Hybrid Plan

Eligibility
The Hybrid Plan (a mixed pension and matching plan) is the core retirement plan for:
- Active, benefit-eligible employees first hired on or after 10/01/2012 but before 10/01/2019,
- Returning, benefit-eligible employees hired on or after 10/1/2012 but before 10/01/2019, who were not vested upon termination,
- Returning, benefit-eligible employees hired on or after 10/01/2012 but before 10/01/2019, who were vested upon termination and took a full retirement plan distribution.

Plan Overview
The Hybrid Plan has two components:
1) a defined benefit (DB) pension component; and
2) a defined contribution (DC) matching component.

Defined Benefit (DB) Component of the Hybrid Plan (pension)

<table>
<thead>
<tr>
<th>Summary of the Hybrid Plan defined benefit (DB) component</th>
</tr>
</thead>
<tbody>
<tr>
<td>Multiplier Formula</td>
</tr>
<tr>
<td>Vesting</td>
</tr>
</tbody>
</table>

The DB component of the Hybrid Plan is structured as a typical pension plan. You are automatically enrolled in this benefit as an eligible employee; you do not need to actively enroll. Your benefit is determined by your age at retirement and your:
- Creditable service
- Average of highest five consecutive years of salary, including summer appointment salary
- A 1% multiplier

You earn service credits by working as a benefit-eligible employee. The summary plan description (SPD) (umurl.us/SPD) has more information about earning service credits.

To estimate your potential benefit, visit the pension benefits portal (umurl.us/retcalc).

Vesting (in the DB Component)
In order to receive a benefit from the DB component of the Hybrid Plan, you must complete five years of creditable service to be vested and a qualified member. Please refer to the summary plan document (umurl.us/SPD) for more detailed information on vesting.

Employee Contributions
Employees contribute 1% of their first $50,000 of eligible salary. Once the employee reaches a threshold of $50,000 in year to date earnings, the contribution increases to 2% of eligible salary. Contributions reset to 1% each January 1.

Retirement
You are eligible to retire as early as at least age 55 with at least 10 years of service credit, or at least age 60 with at least five years of service credit. A reduction in benefit may apply for retiring early. One year of service credit must be achieved after age 54.
Survivor Benefit

If a vested member dies while actively employed, the plan provides a benefit that is usually no less than one time your regular annual salary as of the date of your death. The summary plan description (umurl.us/spd) has more detailed information on this benefit.

Beneficiary Designation

Naming a beneficiary ensures that your benefit is handled in the manner you intend. You should name a beneficiary when you first participate in the DB component of the Hybrid Plan. Whenever there are important changes in your life—such as marriage, divorce or the birth or adoption of a child—review your beneficiary designation and consider updating.

To designate a beneficiary(ies) under the DB component of the plan, complete a beneficiary form (umurl.us/benforms) and return the completed form to the UM System Office of Human Resources Service Center:

1000 W Nifong Blvd.
Bldg 7, Suite 210
Columbia, MO 65211-8240
Fax: (573) 882-9603
Email: hrservicecenter@umsystem.edu
Defined Contribution (DC) Component of the Hybrid Plan (matching)

<table>
<thead>
<tr>
<th>Summary of the Hybrid Plan defined contribution (DC) component</th>
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<tbody>
<tr>
<td>UM base contribution</td>
</tr>
<tr>
<td>UM match</td>
</tr>
<tr>
<td>Vesting</td>
</tr>
</tbody>
</table>

The DC component of the Hybrid Plan is made up of employee and employer contributions. The University will make a base contribution of 2% of your eligible compensation to an employer contributions account. In addition, the University will provide a matching contribution to the employer contributions account, equal to your contribution to the 457(b) plan, up to 3% of your eligible salary.

Enrollment
To ensure you receive the full University matching contribution, you are automatically enrolled in a 457(b) plan at the maximum employer match rate of 3% of your 457(b) compensation. It is important that you contribute at least 3% of your eligible salary to the 457(b) plan to obtain the maximum contribution from the University. You may change your deferral percentage or opt out at any time. Please note, if your elective deferral to the 457(b) plan is less than 3%, you will not receive the benefit of the full employer match available to you.

