



## SUFFOLK UNIVERSITY STANDARD RETIREMENT PLAN

**Introduction:** Suffolk University has established two 403(b) retirement programs to help you save for retirement on a before-tax basis. In a 403(b) plan, your contributions are made to the plan before any federal or state income taxes are taken out. The Standard Retirement Plan provides for eligible employees to save for retirement and receive University contributions. Employees select the investments for their own and University contributions. All contributions are fully vested (owned) by employees, and employees are entitled to receive these contributions when they retire or terminate from the University.

This question and answer sheet is a brief description of the benefits of the Plan. The Summary Plan Description available from Human Resources will explain in more detail your benefits and rights under the Plan.

### 1. Who is eligible to participate in the Plan?

You are eligible to participate in the Plan if you are in an eligible class of employees, complete one year of service and attain age 26. One year of service requires that you complete at least 1,000 hours of service in a 12-month period.

The first 12-month period for measuring the 1,000 hours of service is your date of employment to the next anniversary of that date. If you do not complete 1,000 hours of service in the first 12-month period starting with your date of employment, you must complete 1,000 hours in the next or a succeeding 12-month period starting with the anniversary of your date of employment. For example, if an employee who is hired on 7/1/2002 does not complete 1,000 hours of service from 7/1/2002 to 6/30/2003, he or she must complete 1,000 hours of service in the period from 7/1/2003 to 6/30/2004, and so on, to satisfy the one year of service requirement.

If you have been employed at another institution of higher education immediately before you started with Suffolk, this service will count toward the one year of service requirement.

Eligible classes of employees are titled faculty and employees who work in positions not contingent on student status.

Deleted: G:\BENEFITS\Pension\SRP  
Q&A.DOC

**2. How do I enroll in the Plan?**

Human Resources will notify you two months before you are scheduled to satisfy the eligibility requirements for the Plan. If you have prior service at another institution of higher education, you must notify Human Resources and provide verification.

**3. How much may I contribute to the Plan?**

Your contribution will be 5% of your gross compensation.

You may supplement your contributions by contributing an additional amount to the Voluntary Tax Deferred Annuity Plan. Please refer to the question and answer sheet for the VTDA Plan for information on the total contribution you may make to both plans.

**4. How much does the University contribute to the Plan?**

Each month the University will contribute 9% of your gross compensation to the Plan.

**5. How are my contributions to the Plan invested?**

You will be able to select investments for your contributions and for the University’s contributions from among the investment options of the Investment Companies. The Investment Companies are TIAA-CREF and Fidelity Investments.

**6. What are my investment choices?**

TIAA-CREF offers the following investment choices for your own and the University’s contributions:

<u>Type of Investment</u>	<u>TIAA-CREF Investment Product</u>
<b>Guaranteed</b>	TIAA Traditional Annuity
<b>Equity</b>	Equity Index Account Global Equities Account Growth Account Stock Account
<b>Fixed Income</b>	Bond Market Account Inflation-Linked Bond Account Money Market Account
<b>Equity and Fixed Income</b>	Social Choice Account
<b>Real Estate</b>	Real Estate Account

Deleted: G:\BENEFITS\Pension\SRP Q&A.DOC

Fidelity Investments offers about 300 Fidelity mutual funds for your own contributions.  
The University's contributions may be directed into any of the following Fidelity Funds:

<u>Type of Investment</u>	<u>Fidelity Investment Product</u>
<b>Money Market</b>	Fidelity Cash Reserves
<b>Bond</b>	Fidelity Total Bond Fund Fidelity Short-Term Bond Fund <i>High Yield Bond:</i> Fidelity Capital & Income Fund
<b>Balance/Hybrid</b>	Fidelity Balanced Fund Fidelity Puritan Fund
<b>Domestic Equity</b>	<i>Large Value:</i> Fidelity Equity-Income Fund <i>Large Blend:</i> Fidelity Fund Fidelity Growth & Income Portfolio Fidelity Magellan Fund Spartan U.S. Equity Index Fund <i>Large Growth:</i> Fidelity Capital Appreciation Fund Fidelity Growth Company Fund Fidelity Independence Fund <i>Mid Value:</i> Fidelity Value Fund <i>Mid Growth:</i> Fidelity Mid-Cap Stock Fund <i>Small Blend:</i> Fidelity Small Cap Stock Fund
<b>International/Global Equity</b>	Fidelity Diversified International Fund Fidelity International Small Cap Fund
<b>Lifecycle Funds</b>	Fidelity Freedom Income Fund Fidelity Freedom Funds 2000-2050

Deleted: G:\BENEFITS\Pension\SRP  
Q&A.DOC

## 7. May I take a loan from the Plan?

Within certain legal limits you may borrow from your own contributions and the investment earnings on your contributions. Loans must be repaid within a 5-year period, or within 10 years if made for home purchase.

