

# New opportunities for your retirement strategy

Announcing enhancements to the University System of Maryland  
Retirement Plan (USM Retirement Plan)





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# Prepare for retirement using these plan enhancements

The University System of Maryland (USM) is updating the retirement plan to help ensure you have the investment options, services and tools to pursue your retirement savings goals. TIAA will begin making the updates on or about February 18, 2020. Highlights of the updates are listed below.

- **New Retirement Choice (RC) and Retirement Choice Plus (RCP) contracts will be issued.** Any annuity account balances in your current contracts will remain, although no new contributions, rollovers or transfers may be made to them. Your mutual fund balances, beneficiary designation(s), along with your investment allocations or instructions, will be transferred from your current contract to your new RC and RCP contracts. Please see page 3 for highlights of the differences between your current contracts and the new RC and RCP contracts.
- **New investment options.** USM carefully selected a range of investments, including some with lower costs.
- **Change to retirement plan fees.** Beginning February 18, 2020, the USM Retirement Plan will assess a \$45 annual fee per participant.
- **New self-directed brokerage option.** USM is adding a brokerage option to provide access to additional investment choices.
- **New Roth option.** You can choose to make contributions with after-tax dollars. These contributions and any earnings will be tax free at withdrawal if certain conditions are met.
- **Change to administration of loans.** Retirement plan loans will replace the collateralized loans that are offered today.
- **Retirement plan investment advice.** You can continue to receive advice on the investment options from a TIAA financial consultant.

**No longer employed by USM?** Although you are not actively contributing to the retirement plans, you have balances in one or more accounts. Please review this information to learn how the changes may affect you.

## Key dates for retirement plan updates

Key dates	Events
On or about February 18, 2020	Retirement Choice (RC) and Retirement Choice Plus (RCP) contracts are issued. The new investment menu is available, which includes a self-directed brokerage option. Changes to the retirement plan loans go into effect.
February 18, 2020	Roth contributions are available, which means you may update your investment instructions for future allocations.
February 28, 2020	All future retirement plan contributions will be directed to the new RC and RCP contracts.
Week ending March 6, 2020	All mutual fund balances from the current TIAA contracts will be transferred to the new RC and RCP contracts.



## Action to take beginning February 18, 2020

You should visit [TIAA.org/usmd](https://TIAA.org/usmd) beginning February 18, 2020, to:

- Review the updated investment menu.
- Update your investment allocations for future contributions and any balances that will be transferred from the existing TIAA accounts.
- Confirm your beneficiary designation and update if needed. Your current beneficiary elections will be transferred over to the new Retirement Choice (RC) and Retirement Choice Plus (RCP) contracts that are being issued.
- Listen to a recorded presentation that highlights all of the upcoming plan changes on [TIAA.org/usmd](https://TIAA.org/usmd).

## Transfer chart for plan participants

USM has instructed TIAA to direct future contributions to the same investment options you are using in the current contract except where listed below.

Current option	Ticker	Replacement option	Ticker
CREF Equity Index Account R3* (variable annuity)	QCEQIX	▶ Vanguard Institutional Index I	VINIX
CREF Money Market Account R3* (variable annuity)	QCMMIX	▶ Vanguard Treasury Money Market Investor	VUSXX
Vanguard Inflation-Protected Securities Admiral	VAIPX	▶ Vanguard Inflation-Protected Securities I	VIPIX

\*Due to contractual obligations, these balances will remain as invested unless an asset transfer is requested by you. All future contributions will go to the replacement investment listed in the right-hand column.

