



Retirement Redesign Decision Guide

SPRING 2018

Background

- In 2009, the IRS imposed new requirements on 403(b) plans.
- The new rules required elaborate coordination among a plan's various service providers to ensure the plan's compliance with the rules.
- In reaction, colleges and universities have reduced the number of retirement service providers who administer their plans.

Ongoing Trend in Higher Education

Stanford
University



VANDERBILT
UNIVERSITY

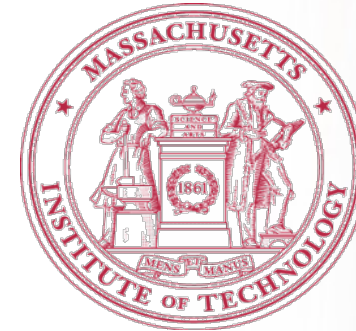
Yale



Northwestern
University



PRINCETON
UNIVERSITY



EMORY
UNIVERSITY



UNIVERSITY OF
NOTRE DAME

What is changing?

Fidelity – Primary Recordkeeper

- January 2019 - **Fidelity** will become **the primary recordkeeper** for retirement services, investments, enrollment, and changes to your contribution amount.
- Starting May 21, 2018 - A new investment lineup will be available along with a self-directed brokerage account at Fidelity (BrokerageLink®)

Vanguard

- Eliminated as a recordkeeper; however, many Vanguard funds will be available in the new investment lineup at Fidelity.
- **All balances** at Vanguard will transfer to Fidelity.
- **Contributions** will be redirected to Fidelity.

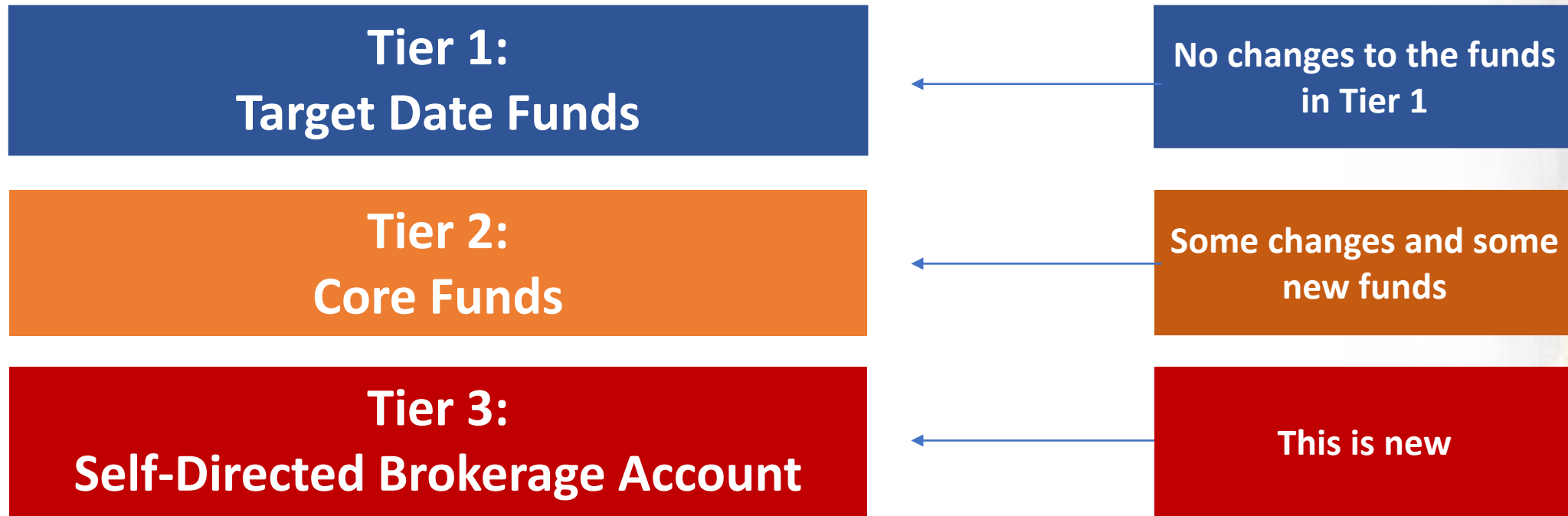
TIAA

- **Annuity products** will be frozen at TIAA to all new contributions except for the TIAA Traditional Fixed Annuity fund, which will continue to be available under a different contract. TIAA will continue to administer frozen annuity products and the TIAA Traditional Fixed Annuity fund.
- **Mutual fund balances** at TIAA will transfer to Fidelity.
- **Contributions** will be redirected to Fidelity.

