University of Colorado
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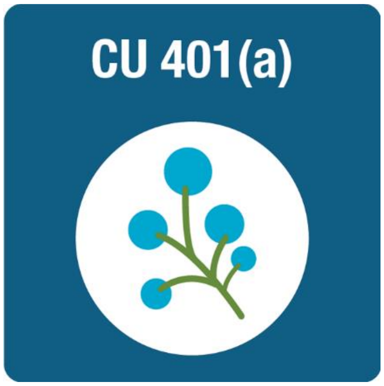
EMPLOYEE SERVICES



University or Colorado 401(a) Retirement Plan
Employee Guide

The university philosophy is to do as much as it can to assure the financial well-being of its employees in retirement. CU helps you save for retirement by enrolling each qualifying employee in a mandatory retirement plan. CU generously contributes to each mandatory plan, and provides you with the opportunity to increase your retirement savings with voluntary plan options.

This guide can help you navigate your University of Colorado 401(a) Retirement Plan.

**If you are unsure which mandatory plan you're eligible for, or already enrolled in, please see the CU Mandatory Retirement Plan Placement Guide for Faculty and University Staff or Classified Staff.*

The University of Colorado 401(a) plan

The University of Colorado 401(a) plan is a mandatory, defined contribution plan where each employee's retirement benefit is based solely on the money that has been contributed and the investment earnings or losses incurred (minus fees) over the lifetime of the account. Employees make their own investment elections, and employee and employer contributions are invested according to their directives.

This plan was established by the Board of Regents in 1924, and has been amended/restated over time to remain in compliance with IRS rules and adopt other administrative amendments. The value of each employee's investment increases or decreases as the market changes, and the monies are taxed when disbursed.

Enrollment

If you meet the criteria for the University of Colorado 401(a) mandatory retirement plan:

- You are automatically enrolled* on the first day of the month following your hire date.
- Your contributions will be made via automatic payroll deduction.
- Login to your account at www.tiaa.org/cu to manage contributions, view your balance, name beneficiaries and allocate investments.

*You will be automatically enrolled in the CU 401(a) mandatory plan **unless** you have a PERA Defined Benefit retirement account through a prior employment. If you do, you will have a choice between the PERA Defined Benefit plan or the University Retirement Plans (UR). See the Placement Guide for Faculty/University Staff.

Plan features

Plan type	Defined Contribution Plan
Employee contributions	5% of your annual eligible compensation through monthly pretax deductions. This means your contributions are tax deferred and they are not considered taxable income for federal and state income tax purposes until they are withdrawn. Social Security (OASDI) and Medicare taxes do apply.
Employer contributions	10% of your annual eligible compensation is contributed monthly by CU.
Vesting	All employee and employer contributions are immediately vested.

IRS contributions limits

The IRS imposes two limitations on contributions for defined contribution retirement plans:

Limit on the amount of salary that can be considered for contributions:

- **For 2020** calendar year, the salary limit is $285,000.*

Limit on the total amount of contributions by employer and employee, combined:

- **For 2020** calendar year, the total combined cannot exceed $57,000.**

*Employees who first participated in the CU 401(a) Plan July 1, 1996 or earlier (with no break in service), the salary limit is $425,000 for 2020.

**Under IRS Section 415(c), the aggregated contribution limit is $57,000, meaning if the employee participates in the PERA 401(k) Voluntary Retirement Plan, the total amount aggregates with the 401(a) Mandatory Retirement Plan. This aggregated total excludes the PERA 401(k) catch-up contribution of $6,500. Employees nearing their CU 401(a) limit can maximize their contributions by participating in the CU 403(b) or the PERA 457.

Investments

TIAA is the single service provider, saving participant-paid administrative fees as well as management fees. The CU 401(a) Plan has a three-tier investment structure, designed to help you invest based on your personal goals or preferred investing style. Some participants may be comfortable using a mixed investing strategy that combines target-date funds, the core investment menu, and/or personally selected funds within the self-directed brokerage option. Check the investment options at www.tiaa.org/cu.

Default investment: If you have not directed your investments, all contributions are automatically invested in target funds (a target-date fund based on retirement age). The University of Colorado shall not be liable for the difference between earnings in the target funds and an intended investment selection.

Financial guidance

All employees have access to personalized, no cost, financial guidance with licensed financial planners from TIAA. Please call 1-800-732-8353 or visit TIAA to schedule an appointment.

Distributions/withdrawals

The availability to withdraw funds from the CU 401(a) account is dependent on your age and employment status with the university. To discuss your options, schedule an appointment with a TIAA financial consultant.

In-service distributions (while employed) are allowed if employees have attained:

- 59½* years of age -for all plan participants that were active on Dec. 31, 2016
- 62 years of age -for all plan participants with a date of hire on or after Jan. 1, 2017
- How to request an in-service distribution

*If a participant terminated employment after Jan. 1, 2017 and was rehired after such date, he/she will no longer be eligible for the age 59 ½ in-service distribution, but will fall under the age 62 condition.

Loans and hardship withdrawals:

- No loans or hardship withdrawals are allowed

Leaving CU

- Distributions are allowed when employee terminates employment with the university, whether that's through resignation, retirement, disability or for cause.
- Distributions may be subject to taxes and penalties. Consult with a TIAA representative.

Qualified Domestic Relations Order (QDRO)

The term "QDRO" refers to a court order that is made under a state's domestic relation law or community property law, which may involve assigning all or a portion of an employee's university retirement plan account accumulations to an alternate payee. Alternate payees are typically the employee's spouse or ex-spouse, but may be another person such as a child or other dependent. A QDRO may also name more than one alternate payee.