**See Terms and disclosures beginning on page 13 for important details on Investment, insurance and annuity products.**



# Your new retirement plan contracts

## **New Retirement Choice (RC) and Retirement Choice Plus (RCP) contracts**

On or about February 18, new RC and RCP contracts will be issued for any participant who is currently contributing to the retirement plan or has a mutual fund balance in the USM Retirement Plan. The week ending March 6, your mutual fund balances will be transferred to your new contracts and invested into the same funds you are currently holding. Any TIAA or CREF annuity account balances will remain in your existing contract(s), although no new contributions, rollovers or transfers may be made to these accounts. Your beneficiary election(s) will automatically transfer to your new contract. **You do not need to take any action.**

## **What to consider if you have the TIAA Traditional Annuity in your account**

There are a number of differences between your Retirement Annuity (RA), Supplemental Retirement Annuity (SRA), Group Supplemental Retirement Annuity (GSRA) contracts and the new RC and RCP contracts. Most of the differences apply to the TIAA Traditional Annuity and are listed below. If you're considering moving some or all of your account balances to your new contract, make sure you understand the differences before you initiate a transfer.

- Under the RC and RCP contracts, TIAA Traditional has a rate guarantee that is between 1% and 3%, determined annually, which may be lower than the guaranteed rate in your current contract.
- The adjustable rate guarantee in the new contracts 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.
- When TIAA Traditional balances are transferred out of an existing contract, you risk giving up a favorable crediting rate(s) on older contributions.
- TIAA Traditional balances in the RC contract can be liquidated within a shorter time frame than under the existing RA contracts.

See the contract comparison chart at [TIAA.org/comparison](https://www.tiaa.org/comparison) for more information on these and other features of the TIAA Traditional Annuity. If you have questions or would like to request a transfer of a TIAA Traditional balance, call **800-842-2252** to speak with a TIAA financial consultant.

If you have any recurring transfers or rollovers in your current contracts, you will need to provide updated investment instructions. If you do not provide instructions, future transfers or rollovers (such as Transfer Payout Annuities, systematic withdrawals and minimum distribution payments) may be automatically redirected to your new contracts and the default investment option for the plan. Please call TIAA at **800-842-2252** to provide updated instructions or to learn more.

Moving money from an existing contract to a new contract is a permanent decision. Money cannot be moved back into RA, SRA, or GSRA contract(s). If you are not currently contributing to the plan and would like to transfer existing balances in your existing account, please call TIAA at **800-842-2252** to enroll in a new account.

**See Terms and disclosures on page 13 for important details on Investment, insurance and annuity products.**

# Overview of retirement plan fees

When making decisions about your retirement account, it's important to consider any expenses associated with the plan's services and investment options.

## Administrative services associated with your retirement plan

Your retirement plan charges an annual administrative fee to cover services such as recordkeeping, legal, accounting, investment advisory, and other plan and participant services.

Each of the retirement plan's investment options has a fee for investment management and associated services. You generally pay for these costs through what is called an expense ratio. Expense ratios are displayed as a percentage of assets. For example, an expense ratio of 0.50% means a participant pays \$5 annually for every \$1,000 in assets. Knowing the expense ratio helps you to compare investment fees. In some cases, an investment provider may pay a portion of an investment's expense ratio to TIAA, the recordkeeper, to help offset the cost of retirement plan administration. This practice is called "revenue sharing."

**Effective February 18, 2020**, the USM Retirement Plan will assess a \$45 annual fee per participant, which will be divided into quarterly payments. The fee will be deducted proportionally from each investment in your account on the last business day of each quarter (beginning on March 31, 2020), and will be identified as a "TIAA Plan Servicing Fee" on your quarterly statements. There are eight funds that can provide excess revenue for the plan that will be returned to you in the form of a credit and illustrated on your quarterly statements.

The way these fees are deducted from your account will depend upon whether or not you have a Retirement Choice (RC) and/or Retirement Choice Plus (RCP) contract, or if you have balances in one of the older contracts, which may include a Retirement Annuity (RA) contract, Group Supplemental Retirement Annuity (GSRA) contract, or a Supplemental Retirement Annuity (SRA) contract. The following chart provides examples of how these fees may be applied to your account.