With TIAA-CREF funds, loans are available from the RA and GSRA contract, but not from the SRA contract. SRA assets may be transferred to the GSRA contract to take a loan. Assets may also have to be transferred within TIAA-CREF investment funds to take a loan.

Consultants from TIAA-CREF or Fidelity can help you calculate the maximum loan available to you. To reach the TIAA-CREF Counseling Center, call 800-842-2776 from 8am-11:00 pm on weekdays and 9am-6 pm on weekends. To reach the Fidelity Retirement Services Center, call 800-343-0860 from 8am-12am on weekdays.

## 8. When may I withdraw funds from the Plan while I am still employed? \*

The purpose of a 403(b) retirement program is to save for retirement. The IRS recognizes this by giving tax advantages to employees. There are limited situations in which you are permitted to withdraw contributions before retirement. Withdrawals from the Plan are taxed in the year received, and, if you are under age 59 ½, there may be an additional 10% excise tax.

You may take a withdrawal of your own contributions for financial hardship, but may not take a withdrawal of University contributions or any investment earnings in your employee and University accounts. Hardship is defined as expenses incurred or necessary for medical care by you, your spouse or dependents; purchase (excluding mortgage payments) of a principal home; payment of tuition for the next 12 months of post-secondary education for you, your spouse, children or dependents; payments to prevent eviction or foreclosure from a principal residence; funeral or burial expenses for your deceased parent, spouse, children or dependents and payment to repair damage to your principal residence that would qualify for casualty loss deduction. Before you are eligible for a hardship withdrawal, you must first take a loan (as described in the above section) and then if additional funds are needed for the hardship situation, you may apply for a hardship withdrawal.

If you take a withdrawal for financial hardship, all contributions will be suspended for six months, commencing with the pay period after the withdrawal is approved.

After you reach age 59 ½, you may withdraw all or a portion of your contributions, University contributions and investment earnings in your account.

You may withdraw at any time contributions that you have rolled over from a former employer's plan to the Suffolk Plan.

Withdrawals will be taxed to you in the year received, and there may be an additional 10% excise tax if you are under age 59 ½.

\*There are also withdrawal restrictions that apply to certain of the TIAA-CREF investment products (see question 10).

Deleted: G:\BENEFITS\Pension\SRP  
Q&A.DOC

**9. When may I withdraw funds from the Plan when I terminate or retire? \***

When you terminate or retire, you may take your distribution immediately in a cash withdrawal, periodic payments or an annuity. Your distribution will be taxed to you in the year received, and there may be an additional 10% excise tax if you are under age 59 ½.

You may also choose to leave your funds in the Plan or to roll over your funds to an IRA or to your new employer’s retirement plan (if that plan permits rollovers).

\*There are also withdrawal restrictions that apply to certain of the TIAA-CREF investment products (see question 10).

**10. What are the restrictions on withdrawals and distributions that apply to certain funds?**

There are restrictions on some of the investment funds that may apply to your withdrawal or distribution from the Plan:

- Amounts withdrawn from TIAA Real Estate Account, all CREF accounts, Fidelity funds and Lincoln Life funds may be made in a lump sum.
- Amounts withdrawn from the RA contract under the TIAA Traditional Annuity will be paid out over a 10-year period, with 10% of the amount withdrawn payable immediately. (There is no similar restriction for the SRA and GSRA contracts with investments in the Traditional Annuity.)

**11. Where can I go for additional information about the Standard Retirement Plan?**

The Summary Plan Description available from Human Resources will explain in more detail your benefits and rights under the Plan.

You can contact the Investment Companies to obtain detailed information about the investments offered in the Plan, as well as general investment information and tools to use in selecting your investments.

TIAA-CREF                    800-842-2776  
Website: [www.tiaa-cref.org](http://www.tiaa-cref.org)

Fidelity Investments        800-343-0860  
Website: <http://www.fidelity.com/atwork>

Deleted: G:\BENEFITS\Pension\SRP Q&A.DOC