VALIC

- **Annuity accounts** at VALIC will be frozen to all new contributions. VALIC will continue to administer frozen annuity products.
- **Mutual fund balances** at VALIC will transfer to Fidelity.
- **Contributions** will be redirected to Fidelity.
- **VALIC Fixed Annuity Option** available on the Fidelity platform.

Tiered Investment Lineup – May 21



- You have a copy of the investment lineup in your Decision Guide
- This is also available online hr.duke.edu/retirementredesign

Tier 1: Vanguard Target Date Funds at Fidelity

Consists of funds that contain a mix of stocks, bonds, and short-term instruments that is more aggressive when a participant is younger and more conservative as you approach retirement.

Tier 1: Target Date Funds

Asset Class	Fund
Target-Date Retirement	Vanguard Instl Trgt Retire Inc Instl
Target-Date 2015	Vanguard Instl Trgt Retire 2015 Instl
Target-Date 2020	Vanguard Instl Trgt Retire 2020 Instl
Target-Date 2025	Vanguard Instl Trgt Retire 2025 Instl
Target-Date 2030	Vanguard Instl Trgt Retire 2030 Instl
Target-Date 2035	Vanguard Instl Trgt Retire 2035 Instl
Target-Date 2040	Vanguard Instl Trgt Retire 2040 Instl
Target-Date 2045	Vanguard Instl Trgt Retire 2045 Instl
Target-Date 2050	Vanguard Instl Trgt Retire 2050 Instl
Target-Date 2055	Vanguard Instl Trgt Retire 2055 Instl
Target-Date 2060	Vanguard Instl Trgt Retire 2060 Instl
Target-Date 2065	Vanguard Instl Trgt Retire 2065 Instl

No changes
to current
offering

These funds are monitored by Duke's Investment Advisory Committee

Tier 2: Core Funds at Fidelity

Consists of funds from the primary asset classes (stocks, bonds, and short-term instruments) for a diversified portfolio.

Asset Class	Fund
Money Market	Vanguard Federal Money Market Investor
Stable Value	TIAA Traditional Fixed Annuity
	VALIC Fixed Interest Option
Intermediate-Term Bond	Vanguard Total Bond Market Index I
	Metropolitan West Total Return Bd Plan
Multisector Bond	PIMCO Income Instl
Large Value	MFS® Value R6
	Vanguard Equity-Income Adm
Large Blend	Vanguard Institutional Index Instl Pl
	Vanguard FTSE Social Index Inv
Large Growth	Vanguard PRIMECAP Adm
	Fidelity® Contrafund® K6
	T. Rowe Price Growth Stock I
Mid-Cap Value	American Century Mid Cap Value R6
	MFS® Mid Cap Value R6

Asset Class	Fund
Mid-Cap Blend	Vanguard Extended Market Index Instl
	Fidelity® Low-Priced Stock K6
Mid-Cap Growth	MassMutual Select Mid Cap Growth I
Foreign Large Blend	Vanguard Total Intl Stock Index I
	American Funds Europacific Growth R6
Foreign Large Growth	Vanguard International Growth Adm
Foreign Small/Mid Blend	Fidelity® International Small Cap
	Goldman Sachs Small Cap Value R6
Small Value	Fidelity® Small Cap Value
	Janus Henderson Triton N
Small Growth	Fidelity® Small Cap Growth K6
	Vanguard Emerging Mkts Stock Idx Instl
Diversified Emerging Mkts	
Real Estate	Vanguard REIT Index Institutional