## Fee transparency and resources

While some expenses are paid by USM, others may be paid by you based on the services and investment options you choose. Here's where you can find more information:

- **Administrative fees**—Appear on your account statements
- **Investment fees**—Enter an investment's ticker symbol into the search feature at [TIAA.org](https://www.tiaa.org) or request a prospectus or disclosure statement from TIAA
- **Fees for other services**—Review information on services covered in this guide or contact TIAA

If you <i>only</i> have an RC or RCP contract	If you have <i>both</i> an RC or RCP contract and an RA, GSRA, or SRA contract	If you <i>only</i> have a GSRA, RA, or SRA contract
The annual TIAA plan servicing fee will be deducted from your account, and you will receive a credit if you have investments that revenue share.	The annual TIAA plan servicing fee will be deducted first from your RC or RCP contract, and if any unpaid balance remains, it will be deducted from your credit if you have investments that revenue share.	The annual TIAA plan servicing fee will be deducted from your credit if you have investments that revenue share. If your credit is equal to or less than the quarterly plan servicing fee, no credit will be issued to you.

**See Terms and disclosures beginning on page 13 for important details on Fees and expenses.**

# Your investment lineup

The new lineup provides flexibility to choose options from TIAA and other investment providers that match your financial preferences and goals. For more detailed information on each option, visit [TIAA.org](https://TIAA.org) and enter the ticker symbol in the site's search feature. If you have any questions about the changes, you may contact your USM Agency Benefits Coordinator or TIAA.

Schedule an investment advice session online by visiting [TIAA.org/schedulenow](https://TIAA.org/schedulenow), or calling **800-732-8353**, weekdays, 8 a.m. to 8 p.m. (ET), or visiting [TIAA.org/usmd](https://TIAA.org/usmd).

	Ticker	Annual Operating Expenses		Revenue Sharing %	Plan Servicing Fee/(Credit) %
		Gross Expense Ratio %	Net Expense Ratio %		
<b>Guaranteed</b>					
TIAA Traditional <sup>1</sup> (guaranteed annuity)	N/A	N/A	N/A	0.150	(0.150)
<b>Money market</b>					
Vanguard Treasury Money Market Investor	VUSXX	0.090	0.090	0.000	0.000
<b>Fixed income (Bonds)</b>					
CREF Bond Market Account R3 (variable annuity)	QCBMIX	0.270	0.270	0.100	(0.100)
CREF Inflation-Linked Bond Account R3 (variable annuity)	QCILIX	0.220	0.220	0.100	(0.100)
Vanguard Total Bond Market Index I	VBPIX	0.035	0.035	0.000	0.000
<b>Real estate</b>					
TIAA Real Estate Account (variable annuity)	QREARX	0.830	0.830	0.240	(0.240)
<b>Multi-asset</b>					
CREF Social Choice Account R3 (variable annuity)	QCSCIX	0.240	0.240	0.100	(0.100)
TIAA-CREF Lifecycle 2010 Institutional <sup>2</sup>	TCTIX	0.490	0.370	0.000	0.000
TIAA-CREF Lifecycle 2015 Institutional <sup>2</sup>	TCNIX	0.500	0.380	0.000	0.000
TIAA-CREF Lifecycle 2020 Institutional <sup>2</sup>	TCWIX	0.500	0.390	0.000	0.000
TIAA-CREF Lifecycle 2025 Institutional <sup>2</sup>	TCYIX	0.520	0.410	0.000	0.000
TIAA-CREF Lifecycle 2030 Institutional <sup>2</sup>	TCRIX	0.530	0.420	0.000	0.000
TIAA-CREF Lifecycle 2035 Institutional <sup>2</sup>	TCIIX	0.540	0.430	0.000	0.000
TIAA-CREF Lifecycle 2040 Institutional <sup>2</sup>	TCOIX	0.550	0.440	0.000	0.000
TIAA-CREF Lifecycle 2045 Institutional <sup>2</sup>	TTFIX	0.560	0.450	0.000	0.000
TIAA-CREF Lifecycle 2050 Institutional <sup>2</sup>	TFTIX	0.570	0.450	0.000	0.000
TIAA-CREF Lifecycle 2055 Institutional <sup>2</sup>	TTRIX	0.590	0.450	0.000	0.000
TIAA-CREF Lifecycle 2060 Institutional <sup>2</sup>	TLXNX	0.790	0.450	0.000	0.000
TIAA-CREF Lifecycle Retire Income Institutional <sup>2</sup>	TLRIX	0.520	0.370	0.000	0.000
<b>Equities (Stocks)</b>					
American Funds EuroPacific Growth R6	REGX	0.490	0.490	0.000	0.000
American Funds Washington Mutual R6	RWMGX	0.270	0.270	0.000	0.000
CREF Global Equities Account R3 (variable annuity)	QCGLIX	0.270	0.270	0.100	(0.100)
CREF Growth Account R3 (variable annuity)	QCGRIX	0.235	0.235	0.100	(0.100)
CREF Stock Account R3 (variable annuity)	QCSTIX	0.300	0.300	0.100	(0.100)
TIAA-CREF Quant Small-Cap Equity Instl	TISEX	0.410	0.410	0.000	0.000
TIAA-CREF Small-Cap Blend Idx Inst	TISBX	0.060	0.060	0.000	0.000
Vanguard Inflation-Protected Secs I	VIPIX	0.070	0.070	0.000	0.000
Vanguard Institutional Index I	VINIX	0.035	0.035	0.000	0.000
Vanguard Mid Cap Index Institutional Plus	VMCPX	0.030	0.030	0.000	0.000
Vanguard Total Intl Stock Index I	VTSNX	0.080	0.080	0.000	0.000

