



WILLIAM & MARY

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William & Mary is pleased to announce a very important update to the College of William and Mary and the Virginia Institute of Marine Science Tax Deferred Savings Plan.

William & Mary is happily committed to providing you with competitive retirement benefits. As part of this commitment, the William & Mary Retirement Plan Committee recently reviewed the retirement program, making a change to improve and enhance the Plan for their employees. Please review this letter carefully to learn more about the upcoming change and how it may affect your account. On behalf of William & Mary, Fidelity will implement the following update on or about October 30, 2020.

New Roth Option

The Committee has decided to provide an additional option that many other higher education institution plans offer. This new plan feature will be added to the Plan that allows you to contribute your own money, the *College of William and Mary and the Virginia Institute of Marine Science Tax Deferred Savings Plan*. The Optional Retirement and Cash Match Plans do not allow employee contributions.

Currently when you put money into the Tax Deferred Savings Plan, your contributions only go in before they are taxed, which makes your taxable income lower.

With this new Roth option, your contributions have the potential to accumulate tax-free. This is because, when you contribute to the Plan using the new feature, your money goes in after-tax. That means you are paying taxes now and taking home a little less in your paycheck. With this feature, you can make an election to designate all or a portion of your deferral elections as Roth contributions.

The new Roth option allows you to contribute after-tax dollars and includes the potential for tax-free earnings and tax-free distributions, provided your distribution is taken at least five years after the year of your first Roth contribution and after you have reached age 59 ½*. Importantly, no taxes will be taken out when it is time for you to use that money during retirement.

You may be wondering how to decide if the new Roth plan option is right for you or whether you are better off paying taxes now instead of later. Please watch for additional information about Roth posted to NetBenefits and the William & Mary intranet. You can also speak with a live representative using the instructions below.

For questions or help with your savings and investments, log on to Fidelity NetBenefits at netbenefits.com or have a one-on-one consultation with a Fidelity

Representative at 1-800-343-0860.

Investing involves risk, including risk of loss.

*Withdrawals of earnings prior to age 59½ are subject to ordinary income tax and a 10% penalty may apply. Earnings can be distributed tax free if distribution is no earlier than five years after contributions were first made and you meet at least one of the following conditions: age 59½ or older, or permanently disabled. Beneficiaries may receive a distribution in the event of your death.

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