

WELCOME

# PLAN HIGHLIGHTS

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## Texas A&M University System Optional Retirement Program

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:

- An eligible Employee elects to become a participant by choosing participation in the Optional Retirement Program in lieu of TRS and executing an agreement to reduce his or her compensation by the amount required at the time by the Texas Legislature and filing it with the administrator.

### Will my employer contribute to my retirement savings plan?

#### Your employer will contribute to your retirement savings through:

- A core contribution: Each year, your employer will contribute an amount equal to 6.58% of your salary.

### 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 will have 100% ownership of your employer's core contributions, including any earnings, following 12 cumulative months of actual participation in the plan in accordance with Chapter 25.

### 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.

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### 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 site.
- 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.

**Withdrawals of Pre-Tax Balances** You can take a qualified (penalty-free) distribution from pre-tax balances when you reach normal retirement age as determined by your employer. 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.

### 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 Texas A&M University System Optional Retirement Program 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.