



# New opportunities for your retirement strategy

Enhancements to the University of Alabama System Retirement Plans



# Today's agenda



Why are the plans changing?

Overview of enhanced features

Transition experience

# Why is the plan changing?



The plan changes are designed to:

- Make it easier for one to plan and invest for retirement
- Lower some plan administrative and investment costs
- Continue to provide comprehensive retirement planning and investment advice services



## Overview of enhanced features

# Overview of plan enhancements



Target Date Plus model portfolios will be the new plan default option and automatically manages your investments

New investment options to help you create a portfolio for your goals

Investment costs for some investments will be lower

Plan Administrative Fee is being reduced

# Overview of enhanced features



## Target Date Plus model portfolios

- Diversified mix of investments from the retirement plan's lineup
- Professionally managed model portfolios based on your current age and projected retirement date; the service automatically rebalances to help keep you on track with your retirement goals
- Provides an option for monthly income payments for life once you retire
- Costs for investments will be lower
- The Target Date Plus model portfolios is the new default investment for the plan(s)
- You will be enrolled in a new type of plan account with TIAA

# Comparing Target Date Plus model portfolio to lifecycle funds

Benefits to you	Lifecycle Funds	Target Date Plus model portfolio
Simple to use	✓	✓
Diversified mix of investments	✓	✓
Automatically reduces risk as you near and enter retirement (less equity exposure)	✓	✓
Provides an option at retirement for guaranteed monthly income for life		✓
Includes the TIAA Traditional guaranteed annuity, which provides a guaranteed return each year and reduces volatility		✓

Any guarantees under annuities issued by Teachers Insurance and Annuity Association of America are subject to its claims-paying ability.

# Overview of enhanced features



## Understanding retirement plan fees

Plan-related costs typically paid by participants include:

- Investment expenses
- Recordkeeping fees



# Transition experience

It's outlined in the guide



To be sent on March 3, 2024

Posted on [TIAA.org/uasystem](https://TIAA.org/uasystem)



## New opportunities for your retirement strategy

ANNOUNCING ENHANCEMENTS TO  
THE UNIVERSITY OF ALABAMA SYSTEM  
RETIREMENT PLANS



# Transition experience



Beginning on **April 3, 2024** you can:

1. Choose the Target Date Plus model portfolio suggested for you or select from the other models shown
2. Unsubscribe from the service and create your own portfolio from the new investment options in the menu

# Transition experience



You will be enrolled in a new type of account.  
Your current beneficiary designation(s) will be applied to your new account

## What *happens to future contributions and existing balances?*

Future contributions		Future contributions are directed to the Target Date Plus model portfolios unless you make a change.
Existing fund balances		Eligible existing balances transfer to the Target Date Plus model portfolios, or to your selected investments if you choose to unsubscribe.
Existing TIAA Traditional and TIAA Stable Value balances		Will remain in the respective investment

# Steps you can take



## Consider your investments and check your beneficiary

- You can personalize the selection of your Target Date Plus model portfolio. You can change your future contributions once your account is created on April 3<sup>rd</sup>.
- You can change your investment options for your existing account after your balance transfers (scheduled for the week of May 6<sup>th</sup>).
- Consider retirement investment advice for help selecting investments or increasing your savings
- Check your beneficiary designations for all plans

# Steps you can take



## What if you do nothing

- All future contributions and TIAA mutual fund balances will transfer to the age-appropriate Target Date Plus model portfolio.
- TIAA Traditional and TIAA Stable Value balances will remain in their existing accounts.
- Your current beneficiary will be applied to your new account.

# Key dates



Date	Event
Week of March 18 and/or 25	Group meetings and one-on-one appointments
April 3, 2024	If you do not already have a Retirement Choice Plus (RCP) account and still have a balance in the plans, you will be enrolled in a new RCP account and subscribed to a model portfolio. Please note that if you already have an RCP account, you will also be subscribed to a model portfolio at this time.
April 4, 2024	You can decide to unsubscribe from the model portfolio selected for you and choose your own investments (or customize your model selection)
April 2024	Future contributions are directed to RCP accounts and Target Date Plus model portfolios (if applicable), unless you make a change.
Week of May 6, 2024	Eligible existing balances transfer to the Target Date Plus model portfolio, or to your selected investments if you choose to unsubscribe.  Please note: Existing TIAA Traditional Annuity and/or TIAA Stable Value balances will not transfer automatically



Q&A





Thank you



**Disclosure**

# Target Date Plus model portfolio

The TIAA RetirePlus Pro® Models are asset allocation recommendations developed in one of three ways, depending on your plan structure: i) by your plan sponsor, ii) by your plan sponsor in consultation with consultants and other investment advisors designated by the plan sponsor, or iii) exclusively by consultants and other investment advisors selected by your plan sponsor whereby assets are allocated to underlying mutual funds and annuities that are permissible investments under the plan. Model-based accounts will be managed on the basis of the plan participant's personal financial situation and investment objectives (for example, taking into account factors such as participant age and risk capacity as determined by a risk tolerance questionnaire).

This material is for informational, educational or non-fiduciary sales opportunities and/or activities only and does not constitute investment advice (e.g., fiduciary advice under ERISA or otherwise), a securities recommendation under all securities laws, or an insurance product recommendation under state insurance laws or regulations to invest through a model or to purchase any security or advice about investing or managing retirement savings. It does not take into account any specific objectives or circumstances of any particular customer, or suggest any specific course of action.

**You should consider the investment objectives, principal strategies, principal risks, portfolio turnover rate, performance data, and fee and expense information of each underlying investment carefully before directing an investment based on the model. For a free copy of the program description and the prospectus or other offering documents for each of the underlying investments (containing this and other information), call TIAA at 877-518-9161. Please read the program description and the prospectuses or other offering documents for the underlying investments carefully before investing.**

The Plan Fiduciary and the Plan Advisor may determine that an Underlying Investment(s) is appropriate for a Model Portfolio, but not appropriate as a stand-alone investment for a Participant who is not participating in the Program. In such case, Participants who elect to unsubscribe from the Program while holding an Underlying Investment(s) in their Model-Based Account that has been deemed inappropriate as a stand-alone investment option by the Plan Fiduciary and/or the Plan Advisor will be prohibited from allocating future contributions to that investment option(s).

## Target Date Plus model portfolio continued

**Established Restrictions:** Each Plan Participant may, but need not, propose restrictions for his or her Model-Based Account, which will further customize such Plan Participant's own portfolio of Underlying Investments. The Plan Fiduciary is responsible for considering any restrictions proposed by a Plan Participant, and for determining (together with Plan Advisor(s)) whether the proposed restriction is "reasonable" in each case.

No registration under the Investment Company Act, the Securities Act or state securities laws—The Model is not a mutual fund or other type of security and will not be registered with the Securities and Exchange Commission as an investment company under the Investment Company Act of 1940, as amended, and no units or shares of the Model will be registered under the Securities Act of 1933, as amended, nor will they be registered with any state securities regulator. Accordingly, the Model is not subject to compliance with the requirements of such acts, nor may plan participants investing in underlying investments based on the Model avail themselves of the protections thereunder, except to the extent that one or more underlying investments or interests therein are registered under such acts.

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