



December 2013

TO: University of Nebraska employees participating in TIAA-CREF and/or Fidelity retirement plans

FROM: Keith Dietze, Director of Universitywide Benefits

RE: Plan Servicing Credit on your 401(a), 403(b) and 457(b) retirement savings accounts

We are pleased to announce that the University of Nebraska has negotiated a plan servicing credit from our retirement plan partners, both TIAA-CREF and Fidelity, for the university's 401(a), 403(b) and 457(b) retirement savings plans. This nominal credit represents a return of fees to participants by TIAA-CREF and Fidelity that were above what was needed to cover their administrative and record-keeping expenses. The credits could either be kept by the plan for administrative costs or could be returned to participants. The University has elected to return these amounts to participants. The credit will be allocated based on your account balance in the plan(s) and applied proportionally across the investment options in your account(s).

The credit will appear on your quarterly statement as a "revenue credit" some time prior to March 31, 2014. If you have questions about the credit or your retirement plan, please contact your Campus Benefits Office or our retirement plan partners:

Fidelity Investments: 1-800 343-0860  
TIAA-CREF: 1-800 842-2252

Attached you will find some questions and answers regarding this credit.

## Frequently Asked Questions Participant Revenue Credit

**1. What is revenue credit?**

Revenue credit represents your share of a plan servicing credit negotiated by the University. Oversimplifying, it is a refund that will be returned to you and placed in your account(s).

**2. Why is this credit available?**

This credit represents a return of fees that were above what was needed by TIAA-CREF and Fidelity to cover plan expenses.

**3. How will the credit be invested in my account?**

It will be applied proportionately across the investment options in your account.

**4. What rules govern distribution and taxation of these amounts?**

The rules governing distributions and taxation will be determined based on the source into which the revenue credit is deposited.

**5. Does this affect my annual contribution limit?**

The credit will not impact your annual contribution limit.

**6. How is my revenue credit calculated?**

Fidelity and TIAA-CREF, as the record keepers, allocate the total amount of credit available to eligible plan participants in proportion to the size of each participant's account balance (excluding outstanding loan balances) immediately prior to the timing of the allocation.

**7. Is this a one-time credit?**

Although it is anticipated the credit will be provided each year, each year is dependent on the fees needed by TIAA-CREF and Fidelity to cover plan expenses.

**8. Who is eligible for the revenue credit?**

Any participant in the plan with a balance.

**9. Where can I find revenue credit on my quarterly plan statement?**

It will be included as "Revenue Credit" or "Plan Servicing Credit" in your statement.

**10. Will revenue credit allocated to my account be reported to the IRS?**

No. The IRS does not require any reporting when revenue credits are allocated to your account.