

# Yale retirement savings program

## Transition Guide to upcoming changes

Yale

# Introducing enhancements to the retirement savings program

Information provided in this guide is for Yale retirement savings program participants who have an account in one or more of the following plans:

- Yale University Retirement Account Plan (YURAP)
- Yale University Tax-Deferred 403(b) Savings Plan
- Yale University Matching Retirement Plan
- Yale University 457(b) Deferred Compensation Plan

Please read this guide carefully to learn how Yale’s retirement savings program will change and how the changes will affect you. If you have any questions, refer to the resources noted on the back cover of this guide.

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# Yale's retirement savings program continues to evolve and improve

Yale's retirement savings program has continued to evolve and improve since its inception almost 100 years ago. Beginning on or about **November 15, 2018**, Yale will introduce retirement savings program enhancements that will provide opportunities to:

- Make it easier for you to invest for retirement
- Give you the choice to have your retirement savings automatically managed or manage them yourself
- Have monthly income for life when you retire<sup>1</sup>

## The changes include:



### The Yale Target-Date Plus Service

This innovative new program combines the best features of target date investing with an option for guaranteed monthly income payments for life. The Yale Target-Date Plus Service selects for you a Target-Date Plus model portfolio, each of which consists of various combinations of investments from the new investment lineup. The Target-Date Plus model portfolios are designed to adjust automatically over time to manage your retirement savings for growth during your early career, gradually transition toward security for retirement, and provide an option for monthly income payments for life when you retire.

### Your retirement savings and the Qualified Default Investment Alternative (QDIA)

The Yale Target-Date Plus Service will be Yale's new Qualified Default Investment Alternative (QDIA). Your future contributions and existing mutual fund assets will be transferred to the new QDIA unless you direct otherwise.



### A new investment lineup

The new investment lineup offers 11 carefully selected investment options you can use to create your own investment strategy. There are also reduced costs for several options, which can be important in helping you reach your savings goals.



### An optional self-directed brokerage account

Regardless of whether you use the Yale Target-Date Plus Service or create your own investment strategy, you have the option to invest a portion of your account in a self-directed brokerage account. A self-directed brokerage account gives you access to thousands of mutual funds beyond the retirement savings program's investment lineup. It can provide additional choices, however, Yale neither selects nor monitors investment funds available through the brokerage account, and TIAA does not offer investment advice for assets in self-directed brokerage accounts. Some brokerage fees will apply.

### What does target date mean?

The "target date" is the projected date of your retirement. The Yale Target-Date Plus Service selects a Target-Date Plus model portfolio based in part on your current age and projected retirement age. While Target-Date Plus model portfolios are named with a specific year (for example, *Target-Date Plus 2045*), each represents five consecutive years (see page 11). If you think you'll retire earlier or later, you can change your expected retirement age by personalizing the information used to select your Target-Date Plus model portfolio.

### What is a model portfolio?

A "model portfolio" refers to a combination of investment options selected from the new investment lineup. This mix of investment options is automatically adjusted to become more conservative as you get closer to or pass your projected retirement age.

<sup>1</sup> Any guarantees under annuities issued by Teachers Insurance and Annuity Association of America (TIAA) are subject to its claims-paying ability. The Yale Target-Date Plus Service is made available through the TIAA Custom Portfolios Model Service. TIAA does not build the models or recommend underlying investment options that comprise the models.

Please note that lower fees do not necessarily provide higher returns.



## Key dates during the transition period

Take note of the retirement savings program transition schedule and plan to participate in the scheduled events to learn more about the changes.

Expected dates	Upcoming changes
<p><b>October 15, 2018</b></p>	<p>Changes are announced. You can register to attend one of the Town Hall meetings and review this Transition Guide for more information.</p> <p><b>Town Hall meetings will be held throughout the transition period. For a complete schedule of meetings, visit <a href="http://TIAA.org/Yale">TIAA.org/Yale</a>.</b></p>
<p><b>November 15, 2018</b></p>	<p>The Yale Target-Date Plus Service will select a Target-Date Plus model portfolio for your existing mutual fund balances and for your future contributions to your new account(s). For more information, see <i>How your retirement savings program account(s) will be affected</i> on page 13.</p> <p><b>You can review and personalize your Target-Date Plus model portfolio or choose to create your own investment strategy from the new investment lineup. You may also choose to open a self-directed brokerage account.</b></p>
<p><b>March 4, 2019 4 p.m. (ET)</b></p>	<p>Deadline to update your investment choices before existing mutual fund balances will be transferred to a Target-Date Plus model portfolio or to the investment strategy you selected. You can update your preferences or change to the self-managed investment options anytime in the future. <b>The deadline to open a self-directed brokerage account is March 1, 2019 (or February 27, 2019, for in-kind transfer of certain eligible funds). See pages 16 and 17 for complete information.</b></p>
<p><b>Week of March 4, 2019</b></p>	<p>All existing <i>mutual fund</i> balances will be transferred to your Target-Date Plus model portfolio or to the self-managed investment strategy that you select for your future contributions. Existing legacy <i>annuity account</i> balances that you may be invested in, such as those in TIAA Traditional, the CREF Stock Account, or the TIAA Real Estate Account, are in contracts solely controlled by you and will not be transferred to the new Target-Date Plus model portfolio or to your new investment strategy unless you choose to do so. Note: Due to the transfer activity, there may be a delay in processing changes requested after 4 p.m. (ET) on March 4, 2019.</p>

**NOTE:** At any time in the future, after the transfer of mutual fund balances, you can personalize the information used to select your Target-Date Plus model portfolio, create and manage your own investment strategy from the new investment lineup, or open a self-directed brokerage account.



## Your action plan

Beginning on or about **November 15, 2018**, evaluate the following actions to ensure your retirement account(s) accurately reflects your personal information and retirement planning goals:

Log in to your account(s) at **TIAA.org/Yale** and review the information provided. Be sure to review your beneficiary information and update it if needed.<sup>1</sup>

- **Keep it simple**

If you do nothing, future contributions and existing mutual fund balances will be automatically transferred to the Target-Date Plus model portfolio closest to your projected retirement age.

- **Personalize it**

Review the Target-Date Plus model portfolio selected for you and personalize it by answering a few questions about your investing style and confirming or changing your projected retirement age.

- **Do it yourself**

Create and manage your own investment strategy from the new investment lineup.

- **Additional option for experienced investors**

You may also consider a self-directed brokerage account, which allows you to select and manage mutual funds beyond the new investment lineup. Investments available through a self-directed brokerage account are neither selected nor monitored by Yale, and TIAA does not offer investment advice for assets in self-directed brokerage accounts. You will be responsible for selecting and monitoring all investments in your brokerage account. Some brokerage fees will apply. See page 16 for more information.



### **Access your account**

Instructions on how to access your account(s) and contact TIAA are found on the back cover of this guide.

<sup>1</sup> For married participants: Under the Yale retirement savings program, your spouse is entitled to receive at least 50% of your remaining account balance(s) at the time of your death. If you would like to designate less than 50% to your spouse, you and your spouse will need to complete a spousal waiver form for each affected contract. If such spousal consent is not executed, your spouse will be entitled to receive at least 50% of your remaining account balances(s) at the time of your death, regardless of your beneficiary designation.

# Investment lineup



## Streamlined investment lineup

The investment lineup below replaces the current investment lineup and continues to offer you flexibility to choose options that match your preferences and goals. It provides opportunities for diversification and includes seven of the current Vanguard mutual funds at low-cost share classes, as well as four annuities that offer an option for monthly income payments for life. If you have existing balances in TIAA or CREF annuities (listed on page 14), they will continue to be available under those contracts. For more information on each of the investment options, go to [TIAA.org](https://TIAA.org) and enter the ticker symbol in the site's search feature. Beginning on or about November 15, 2018, you can go to [TIAA.org/Yale](https://TIAA.org/Yale) and select *View Plan Investments* for additional information.

Asset class	Investment option	Ticker	Share class
U.S. Equity	Vanguard Total Stock Market Index Fund	VSMPX	Institutional Plus
Dev. Mkts. ex-U.S.	Vanguard Developed Markets Index Fund	VDIPX	Institutional Plus
Emerging Markets	Vanguard Emerging Markets Index Fund	VEMRX	Institutional Plus
Global Equity	CREF Global Equities Account (variable annuity)	QCGLIX	R3
Real Estate	Vanguard Real Estate Index Fund	VGSNX	Institutional
	TIAA Real Estate Account (variable annuity)	QREARX	N/A
TIPS	Vanguard Inflation-Protected Securities Fund	VIPIX	Institutional
Bonds	Vanguard Total Bond Market Index Fund	VBTIX	Institutional
Guaranteed	TIAA Traditional <sup>1</sup> RC/RCP (guaranteed annuity)	N/A	N/A
Money Market	Vanguard Federal Money Market Fund	VMFXX	Investor
Social Choice	CREF Social Choice Account (variable annuity)	QCSCIX	R3

Investment products may be subject to market and other risk factors and may lose value. See the applicable product literature or visit [TIAA.org](https://TIAA.org) and enter a ticker symbol in the site's search feature for details.

Beginning November 15, 2018, you can choose your own investments by logging in to your retirement account(s) at [TIAA.org/Yale](https://TIAA.org/Yale). Select the *Personalize* button next to the Yale retirement savings program account you want to update. On the next screen, scroll down and choose *Stop using Yale Target-Date Plus Service* to select your own investments.

