

IU Tax Deferred Annuity Plan Highlights

Plan Type	Eligibility	Contributions	Vesting
<p>Defined contribution plan established in accordance with IRC Section 403(b).</p> <p>Benefits are based solely on the value of the participant's individual account.</p> <p>The Plan is a supplemental salary deferral plan. Indiana University does not make employer contributions to the Plan.</p> <p>The Plan is not subject to Title I of ERISA.</p>	<p>Academic and staff employees appointed at 50% or more FTE are eligible to participate.</p> <p>Hourly employees who normally work at least 50% full-time equivalent upon their appointment and are expected to work at least 1,000 hours or more per year, and are appointed as PERF Hourly, are eligible to participate.</p> <p>Students with non-FICA status, medical residents and interns are not eligible to participate.</p>	<p>A participant may make salary deferrals to the Plan up to the IRC limit (\$16,500).</p> <p>A participant age 50 or older may make additional salary deferrals to the Plan up to the IRC limit (\$5,500).</p> <p>Effective July 1, 2008, all new full-time employees will be automatically enrolled with opt-out rights.</p>	<p>A participant is always 100% vested in his or her Plan account.</p> <p>In the event of a participant's death, the participant's designated beneficiary will receive the total accumulated value of the participant's Plan account.</p> <p>A designated beneficiary may be a person or an entity.</p>
Investments	Plan Distributions	Forms of Distribution	Taxes
<p>A participant makes all investment decisions concerning his or her Plan account.</p> <p>TIAA-CREF and Fidelity Investments are the authorized investment companies under the Plan.</p> <p>All of the investment companies offer a wide variety of investment choices, including: stocks, bonds, and money markets.</p>	<p>Plan distributions are permitted only upon termination of employment or after attaining age 59^{1/2} while still employed with Indiana University.</p> <p>Hardship distributions are prohibited under the Plan.</p> <p>A participant must begin to receive a distribution from the Plan on or before April 1st of the year following the year in which he or she attains age 70^{1/2} or terminates employment, if later.</p>	<p>A participant may choose to receive a distribution of his or her Plan account in any one of the following forms or combination of forms:</p> <ul style="list-style-type: none"> • Single sum • Annuity • Installment • Any legally permissible form permitted by an authorized investment company 	<p>Contributions will not be included in a participant's income reported to the federal, state, or local governments for income tax purposes.</p> <p>A participant will pay employment taxes on contributions.</p> <p>Plan distributions are subject to income tax.</p>

This sheet is designed to summarize the Tax Deferred Annuity Plan being offered by Indiana University to eligible employees and is not intended to provide a detailed description of the coverage. Detailed information is available at:

www.indiana.edu/~uhrs/benefits

You may contact the UHRS Publications Coordinator at (812) 855-2985 to have a copy of this plan book mailed to you.