The following rules only apply to the University of Colorado Retirement Plans. For PERA retirement plans, contact PERA by visiting www.copera.org or by calling 1-800-759-7372.

If the employee's retirement plan account becomes subject to a QDRO, the employee will need to follow the process below:

1. The employee/retiree, alternate payee or their respective counsel should contact Employee Services Retirement regarding a need for the segregation of account(s) per a QDRO.
2. Employee Services Retirement will provide a copy of the University of Colorado sample QDRO template for use by the parties.
3. Upon completion of the draft QDRO, the employee/retiree, alternate payee or their respective counsel should submit it to Employee Services Retirement with a copy of the Dissolution of Marriage and Separation Agreement (first page showing the parties and jurisdiction, all pages relevant to the retirement plans and last page showing applicable signatures).
4. Employee Services Retirement will review the submitted documentation to ensure that the draft meets the university's requirements. All parties involved shall be notified if the QDRO will be acceptable as written upon issuance by the Court.
5. Once the Court has issued the QDRO, a copy must be forwarded to Employee Services Retirement for approval by the QDRO Committee. This review typically will be completed in 1-4 business weeks.
6. Upon final approval from the university, the QDRO will be forwarded to TIAA or the appropriate plan service provider/vendor for processing.

How to request a distribution or rollover

1. Contact TIAA by calling 1-800-842-2252 or visiting www.tiaa.org/cu regarding a cash withdrawal or rollover request. TIAA will provide guidance as to how to proceed.
2. Employee Services will review and provide necessary authorization to TIAA. Expected processing time is 7-10 business days.
3. TIAA will process the distributions within five (5) business days after receiving university authorization.

Contact Information

<table>
<tr><th>Plan service provider</th><th>Plan</th><th>Phone number</th><th>Web address</th></tr>
<tr><td>TIAA</td><td>University of Colorado 401(a) mandatory plan</td><td>1-800-842-2252</td><td>www.tiaa.org/cu</td></tr>
<tr><td colspan="2">By Mail or In Person</td><td colspan="2">By Phone or Fax</td></tr>
<tr><td colspan="2">University of Colorado
Employee Services - Retirement
1800 Grant Street, Suite 400
Denver, CO 80203-1187</td><td colspan="2">Phone: 303-860-4200 option 3

Fax: 303-860-4299 (Attn: ES Retirement)</td></tr>
</table>

Definitions

In-Service distribution

Refers to an active employee who meets a required age (typically 59 ½, 62 or 70 ½) who is requesting a distribution that consists of a total or partial cash withdrawal or rollover. For employees who have retired from the university and return to employment with the university, they must follow the In-Service distribution requirements.

Leaving CU

Refers to termination of employment. This includes resignations, retirement, disability, or by cause.

Resources

Employee Services website
Benefits Eligibility Matrix
Classified Staff Mandatory Retirement Plan Placement Guide
Faculty and University Staff Retirement Plan Placement Guide
401(a) plan documents
What is the difference between a Defined Benefit Plan and a Defined Contribution Plan?
Voluntary Retirement Plans

FAQs

Why is it a 401(a) and not a 401(k)?
These designations are based on the tax code by the IRS. While 401(a) plans are often mandatory and used by public employers and not-for-profit organizations, the 401(k) plans are typically for private sector employers.

Can I opt out of the plan?
No, you cannot opt out. If your job code and classification meets the criteria, you will automatically participate in the mandatory retirement plan.

When will I see my first contribution taken out of my paycheck?
You are eligible the first of the month following your hire date and contributions will be taken on that month's paycheck.

For example if your hire date is any day in January (the 1st through the 31st), you will be eligible as of February 1st, and you will see the contribution on your February paycheck, which is the last banking day of February.

Can I contribute more or less than the 5%?
No, the 5% is an automatic deduction that cannot be increased or decreased. If you wish to save more for retirement, you can participate in any or all three of CU's Voluntary Retirement Savings Plans.

Can I take a loan against my University of Colorado 401(a) Plan account?
No, the plan does not allow for loans or hardship withdrawals.

Can I withdraw monies at any time?
The availability to withdraw funds from the University of Colorado 401(a) account is dependent on employee's age and his/her employment status with the university. See the Distribution/withdrawals.

Will I get Social Security?
Participants of the University of Colorado 401(a) Plan continue to pay into Social Security.

What will happen to my money in my University of Colorado 401(a) Plan if something happens to me and I have not named a plan beneficiary?
If you do not choose a beneficiary, one will be chosen on your behalf, based on the following succession line:

- Surviving spouse
- Surviving child(ren)
- Surviving parents
- Personal representative of your estate

Can I roll funds from a previous employer's retirement plan?
Yes, the University of Colorado 401(a) Plan accepts rollovers or transfers from other pre-tax contribution plans. All rollover or transferred funds will become subject to the 401(a) plan guidelines. Please meet with a TIAA representative to discuss your options.

Does my 5% contribution total aggregate with my 403b? 401k? 457?
The only one that aggregates is the 401(k). Under IRS Section 415(c), the University of Colorado 401(a) aggregated contribution limit is $57,000 for the 2020 calendar year, meaning if the employee participates in the PERA 401(k) Voluntary Retirement Plan, the total amount aggregates with the 401(a) Mandatory Retirement Plan. This aggregated total excludes the PERA 401(k) catch-up contribution of $6,000. Employees nearing their CU 401(a) limit can maximize their contributions by participating in the CU 403(b) or the PERA 457.