

11/3/21

Re: Drexel University Online 401(k) Plan Termination

As you are currently a participant in the **Drexel University Online 401(k) Plan** (the "401(k) plan"), we are notifying you of a change that affects the 401(k) plan and your account in the 401(k) plan.

Effective December 31, 2020, Drexel University Online made the decision to terminate the 401(k) plan. This means that you will need to decide how you would like your account under the 401(k) plan to be distributed to you. In addition, the 401(k) plan will no longer allow for loans or the rolling over of assets into the 401(k) plan. Despite the termination of the 401(k) plan, it is important that you continue to invest your savings effectively to maximize your retirement benefits. You have several distribution options available for your retirement account balances.

Your distribution options:

1. Maintain your individual annuity contract outside of the Plan

- You may decide to continue to maintain your contract as an individually-owned annuity. After the termination of the plan, the contract will no longer be maintained under the **Drexel University Online 401K Plan**. You currently own your annuity contract and would have received a certificate reflecting your individual ownership upon enrollment in the plan. If you cannot locate this certificate, please call TIAA at the number below to receive another copy. You can continue to own your contract and have it maintained and serviced by TIAA. Your TIAA account will continue its tax-deferred status and you may still transfer between investment accounts within your annuity. No additional contributions may be made to this contract that will no longer be part of the plan. No election or action on your part is required if you desire this option.

2. Roll over your Plan assets

- Funds invested in your plan account may be rolled over into: the Drexel University Defined Contribution Retirement Plan - DCRP (403b plan) if you are eligible to participate in this plan; another employer's eligible plan that accepts rollovers; or an IRA. This transaction is not a taxable event; a rollover continues the tax-deferred status of your retirement funds.
 - To move your savings to a TIAA rollover IRA, contact TIAA at the number listed below.
 - To move your funds to another rollover IRA, the DCRP, or another employer's plan, contact TIAA at the number listed below.

3. Take a full or partial distribution of your Plan account

- You have the option to take a distribution of your plan account in any of the distribution options available under the terms of the plan and funding vehicles. You may elect a full lump sum, partial withdrawal, installment payments or an annuity option. If you elect a partial withdrawal or installment payments, the remainder of your account will be treated as described in Option 1 above. If you would like to take a distribution of your account, contact TIAA at the number listed below.

Note: TIAA participants are subject to certain limitations on distributions from the TIAA Traditional account held under the TIAA group retirement annuity contract. These TIAA Traditional balances are subject to limitations on lump sum withdrawals. A Transfer Payout Annuity is available for a withdrawal from TIAA Traditional. Please call TIAA as detailed below to discuss your options.

Distributions from your retirement accounts will be taxed as ordinary income. In addition, if you withdraw money before the age of 59½, you may be subject to an additional 10% early distribution tax penalty. If you are married,

depending on the election you make, you may also need to obtain your spouse's notarized consent to the distribution. We also suggest that you consult your tax advisor before making your distribution election.

What if I have an outstanding collateral-style retirement loan with TIAA?

- For participants with collateral-style retirement loans, TIAA will honor your existing loan as-is. You will continue to make your repayments as scheduled. The collateral amount of 110% of the outstanding loan balance will remain in your TIAA contract as it does today and will not be eligible for distribution until the loan is paid in full. New loans are no longer available.

To repay loan balances, visit TIAA.org or call 800-842-2252.

* For questions about tax implications, please contact a licensed tax professional.

When must I take action?

Any of the above actions may be taken on or after **November 3, 2021 and no later than December 14, 2021**. If you take no action by December 15, 2021, your vested balance will be treated as detailed in Option One above.

What if I have other standing Systematic Transactions?

For Plans with Annuity Only Menus:

Participants that have a Minimum Distribution Option (MDO)/Recurring Required Minimum Distribution (RRMD); Transfer Payout Annuity (TPA); Interest Only payment option (IPRO); Systematic Withdrawal and Transfer (SWAT) or Account Rebalancing feature on their contract, these existing features will continue with their payment options as originally scheduled.

How to receive more information and make your distribution election(s):

As you begin to reevaluate your retirement planning strategy, be assured that TIAA remains committed to helping you prepare for your financial goals. To help you better understand your distribution options under the 401(k) Plan, to learn more about next steps and make distribution elections, we invite you to contact TIAA:

TIAA:

- Visit TIAA: www.TIAA.org
- Call TIAA: **800 842-2252**, Monday to Friday, 8:00 a.m. to 10:00 p.m. ET
- To schedule a one-on-one counseling session- virtual or in-person, please call 800 732-8353, Monday to Friday, 8:00 a.m. to 10:00 p.m. ET

If you have any questions, please contact TIAA at the number above.