University and shall be binding and conclusive for all purposes of ERIP. |
| **Employee Contributions** | Employee Contributions means, together, your Mandatory Contributions and Voluntary Contributions. |
| **ERIP Contributions** | ERIP Contributions means, collectively, your Employee Contributions, University Contributions, and any Rollover Contributions. |
| **Hours of Service** | Generally, you will be credited with an "Hour of Service" for each hour that you are directly or indirectly paid or entitled to be paid or granted back pay for the performance of services for the University, the Medical Center or any affiliate of both. |
| **Qualified Military Service** | A period of absence due to military service (as defined in Section 414(u) of the Internal Revenue Code) following which you are entitled to full reemployment rights as prescribed by the Uniformed Services Employment and Reemployment Rights Act of 1994 ("USERRA") with the University. Your absence will not be treated as Qualified Military Service unless prior to the commencement of your absence, you provide such information as the Benefits Office may require to establish that your absence from work is for military service and the number of days of your military service. |
| **SRP** | SRP means The University of Chicago Supplemental Retirement Plan. |

| Term | Definition |
|---|---|
| **Transition Contribution** | Contributions made by the University on behalf of a former SEPP participant for up to seven (7) years beginning with Compensation paid after July 1, 2016.<br><br>You are a former SEPP participant if, as of June 30, 2016, you were (1) actively employed by the University and accruing benefits under The University of Chicago Pension Plan for Staff Employees (SEPP) and (2) age 45 or, at least age 40 with 10 or more Years of Participation.<br><br>To remain a former SEPP participant throughout the 7-year transition period ending June 30, 2023, you generally must remain actively employed by the University (or receiving Compensation). For example, if you take an unpaid non-FMLA, you will cease to be a former SEPP participant and you will not be eligible to receive Transition Contributions following your return to active employment. |
| **University Contributions** | University Contributions means, together, the Mandatory Contributions and Matching Contributions (plus Transition Contributions, if you're eligible) made on your behalf by the University. |
| **Vested** | An ownership right in your retirement savings account that cannot be forfeited. You are always 100% Vested in your Employee Contributions but you are not Vested in your University Contributions until you complete certain requirements, *e.g.*, the completion of three (3) Vesting Years. |
| **Vesting Years** | A 365-day period that generally begins on your hire date. Vesting Years include all employment with the University, the Medical Center or any affiliate of both, as well as time worked in an Excluded Employee position. |
| **Year of Service** | You will be credited with a "Year of Service" if you complete at least 1,000 Hours of Service during an Eligibility Computation Period. |
| **Years of Participation** | Also referred to as "participation service," the sum of years and fraction of years (measured in months) during which you are an employee and eligible to participate in SEPP, plus the Years of Participation (as defined under the ERIP Defined Benefit Plan), if any, credited to you under the ERIP Defined Benefit Plan as of December 31, 2008. Years in which you worked for the University but were not a participant in SEPP are not counted (including the 1-year waiting period before entering the Plan and any periods during which you were in a non-benefits eligible position). Certain other rules may apply, but in no case are years (or portions thereof) after June 30, 2016 or in excess of 35 taken into account. |

## Plan References

Please keep this information for future reference:

| | |
|---|---|
| **Plan Name** | The University of Chicago<br>Retirement Income Plan for Employees |
| **Plan Number** | 002<br>When requesting additional information about ERIP from the U.S. Department of Labor, refer to the above plan number and the Employer Identification Number below. |
| **Plan Effective Date** | January 1, 1953 |
| **Plan Sponsor & Administrator** | The University of Chicago<br>c/o Benefits Office<br>6054 S. Drexel Avenue<br>Chicago, IL 60637<br>Phone: 773-702-9634<br>Fax: 773-834-0996<br>E-mail: benefits@uchicago.edu<br>A complete list of the employers participating in ERIP is available upon written request to the Plan Administrator. |
| **Employer Identification Number** | 36-2177139 |
| **Agent for Service of Legal Process** | The University of Chicago<br>Benefits Office<br>6054 S. Drexel Avenue<br>Chicago, IL 60637<br>Phone: 773-702-9634<br>Fax: 773-834-0996<br>E-mail: benefits@uchicago.edu<br>Legal process also may be served on the investment companies, if applicable. |
| **Investment Companies** | **TIAA**<br>730 Third Avenue<br>New York, NY 10017<br>Phone: 800-842-2252<br>https://www.tiaa.org/public/tcm/uchicago<br>**The Vanguard Group**<br>Attn: Plan # 090005<br>P.O. Box 1101<br>Valley Forge, PA 19482<br>Phone: 800-523-1188<br>uchicago.vanguard-education.com |
| **Plan Year** | January 1 to December 31 |
| **Type of Plan** | Internal Revenue Code Section 403(b) plan with defined benefit and defined contribution components; ERISA Section 404(c) plan. |

# A Final Note

This summary is written in everyday language. We have tried to make it as complete and accurate as possible. If there are any discrepancies between this summary and the legal plan documents (such as ERIP's plan document, individual and group annuity contracts, custodial account agreements and loan agreements), those documents will determine how ERIP works and the benefits that are paid. Participating in ERIP does not guarantee employment.