

Important Notice about your 403(b) Savings Opportunities

Yale University Retirement Account Plan (YURAP) Yale University Matching Retirement Plan Yale University Tax-Deferred 403(b) Savings Plan

The above plans are retirement workplace savings plans, which allow certain employees to make pre-tax contributions to a 403(b) savings account to help save for retirement. Plan contributions are made through salary reduction and along with the investment earnings are tax-deferred – that is, they are not taxable until distributed.

Eligibility

You are eligible to enroll in one of the above savings plans if you are a W-2 employee of Yale University and you are not a student worker.¹ Your position at the University will determine which savings plan you are eligible to enroll in.

Enrollment

You may enroll, discontinue or change your enrollment at any time by completing a Yale University Tax Deferred 403(b) Savings Plan form along with a TIAA-CREF or Vanguard application (if applicable). You can obtain these forms by contacting the Employee Service Center at 203-432-5552. Completed forms can be returned to the Yale University Employee Service Center at 221 Whitney Avenue, New Haven, CT 06511 or faxed to 203-432-5153. Please take a moment to review the plan details on the Benefits website at www.yale.edu/hronline/benefits before enrolling. Once you are enrolled, you can change the amount of your contribution and your investment allocations at any time

Contribution and Investment Elections

To enroll, you must elect your contribution amount and designate the investment company to which you want your contribution deposited. You may elect to contribute from 1% to 75% of your salary on a pay period basis. The IRS limits the amount an employee can contribute annually to 403(b) savings plan. The maximum annual allowable amount for 2012 is \$17,000. Employees may contribute a maximum of \$22,500 beginning in the calendar year in which they attain age 50.

Investment Companies

You can obtain further information about the investment options available through the Yale 403(b) savings plans by contacting our 403(b) vendors directly. You may do so by visiting their websites, by calling their toll-free numbers to talk to a representative or schedule a one-on-one counseling session.

Investment Company	Website	Telephone
TIAA-CREF	www.tiaa-cref.org	800-842-2776
Vanguard	www.Vanguard.com	800-523-1188

¹ *A student worker is an undergraduate or graduate student whose Yale employment is limited to services performed to satisfy course and degree requirements or whose services are compensated solely through financial aid programs.*

Access to a 403(b) Savings Account

Withdrawals

There are limits on when you may withdraw funds from your 403(b) savings account. These limits may be important to you in deciding how much, if any, to contribute to your 403(b) savings plan. Generally you may only withdraw amounts from your 403(b) savings plan after you terminate employment with the University, incur a hardship or wish to take a loan. Also, there is generally an extra 10% tax on distributions taken before age 59-1/2. Your beneficiary is entitled to any amount remaining in your 403(b) savings account when you die.

Hardship withdrawals are limited to the dollar amount of your contributions. They may not be taken from earnings or university contributions. Hardship withdrawals must be for a specified reason – for qualifying medical expenses, cost of purchasing your principal residence, preventing eviction from or foreclosure on your principal residence, repairing qualifying damages to your principal residence, qualifying post-secondary education expenses, or qualifying burial or funeral expenses. Before you can take a hardship withdrawal, you generally must take a loan. If you take a hardship withdrawal, you may not contribute to your 403(b) savings plan for 6 months. Hardship withdrawals are administered by the investment companies and are subject to the terms of their hardship withdrawal programs. For further information contact your investment company.

Plan Loans

In most cases, you can borrow certain amounts from your 403(b) savings plan account. Plan loans are available through TIAA-CREF only. They are administered by TIAA-CREF and are subject to the terms of their plan loan programs. For further information please contact TIAA-CREF.

To obtain enrollment forms or for further assistance, please contact the Employee Service Center at 203-432-5552, Monday - Friday 8:30 a.m. to 5:00 p.m. EST.

This Notice is not intended to give specific tax advice as to whether you should enroll in a Yale 403(b) savings plan or to provide you with expected tax consequences resulting from enrolling in a 403(b) savings plan. The University does not provide tax, legal, or investment advice and recommends that employees seek advice from their own financial advisors. If anything stated in this document differs from what is stated in the legal plan documents, the legal plan documents will prevail.