are reduced, to avoid any excess contributions under the law. Additional ordering rules are outlined in the applicable plan documents. Compensation for purposes of the contribution limit is not the same as *employer contribution compensation* and is generally defined by law.

Additional ordering rules are outlined in the applicable plan documents.

What happens if I retire and later return to work?

If you return to work after October 1, 2019, you will no longer receive *nonelective contributions* and *matching contributions* under the DC Plan Component of the Hybrid Plan. Instead, assuming you are eligible to participate, you will receive contributions as described in the DC Plan SPD.

Elective Deferrals to the 457(b) Plan

How do I make an *elective deferral*?

To make a 457(b) *elective deferral* and review a summary of the investment options, please call Fidelity at 1-800-343-0860 or visit https://nb.fidelity.com/public/nb/umretirement/home. **To ensure you receive the FULL *University* matching contribution (3% of your *employer contribution compensation*) you will be automatically enrolled in the 457(b) Plan at the maximum employer match rate of 3% of your 457(b) compensation.** You may choose to make a contrary election or opt out of making *elective deferrals* under the 457(b) Plan at any time. Please allow 1-2 pay cycles for initial automatic enrollment.

How and when can I change my elective deferral? When is the change effective?

You may change your 457(b) *elective deferral* at any time by logging into your account at https://nb.fidelity.com/public/nb/umretirement/home or by calling Fidelity at **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.

Are there any limits on the amount of *elective deferral* that I may contribute to the 457(b) Plan?

Applicable Federal laws place limits on the annual contributions to the 457(b) Plan.

In 2021, the limit on total contributions to the 457(b) Plan is the lesser of $19,500 or your *compensation* for the calendar year. Compensation for purposes of the contribution limit is not the same as *employer contribution compensation* and is generally defined by law. The 457(b) deferral limit is not affected by contributions to the SRP or 403(b) Plans.

In 2021, age 50 catch-up contributions are limited to $6,500. The age 50 catch-up contribution limit is in addition to the limits on total contributions and *elective deferrals*. Therefore, if the age 50 catch-up contribution limit applies you can contribute up to $26,000 in *elective deferrals* under the 457(b) Plan.

All of the above dollar limits are adjusted annually by the IRS for cost-of-living. Rollover contributions are not subject to the contribution limits above.

For more information, refer to the VRP SPD, or the 457(b) Plan document.

When can distributions occur from the 457(b) Plan?

Please refer to the VRP SPD for specific details regarding distributions from the 457(b) Plan.

Vesting

You are *vested* in the *University's matching contributions* and *nonelective contributions* made on your behalf to the *employer contributions account* as described in this DC Plan Component of the Hybrid Plan SPD after you complete three years of *service credit*. Please note that these years do not need to be consecutive, and the *service credit* rules differ from the DB Plan Component of the Hybrid Plan described in this Hybrid Plan SPD.

If you experience a *severance from employment* with the *University* before becoming *vested* in the DC Plan Component of the Hybrid

What is vesting?
If you have three years of *service credit*, you've earned the right to keep the *University nonelective contributions* as well as any *University matching contributions* when you retire or leave the *University*.

Plan, the *University's nonelective contributions* and *matching contributions* made to the *employer contributions account* on your behalf are forfeited.

If you are subsequently rehired by the *University* on or after October 1, 2019, you will be eligible for benefits as described in the DC Plan SPD (provided all other eligibility requirements are satisfied). You will no longer be an *eligible employee* under the Hybrid Plan. See the DC Plan SPD for how your *service credit* under this DC Plan Component of the Hybrid Plan may or may not affect your *service credit* accruals under that plan, including if you are rehired more than five years after your initial *severance from employment*.

Investments

How are my *nonelective* and *matching contributions* invested?

Choosing Your Investments: You select how to invest all contributions made to the DC Plan Component of the Hybrid Plan. The investment choices are the same as they are for the VRP. For information about your investment choices, please visit https://nb.fidelity.com/public/nb/umretirement/home and select the Plans & Investments tab, then Investments tab, then Investment Options section under each plan.

It is important that you access your account within the first 30 days of your employment 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 at https://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 by visiting https://nb.fidelity.com/public/nb/umretirement/contactus/schedule-a-meeting or calling 1-800-343-0860.