**See Terms and disclosures beginning on page 13 for important details on Investment, insurance and annuity products.**

<sup>1</sup> Any guarantees under annuities issued by TIAA are subject to TIAA's claims-paying ability.

<sup>2</sup> A contractual fee waiver applies. For the fee waiver expiration date, see the prospectus by visiting [TIAA.org](https://TIAA.org) and entering a ticker symbol in the site's search feature.



## Introducing a self-directed brokerage option

### Contact TIAA to learn more



[TIAA.org/usmd](https://www.tiaa.org/usmd)



800-927-3059, weekdays,  
8 a.m. to 7 p.m. (ET)

If you're an experienced investor who wants more investment selection, you can open a self-directed brokerage account through the USM Retirement Plan.

This account gives you additional opportunities to invest in a wide range of mutual funds across several asset classes outside of the plan's investment lineup.

### Brokerage costs

If you choose to invest through the self-directed brokerage account option, there may be commissions on transactions and other account-related fees. Visit [TIAA.org/SDA\\_CAA](https://www.tiaa.org/SDA_CAA) for a complete list of commissions and fees.

In addition, there are specific fund fees and expenses that may apply. These are described in each fund's current prospectus.

### Monitoring your brokerage investments and account

If you choose to open a self-directed brokerage account, keep in mind that USM neither selects nor monitors investment funds available through self-directed brokerage accounts, and TIAA doesn't offer investment advice for balances in these accounts. USM recommends that you exercise caution by investing no more than 95% of your retirement assets in the self-directed brokerage window. You should also consider seeking professional guidance when investing through a TIAA Brokerage account.

**See *Terms and disclosures* beginning on page 13 for important details on *Brokerage services*.**



# Types of investment options



## Annuity

A **guaranteed (fixed) annuity** pays a minimum guaranteed interest rate backed by the claims-paying ability of the issuing company. Its value won't rise and fall with the stock market, and it can help provide balanced monthly income for the rest of your life.

A **variable annuity** offers potential for growth to help keep pace with rising costs. Its value will rise and fall.

While it can provide retirement income guaranteed to last for your lifetime, the actual amount of income will vary based on investment performance.



## Mutual fund

A **mutual fund** pools assets from many individuals to invest in stocks, bonds, money market instruments and similar investments.

