



**Date:** July 15, 2022  
**To:** UNC Retirement Program Participants  
**From:** **Brian Usischon**  
Senior Associate Vice President for Human Resource Services  
**Subject:** Important Information About Your UNC Retirement Program

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The University of North Carolina (UNC) System is committed to periodically reviewing its retirement programs to make sure they continue to help you meet your retirement and financial goals. Among the things considered are the range of investment options available through the plans and investment option performance and value.

As a result of a recent review, the UNC System has decided to make some changes to the investment lineup for the UNC Optional Retirement Plan (ORP) and the UNC System 403(b) and 457(b) Plans. The purpose of this email is to inform you of these changes and how you may be affected.

## WHAT'S CHANGING

### *Important update regarding changes to mutual fund options*

In February, we communicated that the UNC System would be replacing several mutual funds currently offered under the ORP and 457(b) Plan to Collective Investment Trust (CIT) arrangements no later than June 30, 2022. This move has been delayed and should be effective no later than December 31, 2022. As a reminder, a CIT is a pooled investment vehicle that is only available to qualified retirement plans and offers a lower cost alternative to institutional share classes of mutual funds.

If you currently invest in one of the mutual fund options being replaced, your existing balance and future contributions will be transferred to a new CIT arrangement by December 31, 2022. Look for further information from your retirement carrier (TIAA and/or Fidelity) which will inform you of any deadline to move existing balances prior to the transfer date. Upon transfer, you will receive a confirmation statement from your retirement carrier.

### *New Vanguard Target Retirement Fund*

The UNC System will add the Vanguard Target Retirement 2070 Fund to the Plan's investment lineup on **July 15, 2022**. This new fund is available to both TIAA and Fidelity participants.

#### ***What is a Target Date Fund?***

A Target Date Fund is a mix of investments with a level of risk that is considered appropriate for a person based on his or her age and closeness to retirement. The portfolio is regularly rebalanced and, as you move through your career toward retirement, automatically shifts to become more conservative over time.

Under the UNC ORP, 403(b), and 457 (b) plans, if you do not make an active election regarding your investment options, your contributions as well as any contributions from the System (if applicable) are defaulted to the Target Date Fund closest to your retirement age (i.e., age 65).

Beginning July 15, 2022, if you are currently defaulting into a Vanguard Target Retirement Fund and your date of birth is January 1, 2003 or later:

- Any future contributions will be invested in the new Vanguard Target Retirement 2070 Fund, unless you contact TIAA or Fidelity to change your contributions.
- All existing balances in your current Vanguard Target Retirement fund will remain where they are currently invested unless you elect to make a change to another fund investment option within your plan.

**You do not need to take action. However, if you do not want your future contributions to change as described above, you must contact your investment carrier directly before 4:00 p.m. ET on July 15, 2022.**

## QUESTIONS?

If you would like more information about the changes to investment options or existing investment options in your plan, please contact your carrier directly. Don't forget, you can change your current contribution allocation and current balance asset allocation at any time by contacting TIAA or Fidelity directly. And, if you need help choosing the right investment options for you or planning for retirement, you also can contact CAPTRUST, the UNC System's investment advisor, to schedule an appointment with a Retirement Counselor at no cost to you.

TIAA	Fidelity	CAPTRUST
<p><b>By phone:</b> 800-842-2252, Monday through Friday, 8:00 a.m. to 10:00 p.m. ET and Saturday, 9:00 a.m. to 6:00 p.m. ET</p> <p><b>Online:</b> <a href="http://www.tiaa.org/unc">www.tiaa.org/unc</a></p>	<p><b>By phone:</b> 877-862-4032, Monday through Friday, 8:30 a.m. to 8:00 p.m. ET</p> <p><b>Online:</b> <a href="http://www.netbenefits.com/unc">www.netbenefits.com/unc</a></p>	<p><b>By phone:</b> 800-967-9948</p> <p><b>Online:</b> <a href="http://www.captrustadvice.com">www.captrustadvice.com</a></p>

You can also contact your University Benefits Administrator.