There are many investment options. Each has varying degrees of return and financial risk. This summary is not intended to advise you on any investment risks or tax issues arising from investing in any of these options. You may wish to contact your tax advisor or legal counsel for assistance in determining which option best fits your long-term goals.

Distributions

When can distributions occur from the DC Plan Component of the Hybrid Plan?

To be eligible for a distribution from the *employer contributions account*, you must be *vested* in the DC Plan Component of the Hybrid Plan. When you are *vested*, your benefit is distributable after your *severance from employment* or death (or when a required minimum distribution is necessary (see below)).

If the value of your *employer contributions account* under the DC Plan Component of the Hybrid Plan exceeds $5,000, it will not be distributed without your consent, unless the minimum required distribution rules apply (see below). If the value of your account is less than $5,000, but more than $1,000, it will automatically be rolled over to an IRA after your *severance from employment* from the *University* unless you elect to receive the distribution directly or roll the distribution over to an IRA or another employer plan of your choice. If the value of your account is $1,000 or less, it will be automatically distributed to you.

For information about your distribution options under your contributions to the 457(b) Plan, refer to the VRP SPD.

How do I apply for the benefits under the DC Plan Component of the Hybrid Plan?

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

It is important to keep Fidelity informed of name and address changes for you or your *beneficiaries*. Please call Fidelity at 1-800-343-0860 or visit https://nb.fidelity.com/public/nb/umretirement/home to update your information.

What are my retirement benefit payment options?

The DC Plan Component of the Hybrid Plan allows you to receive your retirement benefit in a single lump sum payment, or in installments over a fixed number of years. If you elect installments, you may elect to accelerate the installment payments and receive a lump sum distribution of the remainder of your benefit at any time. For more information on these options, contact Fidelity at 1-800-343-0860.

If I make a withdrawal, can I return the funds to the DC Plan Component of the Hybrid Plan at a later date?

No.

What are required minimum distributions?

You may generally delay the distribution of your retirement benefits. However, if you elect to delay the distribution of your retirement benefits, there are rules that require that certain minimum distributions be made from the DC Plan Component of the Hybrid Plan.

Distributions are required to begin the 1st of April following the end of the year in which:

- You reach age 72 ; or
- Experience a *severance from employment*, if later.

If you think you may be affected by these rules, contact Fidelity at 1-800-343-0860.

How are my benefits paid upon my death?

If your death occurs before you begin distribution of your benefits, your *beneficiary* may elect to receive a distribution of your benefits in any of the forms of distribution available to you (i.e., lump sum or installments), beginning as soon as reasonably practicable following the *beneficiary's* application for distribution of benefits. If your death occurs after distributions begin, but before your entire benefit under the DC Plan Component of the Hybrid Plan is distributed, your *beneficiary* shall receive distribution of the remainder of your benefits beginning as soon as reasonably practicable following your death in a form available to you and elected by the *beneficiary*, which provides for distribution at least as rapidly as you were receiving distribution of your benefits.

Notwithstanding the above, your benefits upon death are subject to certain required minimum distribution rules. These rules are complicated and depend on who is designated as your *beneficiary* and when your death occurs (before or after distributions begin). Generally, if you have not begun receiving your benefits and your designated *beneficiary* is your spouse, the benefits must begin no later than the year you would have attained age 72. If your spouse is not your designated *beneficiary*, the entire benefit under the DC Plan Component of the Hybrid Plan must be distributed by December 31 of the calendar year containing the fifth anniversary of your death. For more information regarding these rules, contact Fidelity at 1-800-343-0860.

Rollovers and Tax Treatment

What are some of the possible tax consequences when I receive a distribution from the DC Plan Component of the Hybrid Plan?

Generally, you must include any distribution in your taxable income in the year in which you receive the distribution. Distributions made to you when you are under age 59½ may be subject to an additional 10% tax unless you roll the distribution over to an IRA or other employer retirement plan as described below.

Can I elect a rollover to reduce or defer tax on my distribution?

