

WELCOME

PLAN HIGHLIGHTS

Roman Catholic Diocese of Raleigh 403(b) Retirement Plan

Your employer-sponsored retirement plan is a powerful way to save for the future. Learn more about the benefits of your plan, and get the answers to any questions you may have.

How can I contribute to my retirement plan?

You can control your contributions in the following ways:

- You can contribute up to 100% of your salary to your retirement savings, not to exceed the maximum allowed by the IRS.
- You can increase or decrease your contribution rate at any time.
- You can discontinue contributions to your retirement savings plan at any time.
- To enroll, log in to LincolnFinancial.com.
- Eligible new employees, hired on or after July 1, 2014, will automatically be enrolled in The Catholic Diocese of Raleigh 403(b) Plan automatic-deferral feature at 5% beginning on the 1st of the month following their date of hire or as soon as administratively feasible. Employees may increase, decrease, or opt out of the auto-deferral feature at any time.

Will my employer contribute to my retirement savings plan?

Your employer will contribute to your retirement savings through:

- A basic matching contribution: Your employer will match 50% of the first 5% you contribute.
- A core contribution: Each year, your employer will contribute an amount equal to 4% of your salary.
- If you are a part time or temporary employee, you are not eligible for employer matching contributions. If you are a Diocesan and religious order priest, you are not eligible for the employer core contribution.

When am I fully vested in my retirement plan?

Fully vested means you have 100% ownership of the assets in your retirement account (your plan).

- You always have 100% ownership of anything that you contribute to the plan, including any earnings and/or assets consolidated from another retirement plan.
- You always have 100% ownership of your employer's basic matching contributions, including any earnings.
- You will have 100% ownership of your employer's core contributions, including any earnings, according to the following schedule:

Less than 1 year of service	0%
1 year of service	20%
2 years of service	40%
3 years of service	60%
4 years of service	80%
5 years of service	100%

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What are my investment options?

You can choose from a wide variety of investment options to meet your retirement savings goal.

- **MAKE AN ALL-IN-ONE CHOICE** if you want one diversified portfolio managed for you.
- **MANAGE IT YOURSELF** and select your own portfolio of investments.
- **STILL UNDECIDED?** If you participate in the plan without selecting investment options, your money will be directed to the default investment alternative selected by your employer.

Can I consolidate my previous retirement plans?

You can consolidate assets from a previous retirement plan (or plans) to create an integrated savings strategy. With this option, you have the ability to:

- Manage all of your assets in one place.
- Get a single, consolidated quarterly statement.
- Access account information with a single, toll-free number or a single web sit.
- Get help and educational guidance for all of your accounts.
- Get a potentially broader array of investment choices and account types.

Contact your financial professional for assistance with consolidating other retirement assets into this retirement savings account. Remember to check with previous providers to see if any fees apply.

Can I access balances in my retirement savings account prior to retirement?

Your retirement plan will have the greatest potential to grow if you stay invested for the long term, rather than withdrawing money from it. For that reason, the IRS limits what you can do with your account prior to retirement by imposing certain penalties for early distributions. However, you do have access to your savings—and may avoid penalties—under certain circumstances.

Loans You can take a loan from available account balances to purchase a primary residence or for hardship reasons.

Withdrawals of Pre-Tax Balances You can take a qualified (penalty-free) distribution from certain pre-tax balances when you reach age 59½ or have a financial hardship, or become disabled or die. At any time, you may withdraw pre-tax contributions made prior to December 31, 1988; however, these withdrawals may not be penalty free. You will owe income tax on all distributions from your pre-tax retirement savings.

If you take a distribution prior to age 59½, you may owe an additional 10% penalty tax. Consult with your tax advisor before withdrawing any money from your account.

Withdrawals of Roth balances

If you have a Roth account, your distribution will be a qualified distribution (tax-free) if your Roth deferral or Roth rollover account has been in place for five (5) taxable years (from the year the first Roth contribution or the Roth rollover was made to the plan, whichever was first) and the distribution is made after one of the following:

- Attainment of age 59 ½
- Disability
- Death

If the distribution conditions above are not met, the earnings may be taxable and may be subject to a 10% early distribution penalty on the taxable portion of the distribution.

Consult with your tax advisor before withdrawing any money from your account. You may wish to confirm with your plan sponsor the distributions available under your plan.

Fees The mutual funds in this program contain operating expenses just like all mutual funds (please see fund prospectuses). In addition, you will be assessed an annual fee of 0.25% of assets per year to help offset the administrative costs of the plan. This fee will be prorated and deducted from your account quarterly.

How can I access my account?

You can access and manage your retirement account anytime:

LincolnFinancial.com/Retirement
800-234-3500

These highlights are a brief overview of the Roman Catholic Diocese of Raleigh 403(b) Retirement Plan and not a legally binding document. Please read these materials carefully and contact your Human Resources department if you have further questions.

For any investment option in the plan, including an option that is part of an asset allocation portfolio, you may obtain a prospectus or similar document by requesting one from your employer, visiting your plan's web site, or calling a Lincoln Financial representative at 800-234-3500.