The value of a mutual fund isn't guaranteed at any time and can rise or fall based on investment performance.

It provides potential for growth and can help diversify your overall mix of investments.



## Lifecycle fund

A **lifecycle fund** is a diversified investment in a single fund. It's invested for potential growth in your early years, then gradually transitions to more conservative investments as you approach retirement.<sup>1</sup>

It offers an easy "hands off" approach to investing.



## Self-directed brokerage account

A **self-directed brokerage account** gives you access to thousands of mutual funds beyond the plan's investment lineup.

USM neither selects nor monitors funds available through a brokerage account, and TIAA doesn't offer investment advice on brokerage investments.

## What's your comfort level with investing?

Review the following options and decide how active you want to be in choosing and managing your investment decisions.

### Do it for me

Consider a lifecycle fund that provides a diversified investment in a single fund and automatically changes to become more conservative as the target date approaches.

### I've got this

Choose from options in the investment lineup.



### I want more investment choice

Choose from investment options in the lineup and consider opening a self-directed brokerage account to select from thousands of additional mutual funds.

<sup>1</sup> A lifecycle fund is typically based on a target date, i.e., your projected retirement date (assuming a retirement age of 65). The principal value of a lifecycle fund isn't guaranteed at any time, including at the target date, and will fluctuate with market changes. The target date represents an approximate date when investors may plan to begin withdrawing from the fund. However, you are not required to withdraw the funds at the target date.

# The Roth option: a new way to save in your retirement plan

Beginning February 18, 2020, you will have an opportunity to begin making Roth contributions to your University System of Maryland 403(b) retirement plan. What's the key difference between your current account and a Roth account?

	<p><b>Current pretax account</b></p> <p>Take advantage of tax-deferred benefits when you put the money in.</p>		<p><b>Roth after-tax account</b></p> <p>Take advantage of tax-free benefits when you take the money out, if certain conditions are met.</p>
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## How a Roth account works

You make contributions to a Roth account after paying current income taxes on the money you contribute. You can withdraw the balance and any earnings tax free if certain conditions are met. To do so, however, you must generally be 59½ or older and leave the money in your designated Roth account for at least five years.

## No income restrictions

The new Roth option doesn't have income restrictions, so if your income is too high to qualify for a Roth IRA, you can still make contributions to the retirement plan Roth option.

## Higher contribution limits

Roth retirement plan contributions are capped at a higher contribution limit than Roth IRAs. Your combined (Roth and pretax) contribution limit for 2020 is \$19,500 if you're under the age of 50 and \$26,000 if you're 50 or older.

## Required distributions

You must begin Roth retirement account required minimum distributions by April 1 of the year following the year you reach age 70½ or retire, if later.

## Is a Roth account right for you?

If you expect your tax rate during retirement to be:	You may want to consider:
Higher than your current rate	<b>Roth option</b> —Withdrawals of all contributions and earnings will be tax free at retirement if certain conditions are met.
Lower than your current rate	<b>Pretax option</b> —While this money is taxable at retirement, you may be in a lower tax bracket when you're no longer working.
Same as your current rate	<b>Roth and/or pretax options</b> —Having both can provide a hedge against the uncertainty of future tax rates.

## It's easy to get started

Simply complete and submit a new Salary Reduction Agreement form, which is available from the Benefits Office or by visiting [TIAA.org/usmd](http://TIAA.org/usmd).

**See Terms and disclosures beginning on page 13 for important details on Investment, insurance and annuity products.**

# Retirement planning resources

## Retirement plan investment advice




As a participant in the USM Retirement Plan, you have access to personalized advice on the plan's investment options from a TIAA financial consultant.

Whether you're just starting out or close to retirement, you can meet by phone or in person to discuss your specific financial goals and how to plan for them. This service is available as part of your retirement program *at no additional cost to you*.