If your distribution is an eligible rollover distribution, you may defer the tax due on your distribution by rolling the distribution over to an IRA or other employer retirement plan. Generally, an eligible rollover distribution does not include any distribution which is: (1) one of a series of substantially equal periodic payments made for your life (or life expectancy) or the joint lives (or joint life expectancies) of you and your designated *beneficiary*, or for a specified period of ten years or more; (2) a hardship distribution; or (3) a required minimum distribution. There are two types of rollovers:

Direct rollover: For most distributions, you may request that a direct rollover (sometimes referred to as a direct transfer) be made to either an IRA or other employer retirement plan willing to accept the rollover. A direct rollover will result in no tax being due until you withdraw funds from the IRA or other employer retirement plan.

60-day rollover: You may roll over a distribution to an IRA or other employer retirement plan willing to accept the rollover. This will result in no tax being due until you begin withdrawing funds from the IRA or other employer retirement plan. The rollover of the distribution, however, MUST be made within strict time frames (normally, within 60 days after you receive your distribution). A distribution which may be rolled over but which you do not directly rollover (see above) will be subject to mandatory federal income tax withholding at a rate of 20%. You may roll over the 20% amount withheld, but must replace the withheld amount from other sources. If you do not roll over an amount equal to the 20% withheld, the withheld amount is subject to tax.

If your distribution is not an eligible rollover distribution you will not be able to defer tax due on your distribution by rolling the distribution over to an IRA or other employer retirement plan. Withholding on distributions that are not eligible rollover distributions depends on whether the distribution is a periodic distribution (for example, annuity payments or installments) or non-periodic distribution. Withholding on periodic distributions will be determined as if the distribution were wages and withholding on non-periodic distributions will be 10% of the amount includible in income. Notwithstanding the foregoing, you may elect not to have withholding apply.

Pre-Tax to Roth Rollovers: If you roll over pre-tax contributions to a designated Roth account in another employer plan or to a Roth IRA, the amounts will be taxed in the year of the rollover. However, the 10% additional tax on early distributions will not apply. If you complete a direct rollover, no withholding will apply, but you may voluntarily enter into a withholding agreement with the *University*.

Tax Notice: Whenever you receive a distribution, you will receive a more detailed explanation of these options. However, the rules which determine whether you qualify for favorable tax treatment are very complex. You should consult with qualified tax counsel before making a choice.

Loans

Are loans offered in the DC Plan Component of the Hybrid Plan?
No.

Lost Participants

If you are entitled to a distribution and cannot be located, reasonable measures will be taken to locate you. In the event you are not located after the *plan administrator* has taken reasonable measures to locate you, your benefits will be disposed of in accordance with the law and reasonable procedures. Reasonable procedures include rolling over your benefits to an IRA, purchasing an annuity contract in your name, distributing your benefit to an interest bearing insured bank account, or forfeiting your benefit to the DC Plan Component of theHybrid Plan. If your benefit is forfeited to the DC Plan Component of the Hybrid Plan and you are later located,your benefit will be restored unadjusted for earnings and distributed to you in accordance with the terms in theERIP plan document. For additional questions, contact the HR Service Center to request a copy of the ERIP plan document.

Plan Expenses

The DC Plan Component of the Hybrid Plan permits the payment of certain plan expenses to be made from the DC Plan Component of the Hybrid Plan's assets. If expenses are paid using the Plan's assets, then the expenses will generally be allocated among the accounts of all *participants* in the Plan. These expenses will be allocated either proportionately based on the value of the account balances or as an equal dollar amount based on the number of *participants* in the Plan. The method of allocating the expenses may depend on the nature of the expense itself.

After you experience a *severance from employment*, the *University* reserves the right to charge your account for your pro rata share of the Plan's administration expenses, regardless of whether the *University* pays some of these expenses on behalf of current *participants*.

There are certain other expenses that may be paid just from your account. These are expenses that are specifically incurred by, or attributable to, you. For example, if you are married and get divorced, the plan may incur additional expenses if a court mandates that a portion of your account be paid to your ex-spouse. These additional expenses may be paid directly from your account (and not the accounts of other *participants*) because they are directly attributable to you under the DC Plan Component of the Hybrid Plan. You will be informed when there will be a charge (or charges) directly to your account.

