BASIC RETIREMENT 401(a) PLAN

The University of Nebraska provides employees a retirement plan for the purpose of accumulating lifetime retirement income through participation in the Basic Retirement 401(a) Plan.

Eligibility

Mandatory Participation

- Employees age 30, who are employed in a regular budgeted position, and who have completed two years of service and possess an employment status equal to one-half full-time equivalency (.5 FTE) or greater are required to participate. Certain positions may be excluded from participation.

Voluntary Participation

- Employees ages 26-29, who are employed in a regular budgeted position, and who have completed two years of service and possess an employment status equal to one-half full-time equivalency (.5 FTE) or greater may participate voluntarily. Certain positions may be excluded from participation.
- Employees declining voluntary participation when initially offered may not participate until the mandatory participation requirements are satisfied.

Employees who satisfy the eligibility requirements for participation except for the two-year service provision may enroll if they can prove qualifying service with a prior employer whose primary purpose or activity provided a formalized program of education.

Effective Date of Participation

Mandatory Participation

- Participation is effective the first of the month coincident with or following satisfaction of the eligibility requirements.

Voluntary Participation

- Participation is effective the first of the month coincident with or following satisfaction of the eligibility requirements.
- Participation for employees who decline voluntary participation is effective the first of the month coincident with or following satisfaction of the mandatory participation eligibility requirements.

Contributions to the Plan

Both the employee and the university contribute to the Basic Retirement 401(a) Plan based on a percentage of the employee's salary. All employee contributions are withheld on a tax-deferred basis, thus reducing federal and state income tax. The employee may choose between two levels of participation:

<table>
<thead>
<tr>
<th>Employee Contribution</th>
<th>University Contribution</th>
<th>Total</th>
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<table>
<thead>
<tr>
<th>Tier 1</th>
<th>3.5%</th>
<th>6.5%</th>
<th>10.0%</th>
</tr>
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<tbody>
<tr>
<td>Tier 2</td>
<td>5.5%</td>
<td>8.0%</td>
<td>13.5%</td>
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</table>

Employees initially electing Tier 1 may, at a later date, change to Tier 2 effective each July 1st (election form must be submitted by June 1st). No change will be permitted from Tier 2 to Tier 1.

**Vesting**

All contributions, including those made by the university, are vested immediately upon participation.

**Contribution Allocation**

Employees may allocate Basic Retirement 401(a) Plan contributions among or between TIAA-CREF and Fidelity Investments in any whole-number percentage, including full allocation to any option. Once participation begins, allocation changes of future premiums may be made at any time by contacting the respective investment company.

**Investment Alternatives**

Participants may invest contributions with TIAA-CREF or Fidelity Investments. Both retirement plan investment companies are committed to offering a wide range of investment options while providing the educational resources to help plan for a successful retirement.

Participants may invest retirement plan contributions among the following categories.

- Money Market
- Bonds (Fixed Income)
- Stocks (Equities)
- Guaranteed Annuity
- Lifecycle Funds

More detailed information is available from TIAA-CREF and Fidelity Investments.

**Transfer of Funds**

Basic Retirement 401(a) Plan funds may be transferred among or between TIAA-CREF and Fidelity Investments at any time. Certain conditions apply when transferring money from TIAA.

**Rollover of Funds to the University’s Basic Retirement 401(a) Plan**

Employees may not rollover retirement plan funds from another retirement plan to the university's Basic Retirement 401(a) Plan. This includes rollovers from a previous employer's plan, personal IRA, self-employed retirement plan, etc. or any other retirement plan such as a qualified Defined Benefit plan, qualified Defined Contribution plan, 401(a), 403(b), 401(k), SEP, or Governmental 457 pension plan.
Basic Retirement 401(a) Loan

Participants may borrow Basic Retirement 401(a) Plan funds via a loan from TIAA-CREF or Fidelity Investments. Loans will be authorized only for the eviction and foreclosure of a primary residence. An employee may have only one Basic Retirement 401(a) Plan loan at a time.