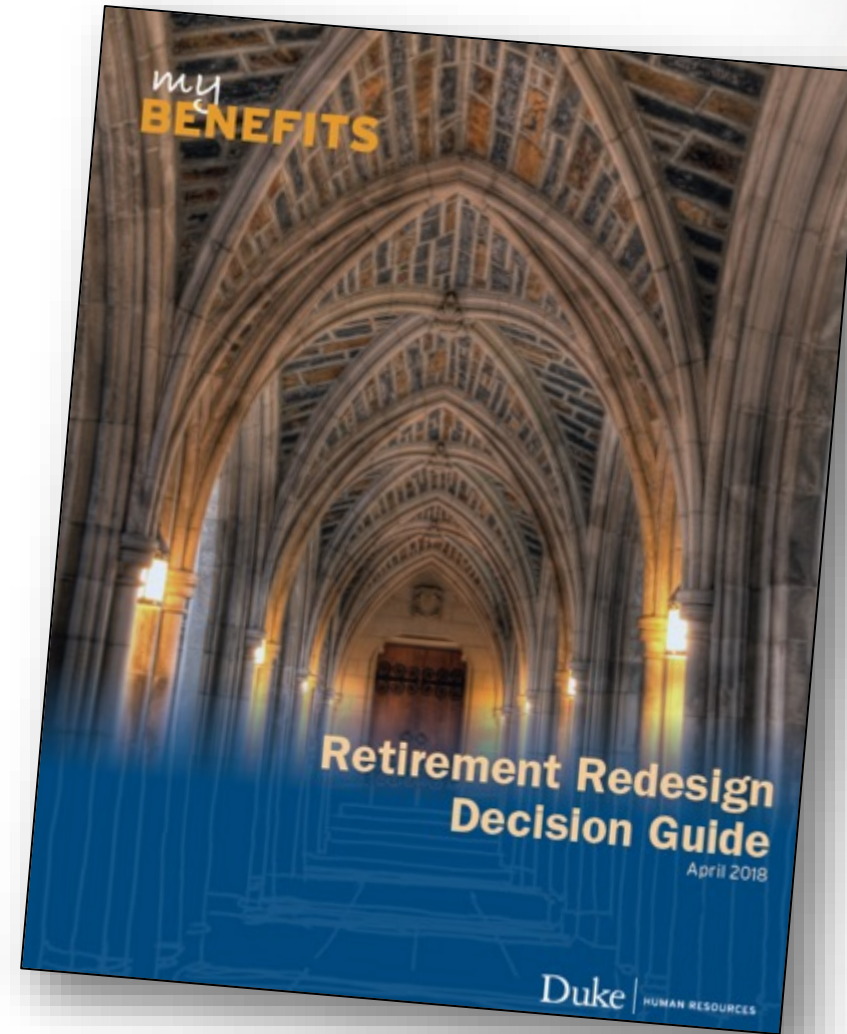
These funds will be monitored by Duke's Investment Advisory Committee

Tier 3: Self-Directed Brokerage Account at Fidelity

- Fidelity's BrokerageLink[®], a self-directed brokerage account, gives you access to additional investment choices for your retirement savings beyond the target date funds and core funds available in the Duke Retirement Plan.
- Approximately 11,000 mutual funds available.
- Please be aware that additional fees may apply.
- **NOTE: these funds will not be monitored by Duke's Investment Advisory Committee**

Decision Guide

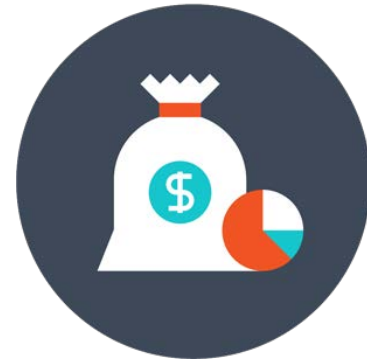
- Mailed on April 20th to all eligible employees and participants
- Guide includes:
 - Details about plan changes
 - New Investment Lineup
 - Options for your existing account balances and future contributions
 - Mapping strategy per vendor
 - How to get help



What do you need to do?



- Identify where your current balances will be mapped
- Make changes before the end of the year



Decide what to do with your future contributions

PAYROLL DEDUCTIONS & INVESTMENT ELECTIONS



Designation on file with TIAA, VALIC and Vanguard will not transfer to your Fidelity account



Contact Fidelity at 800-823-0172

Your options for Current Balances

Option #1: Current balances will map to Fidelity in January

	Asset Class	Current Investment		Asset Class	Fidelity Platform
Mapping to Same Fund					
SAME	Target Date	Vanguard Instl Trgt Retire 2040	▶	Target Date	Vanguard Instl Trgt Retire 2040
	Small Growth	Janus Henderson Triton Fund	▶	Small Growth	Janus Henderson Triton Fund
Mapping to Similar Fund					
SIMILAR	Bonds	Emerging Markets Bond Fund	▶	Bonds	Metropolitan West Total Return
Mapping to a Default Fund					
DEFAULT	Technology	Fidelity® Select Electronics Portfolio	▶	Target Date	Age appropriate Vanguard Institutional Target Retirement Fund

Your options for Current Balances (Cont.)