Qualified Domestic Relations Orders

Upon receipt of a domestic relations order issued by a court of competent jurisdiction with respect to your interest in the DC Plan Component of the Hybrid Plan, the *University* shall determine whether such domestic relations order constitutes a qualified domestic relations order ("QDRO"). If it is determined that a domestic relations order is a QDRO, the alternate payee may receive a distribution in a single lump sum at any time. There will be a charge to your account for processing of a QDRO. A QDRO may not provide for a benefit not allowed by the DC Plan Component of the Hybrid Plan. Procedures to determine the qualified status of a domestic relations order, to administer distributions mandated by a QDRO, and to implement the QDRO provisions are available upon request.

Additional information about QDRO processing, may be found in the ERIP plan document.please For additional questions, contact the UM System Office of HumanResources Service Center.

Protecting Your Benefits

Can the ERIP plan document be amended?

The *University* has the right to amend the ERIP plan document at any time. In no event, however, will any amendment authorize or permit any part of the plan's assets to be used for purposes other than the exclusive benefit of *participants* or their *beneficiaries*. Additionally, no amendment will cause any reduction in the amount credited to your account. If the ERIP plan document is amended, this DC Plan Component of the Hybrid Plan will be updated accordingly to reflect those changes.

What happens if the DC Plan Component of the Hybrid Plan terminates?

If the DC Plan Component of the Hybrid Plan is terminated, you will immediately be 100% *vested* in the benefits you've earned as of the DC Plan Component of the Hybrid Plan's termination date. Additionally, no further contributions will be made to the DC Plan Component of the Hybrid Plan and distributions will be made as soon as possible, in accordance with the DC Plan Component of the Hybrid Plan's terms.

Do I need to name a *beneficiary*?

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. If unmarried, you may designate any person or trust as your *beneficiary*. For married employees, your spouse will automatically be your *beneficiary*, unless your spouse consents to a different designated *beneficiary*. You may also designate contingent *beneficiaries*.

If you don't name a *beneficiary* (or your *beneficiary* predeceases you), any death benefits under this DC Component of the Hybrid Plan will be paid to your surviving spouse. If there is no surviving spouse, death benefits will be paid to your surviving children in equal shares. If there are no surviving children, the benefit will be paid to your estate, provided that a properly appointed and qualified fiduciary of your estate exists within 120 days of your death, otherwise the payment will be made in accordance with Missouri law.

> ***Update your beneficiary information***
>
> 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 your *beneficiary* at:**
> https://nb.fidelity.com/public/nb/umretirement/home

You may update your *beneficiary* designation at any time.

A divorce decree, or decree of legal separation, revokes your prior designation, if any, of your spouse or former spouse as *beneficiary*, unless a QDRO provides otherwise.

Can my benefits be forfeited or delayed?

The DC Plan Component of the Hybrid Plan is designed to provide you with a retirement benefit when your employment ends, but some situations could affect your benefits. Those situations are summarized here:

- If you experience a *severance from employment* from the *University* for any reason before you have three years of *service credit*, you will not receive the *nonelective contributions* or *matching contributions*, nor any associated earnings**.** You may also lose any *service credit* you have accrued if you experience a *severance from employment* and are rehired more than 5 years later. For more information, please review the *service credit* rules under the **Vesting** section above.

- If you do not keep your most recent address on file and Fidelity cannot locate you, payments may be delayed. This is particularly important if you leave the *University* prior to retirement. Please call Fidelity at 1-800-343-0860 or visit https://nb.fidelity.com/public/nb/umretirement/home to update your information.
- Your request for Plan benefits will be considered a claim for benefits. A decision on your claim will be made within 90 days after receipt of the claim by the DC Plan Component of the Hybrid Plan. You will be provided written or electronic notice if your benefits are denied that includes the specific reason(s) your claim was denied, a references to the specific Plan provision(s) on which the denial was based, and a description of the Plan's appeal procedures and the time limits that apply to such procedures.
- You can appeal a denial of your benefits claim by providing written notice to the *University* within 90 days after your receipt of the denial of your claim. You will be able to submit written comments, documents and other information relating to the claim on appeal. The *University* may hold a hearing or otherwise in its decision on appeal. The *University* will provide written notice of its decision on appeal within 90 days after receipt of the appeal. Any decision on appeal will be final and binding on the parties. If you appeal is denied, the written denial will include the specific reason(s) for the denial on appeal and reference to the specific Plan provisions on which the denial on appeal is based.