Schedule an investment advice session online by visiting [TIAA.org/schedulenow](https://TIAA.org/schedulenow), or calling **800-732-8353**, weekdays, 8 a.m. to 8 p.m. (ET), or visiting [TIAA.org/usmd](https://TIAA.org/usmd).

## Online tools

Visit [TIAA.org/tools](https://TIAA.org/tools) for convenient resources that can help you on the path to retirement. You supply the information, and the tools do the rest.

 <b>Create your own retirement action plan</b>	 <b>Discover your retirement income needs</b>	 <b>Track all your accounts in one place</b>
<p>Explore the <b>Retirement Advisor</b> tool to:</p> <ul style="list-style-type: none"><li>■ Receive a custom retirement plan in five steps</li><li>■ Receive savings and investment recommendations</li></ul>	<p>Use the <b>Retirement Income Illustrator</b> to:</p> <ul style="list-style-type: none"><li>■ Find out how much of your current income you'll need to replace to cover retirement expenses</li><li>■ Explore your retirement income options</li><li>■ See your estimated monthly retirement income and how to maximize it</li></ul>	<p>Use the <b>360° Financial View</b> to:</p> <ul style="list-style-type: none"><li>■ Consolidate your information from more than 11,000 financial institutions in one place</li><li>■ Track your spending</li><li>■ Set up email alerts</li><li>■ Create a budget that works for you</li></ul>

**See *Terms and disclosures* beginning on page 13 for important details on *Advice (legal, tax, investment)*.**

# Retirement plan loan changes

Beginning February 18, 2020, there will be a change to how retirement plan loans are administered. When you take out a new loan, you will be:

- Offered a fixed rate of interest, and the loan will be funded directly from your retirement account. The loan amount will be deducted from your account, and payments, including interest, will be credited back to your account.
- Charged a one-time origination fee. The fee is \$75 for general purpose loans and \$125 for primary residence loans. Additionally, there's an annual loan maintenance fee of \$25 (to be assessed after the initial request or after the first year).
- Allowed a maximum of 3 outstanding loans at any one time. Former employees are not eligible to request new loans.

## How the loan change may affect you

If you request a new loan prior to February 18, 2020, any required documents must be completed and received by TIAA no later than 4 p.m. (ET) on February 12, 2020. If your request isn't completed by this time, you may need to reapply according to the new loan process.

If you currently have an outstanding loan, there will be no interruption to your repayment schedule, and the terms of your loan will continue as issued. You can access your retirement account to view your loan information at [TIAA.org/usmd](https://TIAA.org/usmd).

## Summary of loan features

Loan features	Current loans	New loans
Eligibility	Active employees Former employees	Active employees
Number of outstanding loans	Unlimited	3 <sup>1</sup>
Loan origination fee	No	General purpose \$75 Primary residence \$125
Annual administration fee	No	\$25
Account funding the loan	TIAA General Account	Eligible accumulations in your retirement account <sup>2</sup>
Maximum loan amount	The lesser of 45% of the vested balance or \$50,000 <sup>1,2,3</sup>	The lesser of 50% of the vested balance or \$50,000 <sup>1,2</sup>
Interest rate	Moody's Corporate Bond Index	Wall Street Journal Prime Rate +1%
Online application	Yes	Yes
Collateral	Restricted TIAA annuity assets	No
Loan terms	General purpose, 1–5 years; Primary residence, up to 10 years	General purpose, 1–5 years; Primary residence, up to 10 years
Loan disbursement	Check or electronic funds transfer	Check or electronic funds transfer
Loan repayment	ACH, checks or online single deduction	ACH (bank transfer)
Loan payoff	Check or online single deduction	Certified check or online single deduction

<sup>1</sup> An institution has the right to further restrict the allowable number of outstanding loans.

<sup>2</sup> Includes balances in annuities and mutual funds, excluding TIAA Traditional non-liquid assets.

<sup>3</sup> Other restrictions and calculations may affect the amount available.