An employee may borrow an amount based on his or her combined TIAA-CREF and/or Fidelity Basic Retirement 401(a) Plan account balance (includes both employee and employer funds and earnings), limited to the amount of employee funds and earnings. Existing Basic Retirement 401(a), Supplemental Retirement 403(b) or UNMC Physicians Plan loan amounts are subtracted from the amount the employee is eligible to borrow (based on participant’s highest outstanding loan balance during the preceding 12 months). Loans may not exceed $50,000 and must be at least $1,000.

To request a loan, employees should submit the Basic Retirement 401(a) Plan Loan Application (located on the benefits webpage) and documentation to support the loan request (eviction or foreclosure notice) to his or her Campus Benefits Office. Once all the necessary forms and documentation has been submitted, University of Nebraska Central Administration will consider the loan for approval. Once the loan has been authorized by University of Nebraska Central Administration, the employee will be notified. At that time, the employee should contact TIAA-CREF or Fidelity Investments via web access or telephone to initiate the loan from the retirement plan company.

<table>
<thead>
<tr>
<th>Vendor</th>
<th>Web Access</th>
<th>Telephone</th>
</tr>
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<tbody>
<tr>
<td>TIAA-CREF</td>
<td><a href="http://www.tiaa-cref.org">www.tiaa-cref.org</a></td>
<td>(800) 842-2776</td>
</tr>
<tr>
<td>Fidelity</td>
<td><a href="http://www.mysavingsatwork.com">www.mysavingsatwork.com</a></td>
<td>(800) 343-0860</td>
</tr>
</tbody>
</table>

Once the vendor loan application is obtained from TIAA-CREF or Fidelity, the loan application should be submitted to University of Nebraska Central Administration for signature approval. University of Nebraska Central Administration will notify TIAA-CREF or Fidelity of the loan approval. Once all appropriate loan documentation has been submitted to University of Nebraska Central Administration, disbursement of the loan funds from the vendor will occur within 10 business days.

Access to Funds during Active Employment

As required by governing law, employees generally are not permitted to receive a distribution from University of Nebraska retirement plans including the Basic Retirement 401(a), Supplemental Retirement 403(b), and Deferred Compensation Retirement 457(b) while actively employed by the university in any full-time, part-time, temporary, oncall, etc., position. Active employees who have attained age 62 with an employment status of .50 FTE or less may access Basic Retirement 401(a) Plan accumulations. Accumulations may however, be accessed after termination of employment. Unless the distribution is rolled over to an eligible retirement plan, funds received from the retirement plans are taxable. In some cases, a 10% excise tax will be assessed. Participants should seek competent tax advice before receiving a distribution.

The university will only approve retirement plan distributions for those retired and/or separated employees where there is no expectation or pre-planned agreement of future employment by the university. To assure compliance, a separated employee who receives a retirement plan distribution may not be reemployed by the University of Nebraska in any paid position for a period of 12 months from date of separation. This includes any full time, part time, temporary, or oncall employment.

Qualified Domestic Relations Order
A Qualified Domestic Relations Order (QDRO) procedure has been established to accommodate the interests of divorcing parties. Upon receipt of a final properly worded QDRO, a separate retirement plan account will be established and maintained by TIAA-CREF and/or Fidelity Investments on behalf of the non-participant spouse (Alternate Payee). TIAA-CREF and/or Fidelity Investments should be contacted to initiate the QDRO process.

TIAA-CREF Divorce Unit, 8500 Andrew Carnegie Boulevard, Charlotte NC  28262
Fidelity https://qdro.fidelity.com

Retirement Plan Forms

- Record of Prior Service for Basic Retirement 401(a) Plan Participation
- Basic Retirement 401(a) Plan Tier Election Form
- Basic Retirement 401(a) Plan Allocation Change Form
- Basic Retirement 401(a) Plan Loan Application
- TIAA-CREF Beneficiary Form
- Fidelity Investments Beneficiary Form

Retirement Plan Contacts

- TIAA-CREF (800) 842-2776
- Fidelity Investments (800) 343-0860

Visit the TIAA-CREF Home Page
Visit the TIAA-CREF Micro Website
Visit the Fidelity Investments Home Page

January 1, 2014