<sup>1</sup> TIAA Traditional Annuity is a guaranteed insurance contract and not an investment for federal securities law purposes. Any guarantees under annuities issued by Teachers Insurance and Annuity Association of America are subject to its claims-paying ability. See FAQs for more information. Annuity account options are available through annuity contracts issued by TIAA or CREF. These contracts are designed for retirement or other long-term goals, and offer a variety of lifetime income options. Payments from the variable annuity accounts are not guaranteed and will rise or fall based on investment performance.

# Yale Target-Date Plus Service



## Yale Target-Date Plus Service

Each Target-Date Plus model portfolio selected by the Yale Target-Date Plus Service consists of investment options from the new investment lineup. Each Target-Date Plus model portfolio provides a specific balance of investment growth and stability, as well as an option for guaranteed monthly payments for life once you retire. The following investment options may be included in your Target-Date Plus model portfolio.

Asset class	Investment option	Ticker	Share class
Equities	Vanguard Total Stock Market Index Fund	VSMPX	Institutional Plus
	Vanguard Developed Markets Index Fund	VDIPX	Institutional Plus
	Vanguard Emerging Markets Index Fund	VEMRX	Institutional Plus
Guaranteed	TIAA Traditional RCP (guaranteed annuity)	N/A	N/A
Inflation	Vanguard Inflation-Protected Securities Fund	VIPIX	Institutional
Real Estate	Vanguard Real Estate Index Fund	VGSNX	Institutional



## Yale Target-Date Plus Service

### An investment strategy that evolves with you

Each Target-Date Plus model portfolio consists of investment options available through the new investment lineup. The specific combination of investment options in each Target-Date Plus model portfolio seeks to provide a balance of investment growth and stability, as well as an opportunity for you to choose guaranteed lifetime income once you retire. Each Target-Date Plus model portfolio rebalances quarterly and automatically adjusts, investing more in lower-risk options as you get closer to or pass your projected retirement age.

#### The key components of each Target-Date Plus model portfolio include:

##### Growth potential

###### Vanguard mutual funds

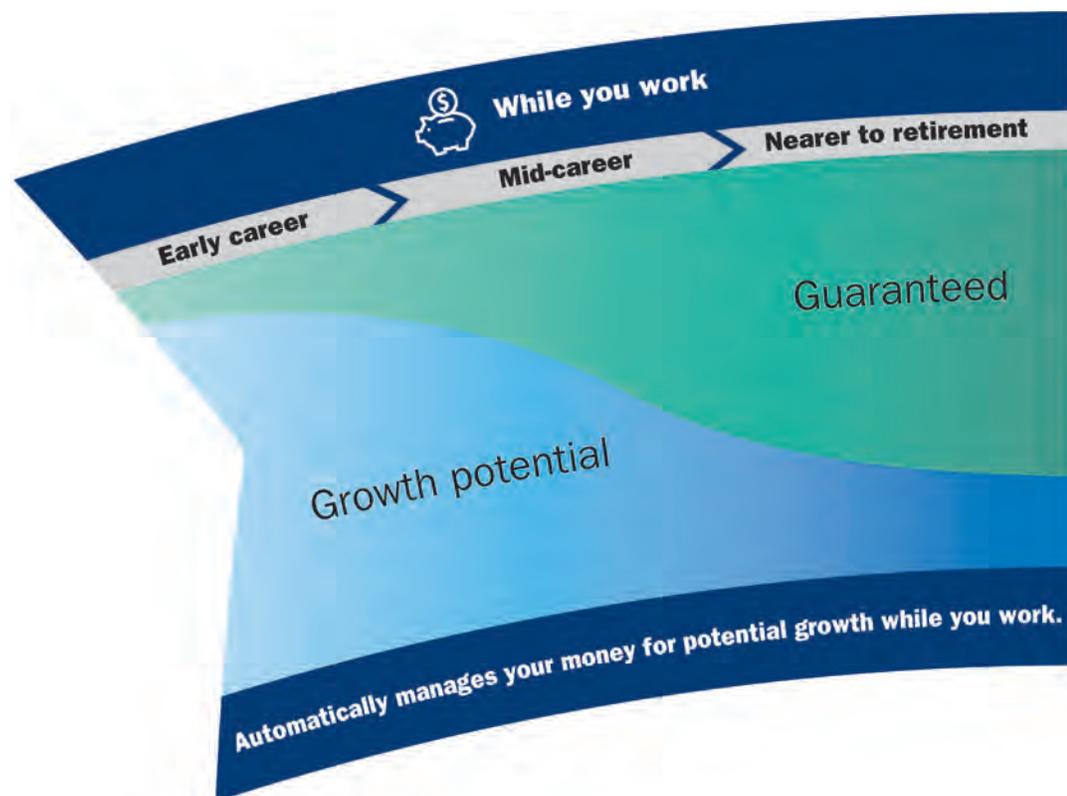
Investments that provide an opportunity for investment growth.

##### Guaranteed

###### TIAA Traditional guaranteed annuity

Principal and earnings continue to grow—guaranteed—even in the most volatile financial markets. Once you retire, it provides an option for guaranteed monthly income payments for life.\*

### How the Yale Target-Date Plus Service works



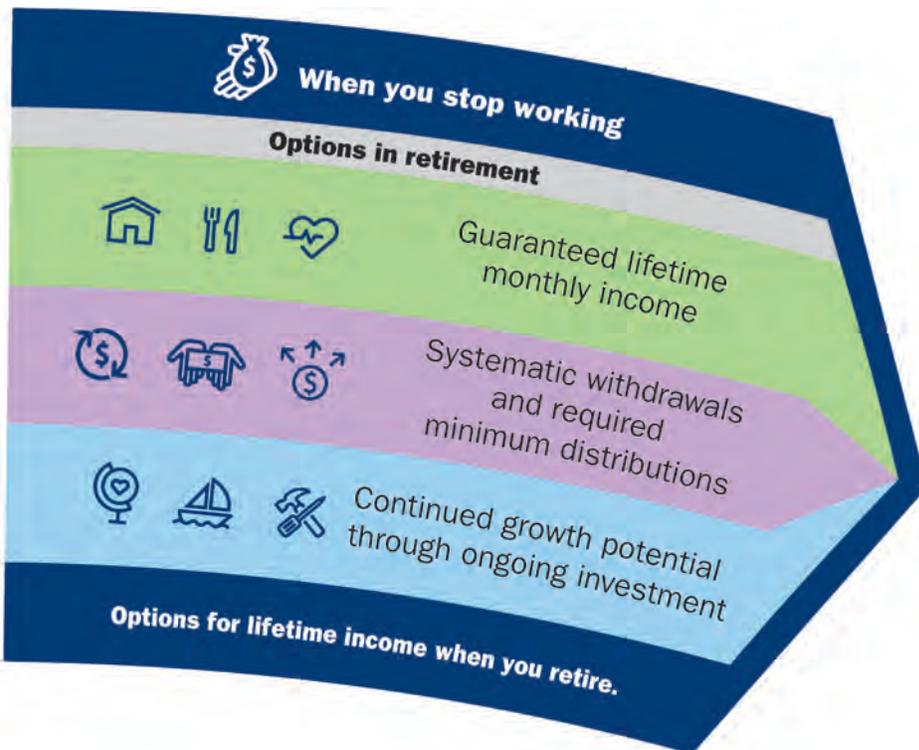


# Yale Target-Date Plus Service

The Yale Target-Date Plus Service has been created exclusively for the Yale retirement savings program. It combines the best features of target date investing with an option that provides guaranteed monthly income payments for life once you retire.<sup>1</sup>

Benefits to you	Target date funds	Yale Target-Date Plus Service
Simple to use	✓	✓
Diversified mix of investments	✓	✓
Automatically reduces risk as you near retirement	✓	✓
Considers other Yale retirement savings program investment options you may have, such as TIAA and/or CREF annuities, to help determine an appropriate mix of investments (does not consider self-directed brokerage account assets)		✓
Includes the TIAA Traditional guaranteed annuity, which provides a guaranteed return each year		✓
Provides an option at retirement for guaranteed monthly income payments for life		✓

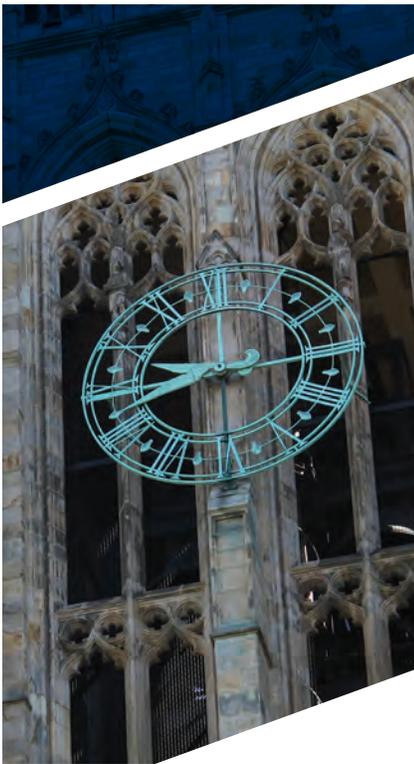
<sup>1</sup> Any guarantees under annuities issued by Teachers Insurance and Annuity Association of America are subject to its claims-paying ability.



# Yale Target-Date Plus Service

## Your current mutual fund balances and future contributions will automatically transfer to the Yale Target-Date Plus Service

Unless you choose to manage your own investment strategy, both your existing mutual fund balances and your future contributions will automatically transfer to the Yale Target-Date Plus Service and will be invested in your Target-Date Plus model portfolio. Any annuities currently in your account (listed on page 14) are solely controlled by you and will remain in the current annuity contract.



