



NYU Retirement Plan Annual Notices about Safe Harbor and Qualified Default Investment Alternatives

Every year, NYU is required to provide retirement plan participants with a notice regarding plan features that enable the NYU Retirement Plan for Members of the Faculty, Professional Research Staff, and Administration (referred to herein as the “NYU Retirement Plan” or “Plan”) to satisfy certain “nondiscrimination” requirements. See below for a description of these features. Please also see the **Notice about the Plan’s Qualified Default Investment Alternative (PDF)**, which describes your rights and responsibilities in connection with the investment of your Plan account. The Plan’s **Summary Plan Description (PDF)** includes detailed information about the Plan, including information about who is an eligible employee and who is a match-eligible participant.

Plan Contributions—the Highlights:

- If you are an eligible employee, you will become a match-eligible participant after you complete one year of service.
- If you are a match-eligible participant, NYU provides a non-elective contribution of 5% of your base salary* each pay period in the NYU Retirement Plan. This contribution will be invested in the Vanguard Target Retirement Fund with the target date closest to when you turn age 65, unless you change your investment (see below).
- In addition, if you are a match-eligible participant, you are eligible for NYU’s safe harbor matching contributions. NYU will match your employee contributions for each pay period up to a maximum of 5% of your base salary for the pay period. After the end of the plan year, if necessary, NYU will make a “true-up” matching contribution to ensure that your total matching contributions for the plan year equal the employee contributions that you made as a match-eligible participant up to a maximum of 5% of your base salary for the plan year. Your matching contributions will also be invested in the Vanguard Target Retirement Fund with the target date closest to when you turn age 65, unless you change (or have already changed) your investment.
- If you are an eligible employee, you are permitted to contribute to the NYU Retirement Plan upon becoming an eligible employee even if you are not a match-eligible participant or because you have not completed a year of service. You can contribute up to the applicable IRS annual limit** (although NYU does not match employee contributions above 5% of base salary). If you want to increase or decrease your contribution to the Plan, you can do so at any time (see below) by entering into or changing your salary reduction election, subject to certain limitations under the Plan and the Internal Revenue Code (the “Code”)**. Please be advised your election change will be processed in the next available pay cycle, which may or may not be the pay cycle immediately following your request; reflection of election changes is contingent upon payroll deadlines.

Note: Eligible employees hired on and after May 1, 2018 will be automatically enrolled in the Plan to make 5%* employee contributions unless they opt out in accordance with procedures established by the Plan Administrator during the 60-day period following their date of eligibility.

To change your investments or your contributions to the Plan, login to NYUHome, access the NYU Retirement Plans card and click Go to access the NYU Retirement Plans portal at TIAA.

You may make a rollover contribution to the Plan upon demonstration that the rollover contribution satisfies Plan and applicable IRS requirements.

**For purposes of NYU's non-elective and matching contributions, "base salary" means the base salary paid to an employee for services rendered to NYU in his or her primary appointment position while a match-eligible participant. For faculty members, this means base salary for your appointment, plus compensation for any administrative assignment which carries a title and summer compensation paid up to 3/9 of the academic base year salary. For all employees, overtime, additional compensation for temporary duties, overloads, amounts paid through the School of Medicine payroll, consulting fees and any other additional compensation are excluded. Salary in excess of \$290,000 a year (for 2021) cannot be considered under the Plan for purposes of NYU's contributions. (The \$290,000 salary limit may be increased from time to time in accordance with the Code.) For purposes of your own employee contributions, your salary reduction election is applied to your total cash compensation for the pay period (excluding any imputed income, allowances, subsidies, stipends or other amounts that you did not earn for services performed).*

***The IRS maximum limits for 2021 are \$19,500 if you are under age 50 and \$26,000 if you are at least age 50 during 2021.*

Vesting & Withdrawal Rules:

You are always 100% vested in your account under the NYU Retirement Plan. In general, you may take a distribution from the NYU Retirement Plan when your employment with NYU and its affiliates terminates. In-service withdrawals are permitted (with spousal consent, if applicable) as follows:

- You may make an in-service withdrawal from your employee and rollover contributions upon attainment of age 59½ or in the event of disability or a financial hardship (in accordance with Plan rules). You may also take a loan from your employee and rollover contributions in accordance with the Plan's Loan Program.
- If you are at least age 59½ and are no longer eligible for employer contributions under the NYU Retirement Plan, you may make an in-service withdrawal from NYU's matching and non-elective contributions to the Plan.

Default Investment Rules:

Please also see the **Notice about Qualified Default Investment Alternatives (PDF)**, which describes your investment rights and responsibilities under the NYU Retirement Plan and the steps you should take if you want to select a different investment than the default Vanguard Target Retirement fund appropriate to your age.

Other Information:

The NYU Retirement Plan is intended to satisfy the rules of Section 401(m) of the Code, which requires the Plan to satisfy certain "nondiscrimination requirements." These requirements are imposed to prevent the Plan from discriminating in favor of highly compensated employees. The Code provides plan sponsors with a "safe harbor" method for satisfying these nondiscrimination requirements. The Plan is intended to satisfy these safe harbor nondiscrimination requirements. The benefits information in this notice only highlights some of your benefits. More complete information about plan provisions (including the types of contributions, the definition of salary, and important exclusions) can be found in the Summary Plan Description online at <https://www.nyu.edu/content/dam/nyu/hr/documents/benefitsforms/guides/SPDRetirementPlan.pdf> and Plan document. The formal plan documents, available in the NYU Benefits Office, contain all Plan details and legally govern their operation.

NYU reserves the right to amend the NYU Retirement Plan or its other benefit plans, at any time during the plan year, or to reduce or eliminate the safe harbor matching contribution at any time in its sole discretion. If NYU amends the Plan to reduce or eliminate the safe harbor matching contribution during the plan year, you will receive a supplemental notice and the suspension or reduction will not apply until at least 30 days after that notice is provided.

For additional information or for a paper copy of these notices or the Summary Plan Description at no charge, contact NYU PeopleLink at **askpeoplelink@nyu.edu, 212-992-LINK (5465)**, or download at **<https://www.nyu.edu/content/dam/nyu/hr/documents/benefitsforms/guides/SPDRetirementPlan.pdf>**.

This communication is intended to provide general information about the Plan. Plan benefits are paid only if provided for in the legal Plan document. Every effort has been made to ensure the accuracy of this information. However, if there is any conflict between the information in this notice or any other written or oral representation and the language in the Plan document, the terms of the Plan document will control. There may be changes to the Plan in the future. NYU reserves the right to amend, modify, or terminate the Plan, in whole or in part, at any time and for any reason. NYU, its affiliates, and the Plan fiduciaries (and their representatives) do not guarantee, and do not have any responsibility for, the tax, legal, or other implications of a stakeholder's participation in the Plan.