July 2016

Announcing a change to the investment options for the University of Rochester Retirement 403(b) Program and Deferred Compensation 457(b) Plan

Dear University of Rochester Retirement Plans Participant,

The University of Rochester is updating the investment options in the Retirement 403(b) Program and Deferred Compensation 457(b) Plan (the “Plans”) as a result of industry-wide changes that affect money market funds.

To help provide greater protection for investors, the Securities and Exchange Commission (SEC) has made rule changes that require all money market funds to be designated as one of three fund “types”—“government,” “institutional” or “retail.” Going forward, TIAA will only provide recordkeeping services under the Plans for government type money market funds because they offer full liquidity under all economic and market conditions, and a focus on preserving your investment’s value. Institutional and retail type money market funds are required to impose withdrawal restrictions that could limit access to your assets in volatile markets, and liquidity fees that could negatively impact total returns on your holdings in the funds.

As a result, effective August 10, 2016, the Vanguard Prime Money Market Fund, Admiral Class (VMRXX), is being removed and the Vanguard Federal Money Market Fund, Investor Class (VMFXX), is being added.

We encourage you to review your account at TIAA.org/rochester and evaluate how the changes could impact your current balances and investment allocations, in terms of your financial and retirement goals.

If you do not have assets in the Vanguard Prime Money Market Fund or you have not directed current or future contributions to this fund, no action is required.

Current University of Rochester Retirement Plans Assets:
If you have assets invested in Vanguard Prime Money Market Fund, Admiral Class, they will be transferred to the Vanguard Federal Money Market Fund, Investor Class (VMFXX), when the stock market closes on August 9 (typically 4 p.m. ET).

If you prefer to transfer any assets to a different investment option, refer to the “How to make investment changes” section of this letter. To avoid the automatic transfer, a request must be submitted before the close of the stock market on August 9.

Future Contributions to University of Rochester Retirement Plans:
If you are currently contributing to the Vanguard Prime Money Market Fund, Admiral Class, any future contributions will automatically be invested in Vanguard Federal Money Market Fund, Investor Class, beginning August 10, 2016, unless you change your allocation.
If you prefer to have future contributions directed to a different investment option, refer to the “How to make investment changes” section of this letter. To avoid the automatic change, a request must be submitted before the close of the stock market on August 9.

CREF Money Market Account Changes:
Additionally, as TIAA previously communicated, the current money market investment offering, CREF Money Market Account Class R3 (QCMMIX), will be converted to a government type money market fund by October 14, 2016, and the expense waiver on CREF Money Market will end. Becoming government type money market funds may cause lower returns on all TIAA-CREF money market funds, and the ending of the expense waiver may cause CREF Money Market to have negative returns if interest rates don’t sufficiently rise.

Where can you get more information?
Detailed information about the Plans’ investment options are available at TIAA.org/rochester, including fund fact sheets and prospectuses. Information about the Vanguard Federal Money Market Fund will be available on TIAA.org/rochester beginning August 10. Prior to August 10, 2016, to view information about the Vanguard Federal Money Market Fund, go to TIAA.org/public/investment-performance and enter one of the Plans’ numbers—100901 or 100903. Paper copies of the fund fact sheets for all the funds available under the Plans are available at no additional cost from the Benefits Office by calling 585 275-2084.

What if you need help?
You can get guidance on the Plans’ investment options from a TIAA Financial Consultant. To schedule a One-on-One Counseling Session, call 800 410-6497, Monday to Friday, 8 a.m. to 10 p.m. or Saturday, 9 a.m. to 6 p.m. (ET). You can also schedule your session online at TIAA.org/schedulenow.

How to make investment changes:

Online:
To update your retirement portfolio online, visit TIAA.org/rochester and log into your account. To transfer current assets, go to the Manage My Portfolio tab and then select Change Investments and follow the directions. To change the allocation of future contributions, go to the Manage My Portfolio tab and then select Change Allocation of Contributions and follow the directions. Please note, the Vanguard Federal Money Market Fund will be available for transfers and future allocations beginning August 10.

By phone:
To update your retirement portfolio by phone, call TIAA at 800 410-6497, Monday to Friday, 8 a.m. to 10 p.m. or Saturday, 9 a.m. to 6 p.m. (ET).

Sincerely,

Michele R. Hill
Director, University Benefits