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### When will the automatic transfer happen?

- **On or about the week of March 4, 2019**—Your existing mutual fund account balances will be transferred to your Target-Date Plus model portfolio or to the investment strategy that you selected.
- **Beginning with your first paycheck in March 2019**—All future contributions will be invested in your Target-Date Plus model portfolio or will be directed to the investment strategy that you selected.

The Target-Date Plus model portfolio selected for your new account(s) will align with your projected retirement age or the retirement age that you choose. The model portfolio will also take into account or “consider” existing annuity contracts, such as TIAA Traditional, the CREF Stock Account, and/or the TIAA Real Estate Account.

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### Can I choose other options?

Yes. If you prefer to manage your own investments, you can direct your existing mutual fund balances to an investment strategy that you select using investment options from the new investment lineup if you do so by 4 p.m. (ET) on March 4, 2019. You can update your investment choices for future contributions up until 4 p.m. (ET) on the date of your first March paycheck.

You can also establish a self-directed brokerage account if you wish to have your future contributions and existing mutual fund balances directed to your new self-directed brokerage account during the week of March 4, 2019. Please see pages 16 and 17 for additional information about deadlines for opening a self-directed brokerage account.

Keep in mind, you can also make changes after the transition period is over.

Beginning November 15, 2018, you can choose your own investments by logging in to your retirement account(s) at [TIAA.org/Yale](https://TIAA.org/Yale). Select the *Personalize* button next to the Yale retirement savings program account you want to update. On the next screen, scroll down and choose *Stop using Yale Target-Date Plus Service* to select your own investment strategy.



## Yale Target-Date Plus Service

The Yale Target-Date Plus Service is the new Qualified Default Investment Alternative (QDIA) for the Yale retirement savings program. This means that if you do not make a different investment election by 4 p.m. (ET) on March 4, 2019, your existing mutual fund balances and any future contributions will automatically be transferred, or defaulted, to a Target-Date Plus model portfolio selected for you by the Yale Target-Date Plus Service until, and unless, you direct otherwise. See the chart below to determine the Target-Date Plus model portfolio that aligns with your year of birth and projected retirement age.

### Target-Date Plus model portfolio—birth year and projected retirement age

	Yale University Retirement Account Plan (YURAP) Yale University Tax-Deferred 403(b) Savings Plan Yale University 457(b) Deferred Compensation Plan	Yale University Matching Retirement Plan
Target-Date Plus model portfolio	Projected retirement age 70—birth year ranges	Projected retirement age 65—birth year ranges
Target-Date Plus Income	1915-1937	1915-1942
Target-Date Plus 2010	1938-1942	1943-1947
Target-Date Plus 2015	1943-1947	1948-1952
Target-Date Plus 2020	1948-1952	1953-1957
Target-Date Plus 2025	1953-1957	1958-1962
Target-Date Plus 2030	1958-1962	1963-1967
Target-Date Plus 2035	1963-1967	1968-1972
Target-Date Plus 2040	1968-1972	1973-1977
Target-Date Plus 2045	1973-1977	1978-1982
Target-Date Plus 2050	1978-1982	1983-1987
Target-Date Plus 2055	1983-1987	1988-1992
Target-Date Plus 2060	1988-1992	1993-1997
Target-Date Plus 2065	1993-1997	1998-2002
Target-Date Plus 2070	1998 or later	2003 or later

**NOTE:** If you are in the Yale University Matching Retirement Plan and another Yale plan, you will be in Target-Date Plus model portfolios with different target years based on the chart above. The Target-Date Plus model portfolio selected for you is based on the projected retirement age selected for each plan.

Beginning November 15, 2018, you can review the Target-Date Plus model portfolio selected for you and learn more about the Yale Target-Date Plus Service by logging in to your retirement account(s) at [TIAA.org/Yale](https://TIAA.org/Yale) and selecting the *Personalize* button. You can simply review your Target-Date Plus model portfolio or choose to personalize your Target-Date Plus model portfolio by changing your projected retirement age and answering a few questions about your investing style.



## Yale Target-Date Plus Service

Personalize the information used to select your Target-Date Plus model portfolio in three easy steps

### Step 1



Ensure that we have your details right.

### Step 2



Confirm how much of your money is being automatically managed.

### Step 3



Review your investment strategy.

Beginning on or about November 15, 2018, you can go online or call TIAA to personalize the information used to determine the Target-Date Plus model portfolio for your account. You can:

- Confirm or change your projected retirement age.
- Answer a few questions about your investing style.
- Stay with the Target-Date Plus model portfolio selected for you or choose another Target-Date Plus model portfolio based on changes to your projected retirement age and your answers to the investing style questions.
- If you have existing annuity assets such as TIAA Traditional, the CREF Stock Account, or the TIAA Real Estate Account, the service will automatically “consider” these annuity assets for a more complete picture when managing your Target-Date Plus model portfolio. You can choose not to have your annuity assets considered.
- Make changes to your information or strategy at any time.

**IMPORTANT NOTE:** To personalize your information before the transfer of mutual fund balances takes place, log in to your account or contact TIAA by 4 p.m. (ET) on March 4, 2019.

If you prefer to select your own investment options, access your account online or call TIAA to choose from the new investment lineup and/or a self-directed brokerage account.

# How your retirement savings program account(s) will be affected

The upcoming changes give you an opportunity to review your retirement savings program choices. As you evaluate the new options, take advantage of the help and resources available, including one-on-one planning sessions with a TIAA advisor. This service is offered through the retirement savings program *at no additional cost to you*.

Scheduled dates	Upcoming changes
<p><b>November 15, 2018</b></p> <p></p> <p><b>Or</b> </p> <p><b>Or</b> </p>	<p><b>The new Yale Target-Date Plus Service is available for review and action</b></p> <p>You will be automatically enrolled in new accounts under the new Yale Target-Date Plus Service. Based on your investing goals and preferences, you can decide which one of the following three options works best for you:</p> <p><b>Default option—no action needed:</b> If you prefer an easy, automated approach to investing, the Yale Target-Date Plus Service automatically manages your investments and adjusts over time. If you take no action:</p> <ul style="list-style-type: none"> <li>• Your existing mutual fund balances and future contributions will be directed to a Target-Date Plus model portfolio selected for you.</li> <li>• Any existing annuity holdings (for example, TIAA Traditional, the CREF Stock Account, and the TIAA Real Estate Account) will not change or transfer and will continue to be controlled by you in individually owned contracts. These annuity assets, if any, will be taken into account, or “considered,” by the Yale Target-Date Plus Service in the management of your Target-Date Plus model portfolio.</li> </ul> <p><b>Personalize and provide a little more detail:</b> It takes just a few minutes to go online to review and personalize the information used to select the Target-Date Plus model portfolio for your account. The information can be updated at any time in the future as your situation or goals change. You can:</p> <ul style="list-style-type: none"> <li>• Change your projected retirement age.</li> <li>• Answer a few simple questions about your investing style and preferences, including whether amounts invested in your existing legacy TIAA or CREF annuity contracts, if any, should continue to be considered.</li> </ul> <p><b>Create your own investment strategy:</b> Create and manage your own retirement strategy by selecting from the investment lineup on page 6 of this guide.</p>
<p><b>March 4, 2019 4 p.m. (ET)</b></p>	<p><b>Deadline to update your investment choices before the transfer of existing mutual fund balances</b></p> <p>The deadline to update your investment choices before existing mutual fund balances are transferred to your Target-Date Plus model portfolio or to the investment strategy that you selected. If you want to direct existing assets to a self-directed brokerage account, you must have opened a brokerage account by the deadlines outlined on pages 16 and 17. At any time in the future, after the transfer of mutual fund balances, you can personalize the information used to select your Target-Date Plus model portfolio, create your own investment strategy, or open a self-directed brokerage account.</p>
<p><b>Week of March 4, 2019</b></p>	<p><b>Mutual fund balances transfer</b></p> <p>Any mutual fund balances in your current retirement account(s) will automatically transfer to your Target-Date Plus model portfolio, the investment strategy that you selected, or to your self-directed brokerage account. All future contributions will follow the investment instructions on file until you direct otherwise. Note: Due to the transfer activity, there may be a delay in processing changes requested after 4 p.m. (ET) on March 4, 2019.</p>

**IMPORTANT NOTE: Consider the changes you may want for each of your accounts.** If you are invested in more than one retirement savings plan, please remember that you can make changes to each plan account.

NOTE: If you currently have any annuity holdings, such as TIAA Traditional, the TIAA Real Estate Account, or the CREF Stock Account, they will not change and will continue to be controlled by you. Those assets will be taken into account (“considered”) when managing your Target-Date Plus model portfolio.



## Legacy annuity contracts

**If you currently have balances in any of the legacy annuity options below, your balances will not transfer unless you choose to transfer them.**

TIAA and/or CREF annuity investment options will remain in your current contracts and will not be transferred to the Yale Target-Date Plus Service or to the investment strategy you select unless you choose to do so. However, they will be taken into account, or “considered,” under the Yale Target-Date Plus Service. Considering annuities in your account can help provide a more complete picture of your overall allocation and fine-tune the automatic management of your Target-Date Plus model portfolio, although the decision to continue to consider them is up to you.

