



**Date:** August 3, 2023

**To:** UNC Retirement Program Participants

**From:** Brian Usischon  
Senior Associate 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. Among the things considered are the range of investment options available through the plans as well as 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 several UNC Retirement Programs. These changes will be implemented by August 30, 2023. The purpose of this email is to inform you of these changes and how you may be affected.

**You do not need to take action unless you have funds invested in an option that is being replaced and do NOT want your funds to be transferred to the replacement option.**

## What's Changing

### NEW INVESTMENT OPTION FOR TIAA PARTICIPANTS

The following investment options will no longer be offered under the UNC System Retirement Program. If you currently invest in one of these options, your existing balance and future contributions will be transferred to a new fund as shown below, unless you make a change to your account. The transfer of balance will appear as an exchange on your account history and quarterly statement.

CURRENT			REPLACEMENT	
Investment Option and Share Class	Ticker		Investment Option and Share Class	Ticker
Goldman Sachs Small Cap Value Fund Class R6 <i>Expense Ratio: 0.96<sup>1</sup></i>	GSSUX	>>	T. Rowe Price Small-Cap Stock Fund <sup>2</sup> <i>Expense Ratio: 0.91%<sup>1</sup></i>	OTCFX
T. Rowe Price QM U.S. Small-Cap Growth Equity Fund I Class <i>Expense Ratio: 0.66<sup>1</sup></i>	TQAIX	>>	T. Rowe Price Small-Cap Stock Fund <sup>2</sup> <i>Expense Ratio: 0.91%<sup>1</sup></i>	OTCFX
JP Morgan Core Bond Fund Class R6 <i>Expense Ratio: 0.34<sup>1</sup></i>	JCBUX	>>	JPMorgan Core Bond Trust CF <sup>3</sup> <i>Expense Ratio: 0.30<sup>1</sup></i>	N/A

<sup>1</sup> Expense Ratios are as of June 20, 2023.

<sup>2</sup> This fund replacement applies to all plans.

<sup>3</sup> This fund replacement only applies to the following plans: UNC 401(a) Optional Retirement Program, UNC Qualified Government Excess Benefit Arrangement for the Optional Retirement Program, Senior Administrative Officer Retirement Program, and the UNC Qualified Government Excess Benefit Arrangement for Senior Administrative Officers. This change was implemented in 2022 for the UNC 457(b), Senior Athletic Employee Retirement Program and UNC Qualified Excess Benefit Arrangement for Senior Athletic Employees.

## NEW INVESTMENT OPTION FOR FIDELITY PARTICIPANTS

The following investment options will no longer be offered under the UNC System Retirement Program. If you currently invest in one of these options, your existing balance and future contributions will be transferred to a new fund as shown below, unless you make a change to your account. The transfer of balance will appear as an exchange on your account history and quarterly statement.

CURRENT			REPLACEMENT	
Investment Option and Share Class	Ticker		Investment Option and Share Class	Ticker
Goldman Sachs Small Cap Value Fund Institutional Class <i>Expense Ratio: 0.99%</i> <sup>1</sup>	GSSIX	>>	T. Rowe Price Small-Cap Stock Fund <sup>2</sup> <i>Expense Ratio: 0.91%</i> <sup>1</sup>	OTCFX
T. Rowe Price QM U.S. Small-Cap Growth Equity Fund I Class <i>Expense Ratio: 0.66%</i> <sup>1</sup>	TQAIX	>>	T. Rowe Price Small-Cap Stock Fund <sup>2</sup> <i>Expense Ratio: 0.91%</i> <sup>1</sup>	OTCFX
Metropolitan West Total Return Bond Fund Plan Class <i>Expense Ratio: 0.36%</i> <sup>1</sup>	MWTSX	>>	MetWest Total Return Bond Fund - Class C <sup>3</sup> <i>Expense Ratio: 0.30%</i> <sup>1</sup>	N/A

<sup>1</sup> Expense Ratios are as of June 20, 2023.

<sup>2</sup> This fund replacement applies to all plans.

<sup>3</sup> This fund replacement only applies to the UNC System 457 (b) Plan.

Please note: If your existing Automatic Rebalance election includes one of the old investment options, Fidelity will automatically update your Automatic Rebalance election by replacing the old investment option with the new investment one. This change will occur automatically, and you do not need to take any action.

## UNC SYSTEM TARGET-RISK SERVICE MODEL

If you invest in a UNC System Target-Risk Service Model, your account will be automatically rebalanced to reflect the changes described above to the underlying investments. This means that the amount you have invested in each of the underlying options will change to reflect the goals of the model. These changes will occur automatically, and you do not need to take any action.

### ***What is a Target-Risk Service Model?***

A Target-Risk Service Model is an investment mix that offers a specific balance of financial risk and reward. Over time, the service automatically rebalances your account to help keep you on track with your retirement goals. It's a professionally managed portfolio that saves you from having to make your own choices from the retirement plans' investment lineup.

## 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.