



Date: July 9, 2020

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, investment option performance and value, and whether the Plans give you access to services that complement your accounts.

As a result of a recent review, the UNC System has decided to make some changes to the UNC System 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

As part of our ongoing effort to provide you with best in class funds at a lower cost, the share classes of the following investment options currently offered under the plans will change, beginning July 22, 2020. The new share class will offer you the same investment strategy and risk, but the overall expenses will be lower. The chart below shows how the current investment options will map to the new investment fund options.

CURRENT Investment Option and Share Class	Ticker		REPLACEMENT Investment Option and Share Class	Ticker
Vanguard Total International Stock Index Institutional <i>Gross Expense Ratio: 0.08%</i>	VTSNX	>>	Vanguard Total International Stock Index Institutional Plus* <i>Gross Expense Ratio: 0.07%</i>	VTPSX
Vanguard Target Retirement 2015 Trust Plus <i>Gross/Net Expense: 0.06%</i>	N/A	>>	Vanguard Target Retirement 2015 Trust Select <i>Gross/Net Expense: 0.05%</i>	N/A
Vanguard Target Retirement 2020 Trust Plus <i>Gross/Net Expense: 0.06%</i>	N/A	>>	Vanguard Target Retirement 2020 Trust Select <i>Gross/Net Expense: 0.05%</i>	N/A
Vanguard Target Retirement 2025 Trust Plus <i>Gross/Net Expense: 0.06%</i>	N/A	>>	Vanguard Target Retirement 2025 Trust Select <i>Gross/Net Expense: 0.05%</i>	N/A
Vanguard Target Retirement 2030 Trust Plus <i>Gross/Net Expense: 0.06%</i>	N/A	>>	Vanguard Target Retirement 2030 Trust Select <i>Gross/Net Expense: 0.05%</i>	N/A
Vanguard Target Retirement 2035 Trust Plus <i>Gross/Net Expense: 0.06%</i>	N/A	>>	Vanguard Target Retirement 2035 Trust Select <i>Gross/Net Expense: 0.05%</i>	N/A
Vanguard Target Retirement 2040 Trust Plus <i>Gross/Net Expense: 0.06%</i>	N/A	>>	Vanguard Target Retirement 2040 Trust Select <i>Gross/Net Expense: 0.05%</i>	N/A

CURRENT Investment Option and Share Class	Ticker		REPLACEMENT Investment Option and Share Class	Ticker
Vanguard Target Retirement 2045 Trust Plus <i>Gross/Net Expense: 0.06%</i>	N/A	>>	Vanguard Target Retirement 2045 Trust Plus <i>Gross/Net Expense: 0.05%</i>	N/A
Vanguard Target Retirement 2050 Trust Plus <i>Gross/Net Expense: 0.06%</i>	N/A	>>	Vanguard Target Retirement 2050 Trust Select <i>Gross/Net Expense: 0.05%</i>	N/A
Vanguard Target Retirement 2055 Trust Plus <i>Gross/Net Expense: 0.06%</i>	N/A	>>	Vanguard Target Retirement 2055 Trust Select <i>Gross/Net Expense: 0.05%</i>	N/A
Vanguard Target Retirement 2060 Trust Plus <i>Gross/Net Expense: 0.06%</i>	N/A	>>	Vanguard Target Retirement 2060 Trust Select <i>Gross/Net Expense: 0.05%</i>	N/A
Vanguard Target Retirement 2065 Trust Plus <i>Gross/Net Expense: 0.06%</i>	N/A	>>	Vanguard Target Retirement 2065 Trust Select <i>Gross/Net Expense: 0.05%</i>	N/A
Vanguard Target Retirement Income Trust Plus <i>Gross/Net Expense: 0.06%</i>	N/A	>>	Vanguard Target Retirement Income Trust Select <i>Gross/Net Expense: 0.05%</i>	N/A

**This investment option will be added to the plans that do not have the current share class as part of an exercise to maintain parity between plans.*

Gross Expense ratios and information as of May 19, 2020.

WHAT YOU NEED TO DO

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.

If you do not want your existing balances and future contributions to transfer, you must contact your investment carrier directly before 4:00 p.m. ET on July 22, 2020, and request a change to a different fund.

If you don't contact your carrier by the deadline, when the market closes on July 22, 2020:

- All existing balances in the current fund will be automatically transferred to the new investment options as indicated in the chart.
- Any future contributions will be invested in the new investment options as shown in the chart, unless you contact TIAA or Fidelity to change your contributions.

You will receive a confirmation statement from your retirement carrier. Changes to your account(s) will also be noted online and on your next statement.

Questions?

If you would like more information about the new 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
By phone: 800-842-2252, Monday through Friday, 8 a.m. to 10 p.m. and Saturday, 9 a.m. to 6 p.m., ET Online: www.tiaa.org/unc	By phone: 877-862-4032, Monday through Friday, 8:30 a.m. to 8:00 p.m. ET Online: www.netbenefits.com/unc	By phone: 800-967-9948 Online: www.captrustadvice.com

You can also contact your institution's HR/benefits representative.