Investment option	Ticker symbol
TIAA Traditional RA/GRA/SRA/GSRA/GA (guaranteed annuity)	N/A
CREF Bond Market Account R3 (variable annuity)	QCBMIX
CREF Equity Index Account R3 (variable annuity)	QCEQIX
CREF Global Equities Account R3 (variable annuity)	QCGLIX
CREF Growth Account R3 (variable annuity)	QCGRIX
CREF Inflation-Linked Bond Account R3 (variable annuity)	QCILIX
CREF Money Market Account R3 (variable annuity)	QCM MIX
CREF Social Choice Account R3 (variable annuity)	QCSCIX
CREF Stock Account R3 (variable annuity)	QCSTIX
TIAA Real Estate Account (variable annuity)	QREARX

You can continue to transfer balances among these annuity investment options, but no new contributions, rollovers, or transfers may be made to your existing accounts after March 1, 2019.

You may choose to transfer amounts from some or all of your annuity account balances to the Yale Target-Date Plus Service or to the investment strategy you select in your new account(s). Please keep in mind that transferring out of an existing annuity contract is a permanent decision. Specifically, when TIAA Traditional balances are transferred out of an existing contract, you risk giving up the potential for a favorable crediting rate on older contributions. Please see the FAQs section of this guide for additional information. **If you are considering a transfer, contact a TIAA advisor who will thoroughly review all of the options with you.**

# Important information for retirees and former faculty and staff members

## Retirement savings program updates may automatically change your investment strategy

Before 4 p.m. (ET) on March 4, 2019, you should:

- Consider whether or not you want your mutual fund balances automatically transferred to a Target-Date Plus model portfolio selected for you by the Yale Target-Date Plus Service.
- Choose your own investment strategy if you don't want the Yale Target-Date Plus Service to select a Target-Date Plus model portfolio for you. You can create and manage your own investment strategy from the new investment lineup on page 6.

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### If you take no action by 4 p.m. (ET) on March 4, 2019

Any mutual fund balances in your account(s) will be automatically transferred to the Target-Date Plus model portfolio selected for you. Any balances in legacy annuity contracts (listed on page 14) will remain invested as they are in your account(s) unless you choose to change or transfer them.

**If your accounts are invested solely in annuity contracts, you will not be issued a new account or contract and your balance(s) will not be directed to the Yale Target-Date Plus Service.**

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**Important note to those considering an annuity transfer:** Transferring out of an existing annuity contract is a permanent decision. Specifically, when TIAA Traditional balances are transferred out of an existing contract, you risk giving up the potential for a favorable crediting rate on older contributions. Please see the FAQs section of this guide for additional information.

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### Retirement savings program annuity income payments

If you currently receive lifetime income payments from TIAA and/or CREF annuity contracts, your payments will continue without interruption.

If you would like to take advantage of the new options, have questions about income payments, or are considering a transfer, please contact a TIAA advisor at **855-250-5424**, weekdays, 8 a.m. to 10 p.m., and Saturday, 9 a.m. to 6 p.m. (ET).

### ACTION REQUIRED

If you are currently receiving required minimum distributions or cash withdrawals from mutual fund balances, you must provide new instructions to avoid an interruption in your payments. TIAA will send you additional instructions by mail.

# Self-directed brokerage account for experienced investors

For assistance with a TIAA brokerage account, call **800-927-3059**, weekdays, 8 a.m. to 7 p.m. (ET), or view the brokerage guide at [TIAA.org/Yale](https://TIAA.org/Yale).

## If you have a balance in more than one plan

You will need to open a self-directed brokerage account for each plan in which you intend to have brokerage assets.

## Brokerage account fees

There are no annual account maintenance fees for a self-directed brokerage account you have through the retirement savings program. Any trading fees will be waived through February 28, 2020.

Redemption and other fees may still apply. Please see the Customer Account Agreement for information about fees.<sup>1</sup>

A self-directed brokerage account opened through one or more of your new retirement plan accounts (Retirement Choice and/or Retirement Choice Plus accounts) gives you access to thousands of mutual funds, including almost all of the TIAA-CREF and Vanguard mutual funds no longer in the new retirement savings program investment lineup. See page 17 for funds not available to new investors or new purchases.

If you choose to open a self-directed brokerage account, keep in mind that Yale neither selects nor monitors investment funds available through a brokerage account, and TIAA does not offer investment advice for assets in self-directed brokerage accounts. It is recommended that you exercise caution and consider taking advantage of professional financial guidance when choosing a self-directed brokerage account. Some brokerage fees will apply. See the Brokerage Guide at [TIAA.org/Yale](https://TIAA.org/Yale) to learn more.

## Directing existing mutual fund balances and future contributions to a self-directed brokerage account (TIAA Brokerage)

The deadline to **open** your self-directed brokerage account is 4 p.m. (ET) on March 1, 2019, before the transfer of existing mutual fund balances. The deadline to **direct** from 1% to 95% of your existing mutual fund balance to the self-directed brokerage account is 4 p.m. (ET) on March 4, 2019. Future contributions will follow the instructions you have on file until you make an update.

You can direct future contributions to your self-directed brokerage account beginning with your March 2019 payroll. Your contributions will be invested in the TIAA Brokerage Money Market Fund (sweep account) from which you can direct investments into other mutual funds, subject to minimum investment requirements. Existing mutual fund balances will be transferred during the week of March 4, 2019, to the investment option(s) you select. Once any balances have transferred to your brokerage sweep account, you can purchase mutual funds available through the brokerage account, subject to minimum investment requirements.

**IMPORTANT NOTE:** If you open a self-directed brokerage account and direct future contributions to the self-directed brokerage account before March 4, 2019, existing mutual fund balances will transfer to your self-directed brokerage account during the week of March 4, 2019. Please see the next page for information about the in-kind transfer option for six eligible mutual funds.

**IMPORTANT NOTE:** When you are ready to take distributions from your retirement savings plan, you will need to transfer out of your self-directed brokerage account into the investment options offered under the retirement plan's existing investment lineup. Brokerage fees will apply.

The self-directed brokerage account option is available only to participants who maintain both a legitimate U.S. residential address and a legitimate U.S. mailing address. Certain securities may not be suitable for all investors. Securities are subject to investment risk, including possible loss of the principal amount invested. Some brokerage fees may apply.

Advice is not available on assets invested in a self-directed brokerage account option.

<sup>1</sup> Trading fees will be reinstated without written notification. After February 28, 2020, you will be charged a commission only on applicable transactions and other account-related fees in accordance with the TIAA Commission and Fee Schedule. Please visit [TIAA.org/SDA\\_CAA](https://TIAA.org/SDA_CAA). Other fees and expenses apply to a continued investment in the funds and are described in each fund's current prospectus.

# In-kind transfer information for six eligible mutual funds

## In-kind transfers to a self-directed brokerage account

The six Vanguard mutual funds listed below will not be offered in the new investment lineup and are not available to new investors in a self-directed brokerage account. To allow current investors to continue to hold their positions, Yale has arranged a special in-kind transfer option. An in-kind transfer allows shares to be moved directly and re-registered in a new self-directed brokerage account rather than being sold and repurchased.

To elect an in-kind transfer, you must open a self-directed brokerage account for each affected plan between **November 15, 2018, and February 27, 2019, at 4 p.m. (ET)**. During the week of March 4, 2019, your balances in any of the eligible funds will automatically transfer in kind to your self-directed brokerage account. This is a one-time event and applies to all balances in the six eligible mutual funds listed below. Two funds will be open for new purchases after the transfer (see the chart below). If you open a self-directed brokerage account and do not want this transfer to occur, you will need to transfer your affected balance to another option on the current investment lineup by March 1, 2019.

Mutual funds eligible for in-kind transfers	Ticker	Open to new investors	Open to new purchases
Vanguard Capital Opportunity Fund-Admiral	VHCAX	No	No
Vanguard Convertible Securities Fund-Investor	VCV SX	No	No
Vanguard Dividend Growth Fund-Investor	VDIGX	No	Yes
Vanguard PRIMECAP Core Fund-Investor	VPCCX	No	No
Vanguard PRIMECAP Fund-Admiral	VPMAX	No	No
Vanguard Wellington Fund-Admiral	VWENX	No	Yes



Note: While the in-kind transfer is being processed, there will be a brief period during which you will not be able to view or access these transferring funds.

How do others  
choose to invest?



# How do others choose to invest?

Take a look at these hypothetical scenarios to see if one of them is similar to your situation and the choices you may want to make.

## Keeping things simple



### Sarah 43 years old

Sarah likes to keep things simple and prefers to leave investment decisions to financial professionals. At retirement, Sarah wants steady income, along with the potential to pay for any unplanned retirement expenses.

<b>Current account status</b>	She contributes each pay period to a Vanguard Institutional Target Retirement Fund.
<b>Actions</b>	Sarah understands that if she takes no action, her future contributions and existing account balance will automatically transfer to a new Target-Date Plus model portfolio. That sounds good to her and she takes no action.
<b>Updated account status</b>	On November 15, 2018, the Yale Target-Date Plus Service selects the <i>Target-Date Plus 2045</i> model portfolio for Sarah based on her projected retirement age. During the week of March 4, 2019, her existing mutual fund balances will transfer and be invested in the <i>Target-Date Plus 2045</i> model portfolio. Beginning March 4, 2019, her new contributions will be invested in the <i>Target-Date Plus 2045</i> model portfolio.

## Personalizing his investment strategy



### Derek 25 years old

Derek's just starting out and knows the advantages of saving while he's young. He's still learning how to invest and wants financial flexibility, both now and once he retires.