# About TIAA

**Providing strong support on the road to retirement no matter where you are today**

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**1918 | TIAA**

**Teachers Insurance and  
Annuity Association  
of America created**

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TIAA's purpose has remained constant since it was established more than 100 years ago: We're here to help you save for—and generate income during—retirement. Over the years, we've regularly enhanced the ways we deliver on our purpose.

As an organization with deep roots among nonprofits—in higher education—TIAA is committed to continuous learning. When we see opportunities to enhance our retirement plan services, we share them with the institutions we serve.

**Not sure where to begin? You can meet with us to help you take the next step!**

Personalized retirement plan advice is available on the plan's investment options from a TIAA financial consultant. This service is available as part of your retirement program *at no additional cost to you*. You can schedule a session by calling **800-732-8353**, weekdays, 8 a.m. to 8 p.m. (ET). You can also visit **[TIAA.org/schedulenow](https://www.tiaa.org/schedulenow)**.



# Q&A

## 1. Why is the USM updating the retirement plan?

USM is committed to providing you with competitive retirement benefits and recently conducted a review of the retirement program. The resulting updates are intended to give you the investments, services and tools you need to pursue your retirement savings goals.

## 2. How can I learn about the new investment options?

A list of the new investment options is included in this guide. You can visit the dedicated retirement program website at [TIAA.org/usmd](https://TIAA.org/usmd) for additional information.

## 3. What happens to my current outstanding loan, systematic withdrawal, TPA (Transfer Payout Annuity), or required minimum distribution?

You will receive separate communications if any actions are required on your part.

## 4. Will I pay any fees to invest in the USM Retirement Plan?

All investment options have expenses and other fees that can be found on page 5 of this document.

In addition to investment fees, there is an annual TIAA Plan Servicing Fee of \$45 per participant. This is deducted in quarterly installments of \$11.25 and (deducted pro rata from the investment options in your account). If your account balance is less than \$0 on the date that a quarterly fee is to be assessed, no fee will be charged.

If you open a brokerage account, 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 review the TIAA Brokerage Account Customer Agreement using the following link: [TIAA.org/public/pdf/forms/SDA\\_Customer\\_Account\\_Agreement.pdf](https://TIAA.org/public/pdf/forms/SDA_Customer_Account_Agreement.pdf). The Agreement contains important information about the brokerage account as well as the TIAA Commission and Fee Schedule. Other fees and expenses that apply to a continued investment in the funds are described in the fund's current prospectus.

## 5. Does it make sense to consolidate my retirement accounts?

Many people find it easier to manage their retirement money by working with only one provider. That said, transferring balances can sometimes trigger costs. Before consolidating retirement balances, you should seek the guidance of your financial professional and tax advisor to help you carefully review all of your options.<sup>1</sup>

**See Terms and disclosures beginning on page 13 for important details on Investment, insurance and annuity products.**

<sup>1</sup> Before consolidating assets, be sure to carefully consider the benefits of both the existing and new product. There will likely be differences in features, costs, surrender charges, services, company strength and other important aspects. There may also be tax consequences or other penalties associated with the transfer of assets. Indirect transfers may be subject to taxation and penalties.

## 6. Can I move money from an existing TIAA account to a new one?

Yes, but it's a move you'll want to weigh carefully. You may move money out of your existing TIAA contracts to the new contracts, subject to any restrictions that apply to the investments. However, any money that you move out of your existing contract(s) cannot be moved back into them. Money in the TIAA Traditional Annuity deserves special attention. For instance, money moved out of TIAA Traditional in the existing contracts will no longer receive the 3% minimum guaranteed rate. In short, the pros and cons are different for every participant. A TIAA financial consultant can help you explore your options.

## 7. What are annuities?

Annuities are retirement products you purchase from an insurance company that offer income options for retirement. There are different types of annuities, but they are 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.

**Guaranteed annuities (also known as fixed annuities):** Earn a minimum guaranteed interest rate on your contributions. In retirement, guaranteed annuities 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.

