Dear Colleague,

The University of St. Thomas retirement program provides an important benefit to help you plan for your financial future. We continually look for ways to improve the program, and we’re excited to share details about upcoming enhancements.

The Retirement Investment Committee recently reviewed the investments and administration of our plans, with the assistance of a leading independent investment consulting firm specializing in nonprofit retirement plans. As a result of this research and feedback we have received from participants, we have identified several ways to improve the benefits you receive and how you plan for retirement.

In addition, recent regulatory changes require that universities must take on fiduciary responsibility of the retirement plan in order to maintain the 403(b) plans’ tax-qualified status. This means that St. Thomas must:

- Regularly assess effectiveness of our record keeper(s)
- Review the investments options offered
- Monitor the expenses charged participants
- Continue to act in the best interest of the plan’s participants and their beneficiaries

That’s why, beginning on April 1, 2015, the University of St. Thomas will move all new retirement contributions to both a single plan and a single recordkeeper for our retirement program: Transamerica Retirement Solutions. This is a change from our current program with two separate plans and two recordkeepers (Fidelity and TIAA-CREF).

Key Changes and Benefits to You

<table>
<thead>
<tr>
<th>Key Changes</th>
<th>How you will benefit</th>
</tr>
</thead>
<tbody>
<tr>
<td>Migration to a single set of investment options,</td>
<td>Careful research has been done to ensure that the funds being offered represent a wide variety of fund families,</td>
</tr>
<tr>
<td>which have been independently selected and are</td>
<td>investment styles and have a record of strong performance. Whether you are new to investing and want a one-step approach or</td>
</tr>
<tr>
<td>designed to be a best-in-class fund lineup.</td>
<td>are an experienced investor and want to manage your own investment mix, a solution will be available to you.</td>
</tr>
<tr>
<td></td>
<td>In addition, if you choose to be more actively involved in constructing your portfolio, you can have access to thousands</td>
</tr>
<tr>
<td></td>
<td>of mutual fund options via a self-directed brokerage window through Charles Schwab for maximum choice and flexibility in</td>
</tr>
<tr>
<td></td>
<td>constructing your portfolio.</td>
</tr>
<tr>
<td></td>
<td>Finally, the Retirement Committee, with assistance from its independent advisors, will oversee the investment options</td>
</tr>
<tr>
<td></td>
<td>going forward helping to ensure that they remain best-in-class.</td>
</tr>
<tr>
<td>Reduced fees for administrative services that</td>
<td>Moving to a single administrator and single plan has provided the University with strengthened bargaining power resulting in</td>
</tr>
<tr>
<td>are paid by participant accounts.</td>
<td>approximately a 50% administrative fee reduction for participants.</td>
</tr>
<tr>
<td>Access to a user friendly website with practical,</td>
<td>The new website will allow you to view and aggregate all retirement plan assets – even those outside of our retirement plan</td>
</tr>
<tr>
<td>interactive saving and investing resources.</td>
<td>– to help you make decisions with confidence and provide the simplicity of a single point of contact.</td>
</tr>
<tr>
<td>Flexibility to take emergency hardship</td>
<td>Increased flexibility for those wishing to draw their retirement funds while still working for the University.</td>
</tr>
<tr>
<td>withdrawals and In-service distributions at age 59½.</td>
<td></td>
</tr>
</tbody>
</table>
These changes are consistent with the emerging trend in higher education of moving to a single provider—Universities like Southern Methodist University, Loyola University of Chicago, and Loyola Marymount University and many others who have consolidated their plans with Transamerica.