<b>Current account status</b>	When he was hired, Derek chose three Vanguard mutual funds, which he still has.
<b>Actions</b>	Derek understands that if he takes no action, his current account balance and any future contributions will be automatically directed to the new Yale Target-Date Plus Service. Derek wants a Target-Date Plus model portfolio, but since he's young and has time on his side, he prefers investments with more risk in exchange for the potential of greater rewards. By March 4, 2019, Derek goes online to personalize his information, and he selects an aggressive model portfolio.
<b>Updated account status</b>	On November 15, 2018, Derek can see the <i>Target-Date Plus 2065</i> model portfolio is in his account. Because Derek personalized his information and selected an aggressive investing style, during the week of March 4, 2019, his existing mutual fund balances will transfer and be invested in the <i>Target-Date Plus 2065 Aggressive</i> model portfolio. Beginning with his first paycheck in March, his future contributions will also be invested in the <i>Target-Date Plus 2065 Aggressive</i> model portfolio.

# How do others choose to invest?

## Managing his own investments



### Peter 35 years old

Peter prefers to manage his own investments and plans to do so throughout his career and into retirement.

<b>Current account status</b>	He contributes each pay period to a variety of investment options, including annuity accounts currently available through the retirement savings program investment lineup.
<b>Actions</b>	Peter wants to continue choosing his own investments. By March 4, 2019, he opts out of the Yale Target-Date Plus Service and chooses the investments for his future contributions and existing mutual fund balances from the new investment lineup.
<b>Updated account status</b>	During the week of March 4, 2019, his mutual fund balances are transferred and will be invested in the options he selected. Beginning with his March paycheck, Peter's future contributions will be directed to investment options he selected. He still has balances in the legacy TIAA and CREF annuity contracts, so he makes arrangements to meet with a financial advisor who can help him determine how those balances fit into his overall strategy.

## Looking for additional investment options



### Ilse 56 years old

Ilse has years of experience managing her own investments. She wants to choose and direct her own investments, as her retirement plan is just one part of a much broader retirement strategy.

<b>Current account status</b>	She contributes each pay period to a variety of mutual funds, including several Vanguard funds that are not available through the new retirement savings program investment lineup.
<b>Actions</b>	Ilse wants to continue choosing her own investments. By March 4, 2019, she opts out of the Yale Target-Date Plus Service and chooses her own investment strategy for her future contributions and current mutual fund balances. She selects her new investment strategy by allocating between the investment funds offered on the new investment lineup and to several mutual funds available through the new self-directed brokerage account option.
<b>Updated account status</b>	During the week of March 4, 2019, her existing mutual fund balances will be transferred and invested in the funds she selected on the new investment lineup and in the self-directed brokerage account she opened by February 27, 2019. Beginning with her March paycheck, Ilse's future contributions are directed to her new investment choices, including her self-directed brokerage account. Once the transfer has occurred, she is able to buy and sell mutual funds through her self-directed brokerage account.

# How do others choose to invest?

## Refining the retirement details

	<p><b>Andrea</b> 72 years old</p> <p>Andrea retired seven years ago and wants to make sure she has steady guaranteed income to help cover everyday necessities, as well as discretionary savings to meet unforeseen financial needs.</p>
<p><b>Current account status</b></p>	<p>When Andrea retired, she converted most of her TIAA Traditional Annuity balance into guaranteed monthly income payments, payable by TIAA, to meet day-to-day living expenses. A modest balance remains in TIAA Traditional in her account. Her other account assets are invested in mutual funds, which she's hoping will provide growth potential for any unplanned expenses. Andrea set up recurring withdrawals to ensure she receives her required minimum distributions.</p>
<p><b>Actions</b></p>	<p>Andrea decides that the guaranteed monthly income payments she currently receives from TIAA are still sufficient to meet her living expenses. Since she annuitized much of her TIAA Traditional Annuity, she doesn't want to use the Yale Target-Date Plus Service and wants to select her own investments. By March 4, 2019, Andrea opts out of the Yale Target-Date Plus Service and chooses to manage the investment of her current mutual fund balances by selecting funds offered on the new investment lineup. Because her required minimum distribution withdrawals are affected by the transfer of her mutual fund balances to the new investment lineup, she will submit a new request to receive required minimum distributions from her new account.</p>
<p><b>Updated account status</b></p>	<p>During the week of March 4, 2019, Andrea's mutual fund balances will be transferred and invested in the funds she selected. Her balance in the TIAA Traditional Annuity remains in her current contract and continues to offer a guaranteed return. Her required minimum distributions will begin under her new account.</p>



Resources and  
information to  
help you



## On-site information and events

**Town Hall meetings and information sessions will be held throughout the transition period.**

Learn more at the meetings and information sessions. You can view the complete schedule and register to attend a session at [TIAA.org/Yale](https://TIAA.org/Yale) or by calling TIAA (see back cover).

Schedule an appointment by  
phone or online.



**Call: 800-732-8353,**  
weekdays, 8 a.m. to  
8 p.m. (ET)



**Online: [TIAA.org/Yale](https://TIAA.org/Yale)**

## A TIAA advisor can help you plan for retirement

As a participant in the Yale retirement savings program, you can meet one-on-one with a TIAA advisor to learn more about retirement planning and the investment options available to you. This service is available through the retirement savings program *at no additional cost to you.*

**Get answers to important questions, including:**

- What is the Yale Target-Date Plus Service?
- Am I saving enough for retirement?
- How can I meet my income needs in retirement?

FAQs



# FAQs

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## Yale retirement savings program

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### Why is Yale making changes to the retirement savings program?

Yale maintains high standards for its retirement benefits and is committed to continuing to help faculty and staff maximize their future retirement security. The retirement savings program is regularly reviewed and periodically changed when new opportunities can potentially benefit plan participants.

### Do I need to take any action?

If you take no action, your future contributions and existing mutual fund account balance(s) will be automatically transferred to the Yale Target-Date Plus Service. Please review the information provided in this guide for details on the Yale Target-Date Plus Service, as well as the new investment lineup and self-directed brokerage account available to you.

### How will my beneficiary designations be affected?

The beneficiary information for your current account(s) will automatically transfer to your new account(s) on or about November 15, 2018. You will receive a confirmation of this information. To review or update your beneficiary information, log in to your account(s) at [TIAA.org/Yale](https://TIAA.org/Yale). Please note: If you previously named your spouse for less than 50% of your account assets, you and your spouse will need to complete a new spousal waiver form for each affected account.<sup>1</sup>

### What documents can I expect to receive?

You will receive:

- **On or about October 15, 2018**—Mailing containing a Quick Start Guide, a Transition Guide, the Qualified Default Investment Alternative (QDIA) Notice, and a Plan and Investment Notice for the new lineup, including the investments used for the Target-Date Plus model portfolios.
- **On or about January 15, 2019**—Mailing containing the Qualified Default Investment Alternative (QDIA) Notice and a Plan and Investment Notice for the new lineup, including the investments used for the Target-Date Plus model portfolios.
- **On or about March 4, 2019, or when your mutual fund balances are transferred or your first future contribution is made**—Mailing of Retirement Choice Plus (RCP) contracts to all participants with a Target-Date Plus model portfolio. During the week of March 4, you will also receive confirmations of the updates made to your accounts as a result of the transfer of mutual fund balances.

If you opt out of the Yale Target-Date Plus Service and choose to contribute to the TIAA Traditional Annuity, the TIAA Real Estate Account, the CREF Social Choice Account, or the CREF Global Equities Account variable annuities in the new investment lineup, then you can expect to receive a Retirement Choice (RC) or Retirement Choice Plus (RCP) contract after the first contribution is made. If you invest only in Vanguard mutual funds, you will not receive a contract.

<sup>1</sup> For married participants: Under the Yale retirement savings program, your spouse is entitled to receive at least 50% of your remaining account balance(s) at the time of your death. If you would like to designate less than 50% to your spouse, you and your spouse will need to complete a spousal waiver form for each affected account. If such spousal consent is not executed, your spouse will be entitled to receive at least 50% of your remaining account balance(s) as determined at your death, regardless of your beneficiary designation.

# FAQs

## **What actions can I take between November 15, 2018, and March 4, 2019, in my current accounts?**

Any existing annuity account balances, for example, TIAA Traditional or the CREF Stock Account, will not be affected by the updates. You will continue to have access to all 10 TIAA and CREF annuity account options in your current contracts (see page 14 for listing); however, no new monies can be contributed to these contracts after March 1, 2019. Ongoing contributions may be invested in any of the four annuity accounts in the new investment lineup (see page 6).

If you have mutual fund balances, you can continue to make investment changes until March 1, 2019. During the week of March 4, 2019, all mutual fund balances in your current account(s) will be transferred to your new account(s) and the Yale Target-Date Plus Service, or to the investments you selected for your allocation of future contributions.

## **Can I move my existing assets to the new account(s) before March 4, 2019?**

Yes. Beginning November 15, 2018, when your new accounts are established, you may transfer some or all of your current balances to your new accounts and a Target-Date Plus model portfolio, investments on the new investment lineup, and/or the self-directed brokerage account. However, all contributions (both yours and Yale's) will continue to be directed to your current accounts until March 4, 2019, where they will continue to be invested in accordance with your investment election that applies to the current lineup of more than 100 investments. Please see the *Contracts* FAQs for more details or call TIAA using the information listed on the back cover.

## **Can I still use Retirement Advisor online?**

Yes, you can continue to use the Retirement Advisor tool to help guide your asset-class selections. Access the online tool by visiting [TIAA.org/retirementadvisor](https://TIAA.org/retirementadvisor) and logging in to your account.