**Variable annuities:** Invest in a variety of asset classes and account values will fluctuate based on the performance of the investments in the accounts. It is possible to lose money in variable annuities. In retirement, variable annuities can provide an income stream that is guaranteed to last for your lifetime, but the actual amount will rise or fall based on investment performance.

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

# Terms and disclosures

## Advice (legal, tax, investment)

The TIAA group of companies does not provide legal or tax advice. Please consult your legal or tax advisor.

TIAA acts as recordkeeper for the plan and, in that capacity, is not a fiduciary to the plan.

The TIAA Retirement Advisor is a brokerage service provided by TIAA-CREF Individual & Institutional Services, LLC, a registered broker-dealer, Member FINRA, SIPC. 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 future results. Results may vary with each use and over time.

## Brokerage services

The brokerage account option is available 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.

By opening a brokerage account, 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://www.tiaa.org/SDA_CAA). Other fees and expenses apply to a continued investment in the funds and are described in the funds' current prospectuses.

TIAA Brokerage, a division of TIAA-CREF Individual and Institutional Services, LLC, Member FINRA and SIPC, distributes securities. Brokerage accounts are carried by Pershing, LLC, a subsidiary of The Bank of New York Mellon Corporation, Member FINRA, NYSE, SIPC. Some securities may not be suitable for all investors.

## Fees and expenses

Plan servicing fees can be deducted from investment options in Retirement Choice and Retirement Choice Plus contracts. However, plan servicing fees cannot be deducted from annuities in Retirement Annuity, Group Retirement Annuity, Supplemental Retirement Annuity and Group Supplemental Retirement Annuity contracts.

## Investment, insurance and annuity products

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

Some investment options may have redemption and other fees. **See the fund's prospectus for details.**

TIAA Traditional Annuity is 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 (TIAA) are subject to its claims-paying ability. Interest credited includes a guaranteed rate plus additional amounts as may be established by the TIAA Board of Trustees. Such additional amounts, when declared, remain in effect for the "declaration year," which begins each March 1 for accumulating annuities and January 1 for payout annuities. Additional amounts are not guaranteed for periods other than the period for which they were declared.

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 income options, including lifetime income. Payments from the variable annuity accounts are not guaranteed and will rise or fall based on investment performance.

Your guaranteed option is a fixed annuity that pays you interest at competitive crediting rates that are announced in advance. There is no explicit expense ratio because this is a fixed annuity.

"Revenue sharing" describes the practice when investment providers share in the cost of plan administration. Please note that TIAA Traditional, TIAA Real Estate, TIAA Stable Value and all CREF Annuity accounts do not have an explicit revenue share. Rather, they have a "plan services offset" that is applied to your plan's administrative and recordkeeping costs.

## Roth retirement plan option

Withdrawals of earnings prior to age 59½ are subject to ordinary income tax and a 10% early distribution penalty tax may apply. Earnings can be distributed tax free if distribution is no earlier than five years after contributions were first made and you meet at least one of the following conditions: age 59½ or older, or permanently disabled. Beneficiaries may receive a distribution in the event of your death. For governmental 457(b) plans, withdrawals are only allowed following separation from service or when you reach age 70½.

# We're here to help

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



## Manage your account

### Online

Visit [TIAA.org/usmd](https://TIAA.org/usmd) and *Log in*. If you're new to TIAA, select *Log in*, then *Register for online access*. Follow the on-screen directions to access your account.

### Phone

Call TIAA at **800-842-2252**, weekdays, 8 a.m. to 10 p.m., and Saturday, 9 a.m. to 6 p.m. (ET).



## Schedule an investment advice session

### Online

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

### Phone

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



Take your planning with you using the TIAA mobile app.



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Investment, insurance, and annuity products are not FDIC insured, are not bank guaranteed, are not bank 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/usmd](https://TIAA.org/usmd) for current product and fund prospectuses that contain this and other information. Please read the prospectuses carefully before investing.**

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