



December 2020

Announcing Important loan policy changes to the UNC Section 403(b) Plan

Dear Plan Participant:

The University of North Carolina is committed to periodically reviewing the UNC Section 403(b) Plan (the "Plan") to make sure it continues to help you meet your retirement and financial goals, while also balancing fiscal responsibility and compliance.

Beginning February 1, 2021, the number of loans available in the UNC 403(b) Plan will be reduced from six loans to three loans.

If you are an active employee and currently have more than three loans, you will continue to pay on all outstanding loans as usual. However, in order to take a new loan, your loans in excess of two must be paid off. For example, if you currently have four outstanding loans, you must pay off two of those loans before requesting an additional loan.

Please note that you are only eligible to request a new loan if you are an active employee of the UNC System or a constituent institution of the University. Participants that are not active employees (former employees, individuals with accounts awarded as a result of a divorce, etc.), are not eligible to request a new loan.

This administrative change will take place without any action required on your part. If you have any questions about this notice and how it will impact you, please contact Fidelity at 800-248-4213.

Are you prepared if you need to access money fast without hurting your long-term savings goals?

The current pandemic has caused 1 in 5 people to consider taking a loan or a withdrawal from their retirement savings plan.* Fidelity recommends aiming to save 3-6 months of essential expenses in an emergency savings account. While this may seem like a lot, you can set more manageable goals for yourself by aiming to save enough to cover one month of your essential expenses.

Need More Help?

Your dedicated Fidelity Retirement Planners are available to **help you** plan for both the expected and unexpected life events from basic budgeting to complex financial situations. Schedule a time to meet at getguidance.fidelity.com.

Investing involves risk, including risk of loss.

* Fidelity Investments Market Uncertainty Study, April 2020, a nationwide survey of 1.6k adults 18 years of age or older with at least one investment account. This analysis is based on 716 working adults with a workplace retirement savings plan. The study was fielded from April 1-8, 2020 by ENGINE INSIGHTS, an independent research firm not affiliated with Fidelity Investments. The results of this survey may not be representative of all adults meeting the same criteria as those surveyed for this study.

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