**IMPORTANT:** The projections or other information generated by the Retirement Advisor tool regarding the likelihood of various investment outcomes are hypothetical in nature, do not reflect actual investment results, and are not guarantees of new results. Results may vary with each use and over time.

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## **Yale Target-Date Plus Service**

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### **What are Target-Date Plus model portfolios?**

The Yale Target-Date Plus Service offers you an alternative to choosing your own retirement savings program investments. Each Target-Date Plus model portfolio consists of investment options from the new investment lineup and is aligned with a specific financial risk profile (ranging from conservative to aggressive).

You will be defaulted into a Target-Date Plus model portfolio. You can personalize the information used to select a Target-Date Plus model portfolio by updating your projected retirement age, answering a few questions about your investing style, and deciding whether amounts invested in your existing legacy TIAA and/or CREF annuity contracts, if any, should be considered in the automatic management of your Target-Date Plus model portfolio. If you prefer, you can create and manage your own investment strategy from the new investment lineup and/or open a self-directed brokerage account at any time.

The entire principal value of a Target-Date Plus model portfolio is not guaranteed. These models share the risks associated with the types of securities held by each of the underlying funds in which they invest. These model portfolios are also subject to the expenses of their underlying investments. The target date approximates when investors plan to start withdrawing their money. Each model portfolio becomes more conservative as the target date approaches.



### **How does the Yale Target-Date Plus Service work?**

The Yale Target-Date Plus Service selects Target-Date Plus model portfolios, which are combinations of investments from the new investment lineup that adjust automatically over time. They are designed to manage your retirement savings for growth during your early career, gradually transition toward security for retirement, and provide an option for monthly income payments for life when you retire.

The Yale Target-Date Plus Service rebalances each model on a quarterly basis. It also includes a feature that monitors the investment mix of your balance in a Target-Date Plus model portfolio on a daily basis. If the Yale Target-Date Plus Service detects that a specific investment's allocation is more than 3% from its target, it will automatically rebalance your managed money back to the target allocation. For example, if Fund A has a target allocation of 10%, the "drift" rebalance will occur when the current allocation to Fund A is less than 7% or greater than 13%. Rebalancing does not protect against losses or guarantee that an investor's goal will be met.

The Yale Target-Date Plus Service is Yale's new Qualified Default Investment Alternative (QDIA). Your future contributions and existing mutual fund assets will be transferred to the new QDIA unless you direct otherwise.

### **How will my Target-Date Plus model portfolio appear when I log in to my account at [TIAA.org/Yale](https://TIAA.org/Yale) during the transition period (on or about November 15, 2018, through the week of March 4, 2019)?**

During the transition to the Yale Target-Date Plus Service, the *Managed Money* section of your account will reflect \$0 managed money and the *Considered Assets* section will include any annuity options that you control and all of your existing mutual funds (with the exception of any mutual funds in a self-directed brokerage account). After the week of March 4, 2019, your existing mutual fund balances will be moved to your Target-Date Plus model portfolio and will be noted as *Managed Money*. Your *Considered Assets* will include only the annuity options that you control in individually owned annuity contracts.

### **What Yale Target-Date Plus model portfolio will be selected for me if I take no action?**

If you take no action, your future contributions and any existing mutual fund balances will automatically transfer to a Target-Date Plus model portfolio that includes the investment options shown in the charts on the next pages. The model portfolio year will be determined based on the plan(s) in which you participate, your birth year, and your projected retirement age. See the chart on page 11 to determine which model portfolio the Yale Target-Date Plus Service will select for you.

Personalizing your Target-Date Plus model portfolio may result in a different model portfolio being selected for you (see page 12). To review the investment allocation for conservative and aggressive Target-Date Plus model portfolios, visit [TIAA.org/Yale](https://TIAA.org/Yale).

# FAQs

Yale University Retirement Account Plan (YURAP) Yale University Tax-Deferred 403(b) Savings Plan Yale University 457(b) Deferred Compensation Plan							
Target-Date Plus model portfolio	Investment allocation <sup>1</sup>						Total model allocation %
	TIAA Traditional RCP	Vanguard Total Stock Market Index Fund VSMPX	Vanguard Developed Markets Index Fund VDIPX	Vanguard Emerging Markets Index Fund VEMRX	Vanguard Real Estate Index Fund VGSNX	Vanguard Inflation-Protected Securities Fund VIPIX	
Target-Date Plus Income	65%	12%	8%	3%	6%	6%	100%
Target-Date Plus 2010	65%	12%	8%	3%	6%	6%	100%
Target-Date Plus 2015	65%	13%	9%	3%	7%	3%	100%
Target-Date Plus 2020	62%	15%	11%	4%	8%	0%	100%
Target-Date Plus 2025	49%	21%	15%	5%	10%	0%	100%
Target-Date Plus 2030	39%	26%	19%	6%	10%	0%	100%
Target-Date Plus 2035	31%	31%	22%	7%	9%	0%	100%
Target-Date Plus 2040	23%	36%	25%	8%	8%	0%	100%
Target-Date Plus 2045	16%	39%	28%	9%	8%	0%	100%
Target-Date Plus 2050	11%	42%	29%	9%	9%	0%	100%
Target-Date Plus 2055	11%	42%	29%	9%	9%	0%	100%
Target-Date Plus 2060	11%	42%	29%	9%	9%	0%	100%
Target-Date Plus 2065	11%	42%	29%	9%	9%	0%	100%
Target-Date Plus 2070	11%	42%	29%	9%	9%	0%	100%

<sup>1</sup> The target allocation does not reflect any “considered” assets you may have. Your allocation to a specific model portfolio may differ from the investment allocation displayed in the chart based on your legacy annuity assets being considered.

*The target allocations are subject to change and may not be representative of the current or future investments recommended based on the model portfolio.*

# FAQs

Yale University Matching Retirement Plan							
Target-Date Plus model portfolio	Investment allocation <sup>1</sup>						Total model allocation %
	TIAA Traditional RCP	Vanguard Total Stock Market Index Fund VSMPX	Vanguard Developed Markets Index Fund VDIPX	Vanguard Emerging Markets Index Fund VEMRX	Vanguard Real Estate Index Fund VGSNX	Vanguard Inflation-Protected Securities Fund VIPIX	
Target-Date Plus Income	44%	16%	11%	4%	12%	13%	100%
Target-Date Plus 2010	44%	17%	12%	4%	12%	11%	100%
Target-Date Plus 2015	44%	19%	14%	4%	14%	5%	100%
Target-Date Plus 2020	42%	22%	15%	5%	16%	0%	100%
Target-Date Plus 2025	32%	28%	19%	6%	15%	0%	100%
Target-Date Plus 2030	23%	33%	23%	7%	14%	0%	100%
Target-Date Plus 2035	16%	38%	26%	9%	11%	0%	100%
Target-Date Plus 2040	11%	41%	29%	9%	10%	0%	100%
Target-Date Plus 2045	9%	42%	30%	9%	10%	0%	100%
Target-Date Plus 2050	7%	43%	30%	10%	10%	0%	100%
Target-Date Plus 2055	6%	43%	31%	10%	10%	0%	100%
Target-Date Plus 2060	6%	43%	31%	10%	10%	0%	100%
Target-Date Plus 2065	6%	43%	31%	10%	10%	0%	100%
Target-Date Plus 2070	6%	43%	31%	10%	10%	0%	100%

<sup>1</sup> The target allocation does not reflect any “considered” assets you may have. Your allocation to a specific model portfolio may differ from the investment allocation displayed in the chart based on your legacy annuity assets being considered.

*The target allocations are subject to change and may not be representative of the current or future investments recommended based on the model portfolio.*

# FAQs

## What's the difference between “managed money” and “considered assets” as they relate to my Target-Date Plus model portfolio?

After the week of March 4, 2019, your *managed money* will include assets in your account that are managed by the Yale Target-Date Plus Service. This will include any mutual fund assets already in your account that are automatically directed to the Yale Target-Date Plus Service, as well as ongoing employer and individual contributions added to your account while you are an active employee.

*Considered assets* refers only to any annuity contract(s) in your account that are not managed by the Yale Target-Date Plus Service but are taken into account by the Yale Target-Date Plus Service when managing money in your Target-Date Plus model portfolio. If you have existing legacy annuity contracts, the Yale Target-Date Plus Service will “consider” these additional assets for a more complete picture when managing your Target-Date Plus model portfolio, unless you affirmatively choose not to have your legacy annuity contract assets considered.

## How do considered assets affect my Target-Date Plus model portfolio?

If you have assets in legacy annuity contracts such as TIAA Traditional, the CREF Stock Account or the TIAA Real Estate Account (see page 14), the Yale Target-Date Plus Service will automatically consider your legacy annuity balances in the asset allocation of your Target-Date Plus model portfolio. By considering assets in your legacy annuity contracts, you could be in a better position to achieve the model portfolio's objectives.

For example, assume you are a YURAP participant and your Target-Date Plus model portfolio is the *Target-Date Plus 2025* that includes an allocation of 49% to the TIAA Traditional RCP (see charts on the previous pages). Assume further, that you have \$50,000 invested in a TIAA Traditional legacy annuity contract. In this case, the *Target-Date Plus 2025* will be adjusted to reduce your allocations to the TIAA Traditional RCP and allocate your managed money to the remaining investments included under the *Target-Date Plus 2025* until you reach (as much as possible) the *Target-Date Plus 2025* objectives. At any time, you can choose not to have your legacy annuity contracts considered.

