



Date: February 13, 2025
To: UNC Retirement Plan Participants
From: Brian Usischon, Vice President for Human Resource Services
Subject: Important Information About Your UNC Retirement Program

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.

Effective February 1, 2025, employees who participate in The Optional Retirement Plan of the University of North Carolina ("ORP"), the UNC 403(b) Plan, the UNC 457(b) Plan, the Senior Administrative Officer Retirement Program of UNC ("SAORP"), the Senior Athletic Employee Retirement Program of UNC ("SAERP"), and any corresponding UNC Qualified Governmental Excess Benefit Arrangements ("415(m) plans") will see a reduction in the expense ratio of several trusts and mutual funds offered by Vanguard.

The purpose of this memo is to inform you of these changes. You do not need to take action to take advantage of the lower fees.

What Does This Change Mean?

The funds affected will offer participants the same investment strategy and risk as they currently do, but the overall expenses will be lower. By paying less in fees, plan participants will be able to keep more of their investment returns.

ORP, SAORP, SAERP AND UNC 457(b) PLAN PARTICIPANTS

If you participate in the ORP, SAORP, SAERP, and/or the UNC 457(b) Plan, the following chart shows the trusts that have lowered their expense ratio as of February 1, 2025.

Table with 3 columns: Current Investment Option, Expense Ratio as of 12/31/2024, Expense Ratio as of 2/1/2025. Rows include Target Date Funds from 2010 to 2050.

Current Investment Option	Expense Ratio as of 12/31/2024	Expense Ratio as of 2/1/2025
UNC Target Date Model Plus – 2055	0.052%	0.042%
UNC Target Date Model Plus – 2060	0.053%	0.043%
UNC Target Date Model Plus – 2065	0.053%	0.043%
UNC Target Date Model Plus – 2070	0.053%	0.043%
UNC Target Date Model – Retirement Income	0.033%	0.029%
Core Lineup Funds		
Vanguard Total Bond Market Index Trust	0.0240%	0.0180%
Vanguard Institutional 500 Index Trust	0.0130%	0.0105%
Vanguard Extended Market Index Trust	0.0350%	0.0205%
Vanguard Total International Stock Index Trust	0.0590%	0.0450%

UNC 403(b) AND 415(m) PLAN PARTICIPANTS

If you participate in the UNC 403(b) Plan and/or 415(m) plans, the following chart shows the mutual funds that have lowered their expense ratio as of February 1, 2025.

Current Investment Option	Expense Ratio as of 12/31/2024	Expense Ratio as of 2/1/2025
Target Date Funds		
UNC Target Date Model – 2010	0.038%	0.034%
UNC Target Date Model – 2015	0.040%	0.035%
UNC Target Date Model – 2020	0.043%	0.037%
UNC Target Date Model – 2025	0.044%	0.038%
UNC Target Date Model – 2030	0.047%	0.040%
UNC Target Date Model – 2035	0.051%	0.043%
UNC Target Date Model – 2040	0.054%	0.046%
UNC Target Date Model – 2045	0.058%	0.048%
UNC Target Date Model – 2050	0.061%	0.051%
UNC Target Date Model – 2055	0.063%	0.052%
UNC Target Date Model – 2060	0.065%	0.053%
UNC Target Date Model – 2065	0.065%	0.053%
UNC Target Date Model – 2070	0.065%	0.063%
UNC Target Date Model – Retirement Income	0.038%	0.033%
Core Lineup Funds		
Vanguard Total Bond Market Index Instl Plus	0.03%	0.02%
Vanguard Total International Stock Index Instl Plus	0.08%	0.05%
Vanguard Short-Term Bond Index Instl Plus	0.04%	0.03%
Vanguard FTSE Social Index Inst	0.12%	0.07%

Questions?

If you would like more information about the investment options in your plan, please contact TIAA. Don't forget, you can also change your current contribution allocation and current balance asset allocation at any time by contacting TIAA 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	CAPTRUST
By phone: 800-842-2252, Monday through Friday, 8 a.m. to 10 p.m. ET and Saturday, 9 a.m. to 6 p.m. ET Online: www.tiaa.org/unc	By phone: 800-967-9948 Online: www.captrustadvice.com

You can also contact your University Benefits Administrator.