Vesting (in the DC Component)
You are immediately 100% vested in your contributions to the 457(b) plan. The University’s matching contributions to the employer contributions account vest following three years of service. Please note that these years do not need to be consecutive. Learn more in the summary plan document (umurl.us/SPD).

The employer contributions to the employer contributions account, along with your contributions to the 457(b) plan and your investment earnings and/or losses, will equal the value of your account should you become vested. If you terminate employment with the University before vesting, you forfeit the University’s base contributions and matching contributions made to the employer contributions account on your behalf.

Example: Hypothetical annual contribution illustration based on a salary of $50,000

<table>
<thead>
<tr>
<th>Contribution type</th>
<th>Percent of salary</th>
<th>Annual contribution</th>
</tr>
</thead>
<tbody>
<tr>
<td>UM base defined contribution to the employer contributions account</td>
<td>2%</td>
<td>$1,000</td>
</tr>
<tr>
<td>Employee contribution to 457(b)</td>
<td>3%</td>
<td>$1,500</td>
</tr>
<tr>
<td>UM matching contribution to the employer contributions account</td>
<td>3%</td>
<td>$1,500</td>
</tr>
<tr>
<td>TOTAL</td>
<td>8%</td>
<td>$4,000</td>
</tr>
</tbody>
</table>

Changing your Deferral
You may change your 457(b) elective deferral at any time by logging into your Fidelity NetBenefits account (nb.fidelity.com/public/nb/umretirement/home) or by calling 1-800-343-0860. Any changes to your 457(b) elective deferral will take effect no sooner than the first of the month following the change.
Eligible Salary
Your 457(b) plan elective deferral is calculated using all compensation paid to you for services rendered to the University. It is important to note that the compensation definition for the University matching contributions is different. Please refer to the summary plan document (umurl.us/SPD) for more detailed information about eligible compensation. See example below:

Example: Calculating the 457(b) plan deferrals and the employer matching contributions

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<table>
<thead>
<tr>
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</thead>
<tbody>
<tr>
<td>Base Pay</td>
<td>$1,000</td>
</tr>
<tr>
<td>Educational Assistance (not included in compensation for the employer matching contributions, but included in 457(b) compensation)</td>
<td>$250</td>
</tr>
<tr>
<td><strong>Total Pay</strong></td>
<td><strong>$1,250</strong></td>
</tr>
<tr>
<td>Employee 3% deferral – goes to 457(b) plan</td>
<td>$37.50 ($1,250*.03)</td>
</tr>
<tr>
<td>UM's 3% matching contribution – goes to your employer contributions account</td>
<td>$30 ($1,000*.03)</td>
</tr>
<tr>
<td><strong>Total Contributions</strong></td>
<td><strong>$67.50</strong></td>
</tr>
</tbody>
</table>

Choosing your Investments
You select how to invest all contributions in the DC component of the Hybrid Plan. For information about your investment choices, please visit your Fidelity NetBenefits account (nb.fidelity.com/public/nb/umretirement/home) and select the Plans & Investments tab, then investment options section under each plan.

It is important that you access your account so you can make your investment selection. If you do not make a selection, your investments will be placed in a University-selected default investment. However, you may make changes to your investment selections at any time online through your Fidelity NetBenefits account (nb.fidelity.com/public/nb/umretirement/home) or by calling 1-800-343-0860.

If you are unsure how to invest your contributions, Fidelity retirement representatives are available to meet one on one to assist you. Schedule a free appointment online through Fidelity NetBenefits (nb.fidelity.com/public/nb/umretirement/contactus/schedule-a-meeting) or by calling 1-800-343-0860.

Beneficiary Designation
Naming a beneficiary ensures that your benefit is handled in the manner you intend. You should name a beneficiary when you first participate in the DC component of the Hybrid Plan. Whenever there are important changes in your life—such as marriage, divorce or the birth or adoption of a child—review your beneficiary designation and consider updating. You may update beneficiary information in your Fidelity NetBenefits account (nb.fidelity.com/public/nb/umretirement/home).

Applying for Benefits
You should contact Fidelity at 1-800-343-0860 for more information on how to begin your benefits from the DC component of the Hybrid Plan.

This summary is intended to help answer many commonly asked questions, and is not meant to fully address all provisions of the plan. Refer to the summary plan description (umurl.us/spd) for more detailed information.