## What is my projected retirement age?

This is an assumed retirement age used to match you with a Target-Date Plus model portfolio. You may change your projected retirement age at any time. You are not committing to a retirement date by changing your projected retirement age to personalize the selection of your Target-Date Plus model portfolio.

## How do I personalize a Target-Date Plus model portfolio?

Beginning November 15, 2018, you can personalize the Target-Date Plus model portfolio selected for you by logging in to your retirement account(s) at [TIAA.org/Yale](https://TIAA.org/Yale). Select the *Personalize* button next to the Yale retirement savings program account you want to update. Review the information and choose *Personalize* to begin. Verify or change your projected retirement age and choose *Next*. Review or change which assets are considered by the service and choose *Next*.

You can choose the Target-Date Plus model portfolio selected for you or select *Get Started* to answer five questions about your investing preferences. Based on your answers to the questions about your investing style, a more aggressive or conservative model portfolio may be presented to you. The names of these portfolios will reflect the investing strategy, for example, *Target-Date Plus 2045 Aggressive* or *Target-Date Plus 2045 Conservative*.

You can choose a new Target-Date Plus model portfolio or remain in the initial Target-Date Plus model portfolio selected for you. Make your selection, then verify your investment strategy and details, and agree to the terms and conditions to complete the personalization, or choose *Stop using Yale Target-Date Plus Service* and choose your own investing strategy.

# FAQs

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## Investment lineup

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### How was the new investment lineup chosen?

Yale has a Fiduciary Committee on Investments that regularly monitors the investment options to make sure they are appropriate for the retirement savings program. In consultation with a nationally known defined contribution consulting firm, the Fiduciary Committee has chosen to streamline the investments into a new investment lineup that includes options from major asset classes.

### Are there costs for the investment options?

Yes, there are typically costs associated with each option. Low costs make it possible for more of your savings to remain invested and working for you. That's why Yale works with financial providers to help minimize investment costs. To review the costs associated with each retirement savings program investment option, visit [TIAA.org/Yale](https://TIAA.org/Yale). Please note that lower fees do not necessarily provide higher returns.

### What is a mutual fund?

A mutual fund is a pool of funds collected from many investors for the purpose of investing in securities such as stocks, bonds, money market instruments, and similar assets. Each investor owns shares of the mutual fund. Mutual funds have professional money managers who help invest the funds based on specific investment objectives stated in each fund's prospectus.

### What is an annuity?

There are different types of annuities but an annuity is typically designed to give you the opportunity to grow your money while you're working and provide you with the option to receive income for life when you retire. In fact, annuities are the only retirement products that can guarantee to pay you (or you and a spouse or partner) income for life.

There are two types of annuities:

**Guaranteed annuities** (also known as fixed annuities) earn a minimum guaranteed interest rate on your contributions, plus the potential for additional amounts of interest. In retirement, guaranteed annuities, such as TIAA Traditional, can offer you income for life that will never fall below a certain guaranteed level and provide income that is guaranteed to last for your lifetime.<sup>1</sup> TIAA Traditional is on the new investment lineup and in the Target-Date Plus model portfolios.

**Variable annuities** are invested in a variety of asset classes. Account values will fluctuate based on the performance of the investments in the accounts. In retirement, variable annuities can provide income for life, but the actual amount you receive will rise or fall based on the performance of the account. The following variable annuities are included on the new investment lineup: CREF Global Equities Account, CREF Social Choice Account, and the TIAA Real Estate Account. (It is possible to lose money in variable annuities because the balance moves with the underlying investments.)

For more information on annuities in employer-sponsored retirement plans, visit [TIAA.org/public/offer/products/annuities/retirement-plan-annuities](https://TIAA.org/public/offer/products/annuities/retirement-plan-annuities).

<sup>1</sup> Guarantees are subject to the issuer's claims-paying ability.

# FAQs

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## Annuity contracts

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### **What are the differences between the current annuity contracts and the new Retirement Choice (RC) and Retirement Choice Plus (RCP) annuity contracts?**

The current annuity contracts in your account are individually owned and controlled by you. The new RC and RCP contracts are group contracts controlled by the plan sponsor. This provides Yale more flexibility to monitor investments and expenses, add and/or remove investment options, and transfer balances, including annuity account balances, to alternate investment options in the plan. Mutual funds are not included in the contract, but are recordkept beside it. Generally, any changes to the plan's investment options follow the plan's investment policy, and you would receive prior notice of the changes. Please note that all assets and any earnings in your plan account always belong to you.

### **Are there differences in TIAA Traditional Annuity between the current annuity contracts and the new Retirement Choice (RC) and Retirement Choice Plus (RCP) annuity contracts?**

Here is a summary of the differences in TIAA Traditional:

- With the RC and RCP contracts, TIAA Traditional has a guaranteed minimum crediting rate between 1% and 3%, determined annually. This adjustable rate guarantee allows TIAA to be more responsive to the prevailing interest rate environment and provides the potential for higher credited rates through the crediting of additional amounts. These rates may be lower than the guaranteed rate in your current contracts, which is 3%. Please note that RC has higher crediting rates than the RCP due to liquidity restrictions, while RCP has a lower crediting rate but is fully liquid.<sup>1</sup>
- TIAA Traditional balances in the new RC contract can be liquidated within a shorter time frame than under the existing Retirement Annuity (RA) and Group Retirement Annuity (GRA) contracts.

### **Can I transfer annuity assets from my current annuity contracts to a new Retirement Choice (RC) or Retirement Choice Plus (RCP) annuity contract?**

Yes. Beginning November 15, 2018, you can transfer existing assets to your new accounts. There is no charge for the transfer. Please remember that future contributions will continue to be directed to your existing accounts until March 1, 2019.

If you're thinking about transferring some or all of your current legacy annuity account balance(s) to the new contracts, make sure you understand the differences before initiating a transfer.

- When TIAA Traditional balances are transferred out of an existing contract, you risk giving up the potential for a favorable crediting rate on older contributions.
- Moving money from an existing contract to a new contract is a permanent decision. Money cannot be moved back into a legacy contract.

Refer to your account information to determine the type of contract(s) currently in your account(s). For more details, see the contract comparison chart at [TIAA.org/contractcomparison](https://www.tiaa.org/contractcomparison). If you have questions, call TIAA using the information found on the back cover.

<sup>1</sup> TIAA's Board of Trustees declares whether additional amounts will be paid on TIAA Traditional in March of each year. Additional amounts are not guaranteed. Such additional amounts, when declared, remain in effect for the "declaration year," which begins each March 1 for accumulating annuities and each January 1 for payout annuities. Additional amounts are not guaranteed for periods other than the period for which they were declared. Past performance is no guarantee of future results.

# FAQs

## Will I have more than one annuity contract and/or account after the week of March 4, 2019?

That will depend on your specific situation. If you currently have annuity assets in your Yale retirement savings program account(s), those assets will remain in your current contracts, while your mutual fund assets will be transferred to your new account(s) the week of March 4, 2019.

If you prefer the easy, automated approach and use the Yale Target-Date Plus Service, or select your own investment strategy in the Yale University Tax-Deferred 403(b) Savings Plan or Yale University 457(b) Deferred Compensation Plan, your existing mutual fund balances and future contributions will be transferred to a Retirement Choice Plus (RCP) contract and/or account beginning March 4, 2019. However, if you are in the Yale University Retirement Account Plan (YURAP) or Yale University Matching Retirement Plan and select your own investment strategy from the new investment lineup, your existing mutual fund balances and your future contributions will be directed to a Retirement Choice (RC) account. Once the first transfer or contribution is made to one of the four annuity accounts on the new lineup, the corresponding contract package will be sent to you.

## When the Yale retirement savings program updates are complete, which new contracts will I have, Retirement Choice (RC) or Retirement Choice Plus (RCP)?

The contracts you will receive depend on which plan(s) you participate in and whether you use the Yale Target-Date Plus Service or include any of the four annuity options if you select your own investment strategy. The chart below explains which contract (RCP or RC) you will receive based on the investments you choose to use for your retirement savings in the Yale retirement savings program. If you choose your own investment strategy and include only Vanguard mutual funds, you will not receive a contract package.

Yale retirement savings program	Yale Target-Date Plus Service	Yale investment lineup
Yale University Retirement Account Plan (YURAP)	RCP	RC
Yale University Matching Retirement Plan	RCP	RC
Yale University Tax-Deferred 403(b) Savings Plan	RCP	RCP
Yale University 457(b) Deferred Compensation Plan	RCP	RCP

Note: If you choose to select your own investments, your Target-Date Plus model portfolio allocation will be pre-populated for the Tax-Deferred 403(b) Savings Plan and 457(b) Deferred Compensation Plan.

# FAQs

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## Self-directed brokerage

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### **How can I continue to invest in mutual funds that will be removed from the retirement savings program investment lineup?**

Most mutual funds removed from the lineup will be available through a self-directed brokerage account.

Six of the mutual funds will no longer be open to new purchases. If you would like to maintain your balance in any of the six funds, you must open a brokerage account between November 15, 2018, and February 27, 2019, to elect an in-kind transfer to your brokerage account of all balances in any of the six eligible mutual funds. An in-kind transfer means that your assets will remain fully invested. As the in-kind transfer is processed, there will be a brief period during which you will not be able to view or access your transferring shares. See page 17 for more information about the in-kind transfer option.