**Why Transamerica?**
When the University decided to move to one recordkeeper, the Retirement Investment Committee thoroughly reviewed many national recordkeepers (including Fidelity and TIAA-CREF). The Committee unanimously recommended Transamerica because they offer:

- **No conflicts of interest** – Transamerica offers recordkeeping and comprehensive education services only—eliminating potential conflicts that may arise with a recordkeeper offering their own investment funds.
- **Complete flexibility and transparency** – Transamerica’s open architecture platform offers access to a much wider variety of funds from which the new investment lineup was designed. Fee disclosure is also more simple and understandable.
- **Experience** – Transamerica is a leading provider of retirement plan educational and administrative services to higher education institutions with a proven track record of transitioning over 70 plans from Fidelity and TIAA-CREF.
- **Comprehensive tools and services** – Transamerica provides an overall retirement planning philosophy dedicated to making sure you know how to plan for the retirement you’ve always wanted—Taking the guesswork out of retirement planning. Whether you need help saving more or need assistance with establishing and monitoring your retirement goal—Transamerica can help you get there.

Transamerica has spent the last 75 years working exclusively with retirement plans. Their focus is on making sure you know where you are at all times on the road to retirement while also helping employers like us streamline plan administration for your benefit.

**A Consolidated Retirement Plan**
Today, the University maintains two retirement plans—The University of St. Thomas Voluntary Retirement Plan that contains contributions made by the employees and The University of St. Thomas Retirement Plan that contains any contributions made to eligible employees by the University. With the move to Transamerica, the two plans will be combined and all ongoing contributions made by you and any made by the University will be deposited into one plan—The University of St. Thomas Retirement Plan. If you were previously a participant in both plans, this will make it easier to review all of your contributions under a single plan and understand how your contributions and those you may receive from the University build toward your total retirement savings goals.

**Your new Transamerica account**
A new account will be set up for you at Transamerica. All new contributions you make to the plan (and those made by the University) will be invested in this account using a new fund lineup. You’ll receive complete details about the move to Transamerica, including the new fund lineup and how you can ensure your new account is set up properly before April 1.

**Your existing balances at Fidelity and TIAA-CREF**
You can keep your existing account at Fidelity and TIAA-CREF or transfer the assets to the new fund line up with Transamerica—the choice is yours. All new money will be invested in the new investment lineup. If you’re interested in transferring your existing balance to the new investment options, more information will be provided in upcoming communications and one-on-meetings.

**Benefits of consolidating your accounts**
There may be several benefits to consolidating your accounts at Transamerica, including:

- It may be easier to understand how much you’ve saved so far (and how much more you need to save to prepare for your desired retirement).
Your entire account is invested in the flexible investment options that have been carefully selected and monitored by the Retirement Investment Committee and our independent advisors.

You will have only one website to visit, one contact center to call, and one statement to check.

If you are not sure about consolidating or have questions Transamerica can help. Representatives will be on campus in March to answer your questions and help you with the necessary paperwork if you decide to consolidate. If you do not move your assets at this time, you can always do so later.

More information is coming
We are committed to keeping you informed throughout this transition. In the coming weeks, The University and Transamerica will communicate the details including what you do (and don’t) need to do, your new fund lineup, and how and when to access your new Transamerica account. Be on the lookout for additional written materials that will tell you everything you need to know.

We want to provide you with multiple opportunities to learn about the change. You will receive updates as we go through the transition process. Here’s what to expect:

- **A new retirement plan website** with communications, frequently asked questions, and information about the new fund lineup, and how to schedule a one-on-one appointment.
- **Legal notices** about the transition, including investment options and fees.
- **Your transition newsletter** with complete details about how the transition works and what you need to do. Detailed information on upcoming plan enhancements that will offer additional flexibility.
- **Group and one-on-one meetings with Transamerica** in March, where you will have an opportunity to learn more about Transamerica and how the move will benefit you. You will also have the opportunity to meet with a representative who will help you review your new account and answer any questions you may have. You will receive more details soon about how to schedule an appointment.

Where to go with questions
You may contact Fidelity or TIAA-CREF for any questions regarding your existing accounts. For questions about the transition, please carefully review the upcoming materials, attend a group meeting, and schedule a one-on-one appointment with Transamerica.

This transition is a perfect time to re-examine your current saving and investing strategy and make sure you are taking full advantage of the benefits offered to you under the plan. We appreciate your attention and want to assure you that this change has been designed with the best intentions for you.

Thank you,

Michelle Thom
Associate Vice President of Human Resources