Option #2: Move current account balance to Fidelity and invest in the new investment lineup before January

- Contact Fidelity at 800-823-0172 for instructions and the necessary paperwork for a plan-to-plan transfer.
- Plan-to-plan transfer - *Liquidating* from one vendor and *repurchasing* funds at Fidelity.
 - No taxes or penalties for this type of transfer
 - Transaction takes at least 7 business days
- If you already have a Fidelity account (and are using funds not in the new investment lineup), you may move your current investments to the new investment lineup.

Remember to also change your payroll deduction to redirect future contributions to Fidelity.

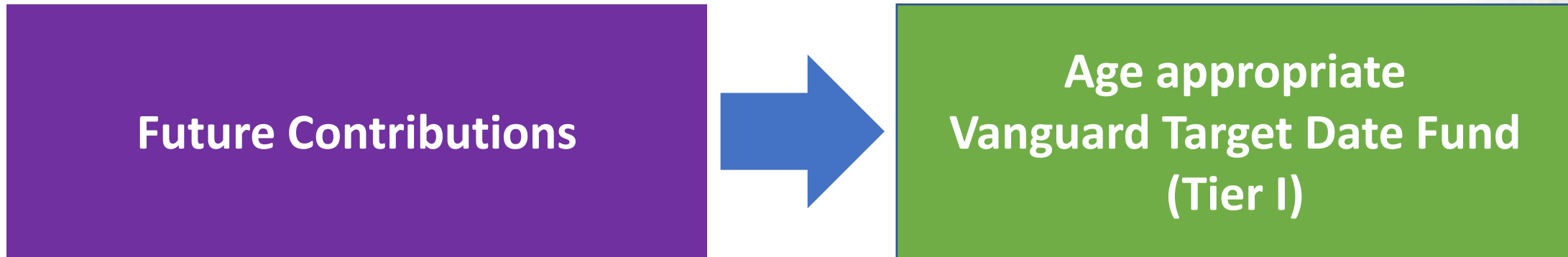
Your options for Current Balances (Cont.)

Option #3: Open a Self-Directed Brokerage Account

- Funds that are not in the new investment lineup may be available in the new self-directed brokerage option (SDBA).
- **Contact Fidelity at 1-800-823-0172 or visit [Fidelity.com/duke](https://www.fidelity.com/duke) for more information about SDBA transfers.**

Your options for Future Contributions

If you do not select investments from the new investment lineup, payroll deductions and Duke's contributions will be automatically directed to Fidelity and invested in the age appropriate Vanguard Target Date Fund in January 2019.



Your options for Future Contributions (Cont.)

If you are a Fidelity participant,

- Select investments from the new investment lineup at Fidelity (fidelity.com/duke)

For non-Fidelity participants,

- **Step 1 - Redirect contributions to Fidelity** - Change your payroll deduction through Retirement Manager (hr.duke.edu/retirementmanager)
- **Step 2 –Select investments from the new investment lineup at Fidelity** (fidelity.com/duke)

Your elections in the new investment lineup will be effective immediately

Fidelity is here to help you

- Speak with a Fidelity representative at **800-823-0172** to get help and advice on investing.
- Local on-site help when you need it – flexible appointment times **fidelity.com/reserve** or call **800-823-0172**.
- Access your account anytime at **fidelity.com/duke**



Your Duke Retirement Plan at Fidelity

If you are logging in for the first time, you will need to "Register" first

- Register at Fidelity.com/duke
- Select from the new investment lineup
- Designate/update your beneficiaries

Username ? Password ? Log in Remember Me **Register** | Need Help? | Security Notice

Duke | HUMAN RESOURCES

Home Get Started Plans & Investments Tools & Resources Contact Us

Need to *Step Up* your retirement planning?
Select your location for next steps

I'm Just Starting I'm Already Enrolled I'm Nearing Retirement

First Step
Take advantage of your employer offered retirement savings plan [Go](#)

Learn More
Explore the options of your workplace retirement savings plan [Go](#)

Enroll Today
The earlier you start saving, the more time your money has to grow [Go](#)

More Information

- Visit dedicated transition website at hr.duke.edu/retirementredesign
- Call Fidelity at 800-823-0172 or visit Fidelity's website at Fidelity.com/duke
- Set up a one-on-one session with your retirement plan provider hr.duke.edu/carrier