If you have multiple retirement savings plan accounts, you can open a self-directed brokerage account for each plan. For all other mutual funds, you may elect to transfer them to the self-directed brokerage account as part of the automatic transfer scheduled during the week of March 4, 2019, provided you open the brokerage account by March 1, 2019. Please see page 16 for more information. If you would like to transfer any funds to the brokerage account before the week of March 4, 2019, you will need to complete several steps. Please contact TIAA for assistance with this process.

To learn more about a self-directed brokerage account and how to get started, review the Brokerage Guide available at [TIAA.org/Yale](http://TIAA.org/Yale) or call the contact number provided on page 16. For a list of mutual fund families available through TIAA Brokerage, visit [TIAA.org/fundfamilies](http://TIAA.org/fundfamilies).

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## Loans

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### **Will there be changes to retirement savings program loans?**

Beginning November 15, 2018, a new Retirement Plan Loan Program will be implemented. New loans will have a fixed rate of interest and the principal amount will be deducted from your plan account(s). Your subsequent loan payments, including interest, will be credited to your account(s) based on the allocation for your contributions, or the default investment option if no allocation was provided.

Most aspects of a new loan request will remain the same, including the online application and approval process. Any new loans will have a one-time origination fee. The fee is \$75 for general purpose loans and \$125 for residential loans.

Previously issued loans will not be affected by this change. There will not be any interruption to repayment schedules or to the terms of existing loans.

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## Recurring transactions

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### **I have established automatic recurring transactions on my account. Will I need to do anything for those to continue?**

Certain recurring transactions involving mutual funds will be affected by the transfer of all mutual fund balances during the week of March 4, 2019. Transactions such as recurring withdrawals, required minimum distributions, automatic rebalancing, TIAA Transfer Payout Annuity contracts, and Minimum Distribution Option contracts that include mutual funds may be affected. If any actions are required on your part, TIAA will send you additional instructions by mail.

# Glossary of important terms and information

## **Asset allocation**

This investment strategy seeks to balance risk and reward by apportioning investment dollars among various asset classes, such as equities, fixed income, and real estate. There is no guarantee that asset allocation reduces risk or increases returns.

## **Considered assets**

After the week of March 4, 2019, considered assets include any annuity account balances you may have in a Yale retirement savings program account that is not directly managed by the Yale Target-Date Plus Service. These assets are taken into account, or “considered,” by the service when managing the money in a Target-Date Plus model portfolio. Prior to March 4, 2019, existing mutual fund balances will temporarily appear in considered asset amounts.

## **Expense ratio**

An expense ratio is a measure of what an investment company charges to operate a mutual fund or variable annuity. It is typically expressed as a percentage of the total investment.

A lower-cost share class means you pay less in fees and a higher percentage of any potential return stays invested.

## **Glidepath**

A glidepath defines the asset allocation mix of a target date investment option, based on the number of years to the target date, which is typically the projected year of retirement. The glidepath creates an asset allocation that typically becomes more conservative (i.e., includes more fixed-income assets and fewer equities) as an investment option gets closer to the target date.

## **In-kind transfer**

An in-kind transfer is the process where shares are moved directly and re-registered in a new account rather than being bought and sold.

## **Investment option**

This term refers to the mutual fund and annuity selections in the new Yale investment lineup. You can use the options to create an investment strategy.

## **Managed money**

Managed money includes any assets managed by the Yale Target-Date Plus Service. Prior to March 4, 2019, managed money will temporarily appear as \$0 of managed money in your account.

## **Model portfolio**

A model portfolio is a diversified mix of mutual funds and annuity investment options that are grouped together to provide a balance of investment growth and stability, along with a corresponding degree of risk.

## **QDIA**

Plan sponsors designate a Qualified Default Investment Alternative (QDIA) for participants who do not make an investment choice when contributing to their plan.

## **Rebalancing**

This process involves periodically buying or selling assets in a portfolio or fund to maintain an original desired asset allocation. Rebalancing does not protect against losses or guarantee that an investor’s goal will be met.

## **Self-directed brokerage account**

This retirement plan feature allows you to purchase mutual funds that are not included in the retirement savings program’s designated investment lineup. Investments available through a self-directed brokerage account are neither selected nor monitored by Yale. Some brokerage fees will apply.

## **Share class**

Some mutual funds offer more than one type or group of shares, each of which is considered a class (e.g., “Class A,” “Advisor,” or “Institutional” shares). For mutual funds, each class has different fees and expenses, but all the classes invest in the same pool of securities and have the same investment objectives. Yale’s new investment lineup includes investment options with Institutional, Institutional Plus, or the most favorable available share class.

## **Ticker symbol**

An abbreviation assigned to a security for trading purposes. A security’s ticker symbol is often used in newspapers and price-quotation services. Also called a trading symbol or stock symbol.

TIAA Traditional is available through Retirement Choice (RC), Retirement Choice Plus (RCP), Retirement Annuity (RA), Group Retirement Annuity (GRA), Supplemental Retirement Annuity (SRA), Group Supplemental Retirement Annuity (GSRA) and Group Annuity (GA) contracts in the Yale retirement savings program. The terms of TIAA Traditional differ between contract forms. Some contracts allow for full withdrawals and transfers. Other contracts only permit withdrawals and/or transfers to be paid in multiyear installments, and certain withdrawals may be subject to a surrender charge. To review your contract, certificate or other product literature, visit [TIAA.org/contractcomparison](https://www.tiaa.org/contractcomparison), or contact TIAA for complete details.

This material is for informational or educational purposes only and does not constitute investment advice under ERISA. This material does not take into account any specific objectives or circumstances of any particular investor, or suggest any specific course of action. Investment decisions should be made based on the investor's own objectives and circumstances.

The TIAA Custom Portfolio Program Model-Based Service (the "Program") has been implemented by your Plan Sponsor to meet the unique retirement requirements of your plan. The Program is administered by Teachers Insurance and Annuity Association of America ("TIAA") as plan recordkeeper.

The Model is an asset allocation recommendation developed by your Plan Sponsor in consultation with consultants and other investment advisors designated by the 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. As a participant in the Program, you may wish to request a reasonable restriction on the management of your model-based account.

Brokerage services are provided by TIAA Brokerage, a division of TIAA-CREF Individual & Institutional Services, LLC., Member FINRA/SIPC. Brokerage accounts are carried by Pershing, LLC, a subsidiary of The Bank of New York Mellon Corporation, member FINRA, NYSE, SIPC.

Changes in your personal financial situation or investment objective may require a change in the Model recommended for your model-based account. Please contact TIAA at **855-250-5424** or visit [TIAA.org/Yale](https://www.tiaa.org/Yale).

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).

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.

No guarantee—Investments based on the Model are not deposits of, or obligations of, or guaranteed or endorsed by TIAA, the Investment Advisor, The Plan or their affiliates, and are not insured by the Federal Deposit Insurance Corporation, or any other agency. An investment based on the Model is not guaranteed, and you may experience losses, including losses near, at, or after the target date. There is no guarantee that investments based on the Model will provide adequate income at and through your retirement. Investors should not allocate their retirement savings based on the Model unless they can readily bear the consequences of such loss.

Transactions in the underlying investments invested are based on the Model on behalf of the plan participants and are executed through TIAA-CREF Individual & Institutional Services, LLC, Member FINRA.

Distributions from 403(b) plans before age 59½, severance from employment, death or disability may be prohibited, limited and/or subject to substantial tax penalties.

This Transition Guide provides information on enhancements to the Yale retirement savings program and does not replace the plan document. If there is any ambiguity between the two documents, the terms of the plan document prevail.

**Investment, insurance and annuity products are not FDIC insured, are not bank guaranteed, are not deposits, are not insured by any federal government agency, are not a condition to any banking service or activity, and may lose value.**

***You should consider the investment objectives, risks, charges and expenses carefully before investing. Please call 877-518-9161 or go to [TIAA.org/Yale](https://www.tiaa.org/Yale) for current product and fund prospectuses that contain this and other information. Please read the prospectuses carefully before investing.***

TIAA-CREF Individual & Institutional Services, LLC, Teachers Personal Investors Services, Inc., and Nuveen Securities, LLC, Members FINRA and SIPC, distribute securities products. Annuity contracts and certificates are issued by Teachers Insurance and Annuity Association of America (TIAA) and College Retirement Equities Fund (CREF), New York, NY. Each is solely responsible for its own financial condition and contractual obligations.

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# We're here to help

Visit [TIAA.org/Yale](https://TIAA.org/Yale) to learn more about the retirement savings program enhancements. You can access information about the new investment lineup and self-directed brokerage account, learn more about the Yale Target-Date Plus Service and lifetime income options, as well as manage your account or sign up for educational workshops and webinars.

## Not sure where to begin? Let us help you take the next step!

### Manage your account



Visit [TIAA.org/Yale](https://TIAA.org/Yale) and select *Register* or *Log in*.



Call TIAA at **855-250-5424**, weekdays, 8 a.m. to 10 p.m., and Saturday, 9 a.m. to 6 p.m. (ET).

### Schedule a one-on-one consultation with TIAA



Visit [TIAA.org/Yale](https://TIAA.org/Yale).



Call **800-732-8353**, weekdays, 8 a.m. to 8 p.m. (ET).

### Attend a meeting



Learn more at the meetings and information sessions scheduled throughout the transition period. You can view the complete schedule and register to attend a session at [TIAA.org/Yale](https://TIAA.org/Yale). You can also call TIAA at **855-250-5424** to register for a session.

# Yale

