**Dear Colleague Letter – January 23, 2019**

We are pleased to announce several updates to the Averett University Retirement Plan, beginning March 12, 2019. To get the most out of the retirement plan, please read this and future communications carefully.

Averett University is committed to providing you with competitive retirement benefits. Based on this commitment, we recently conducted a review of the retirement plan. The resulting updates are intended to give you the investment options, services and tools you need to pursue your retirement savings goals.

**Most aspects of the plan will stay the same**

Please note the basic design of the retirement plan will not change. Contribution rates, eligibility and vesting requirements remain the same.

**What you need to know**

       **Introducing new investment options**. The new investments, carefully selected by SageView advisors for Averett University and for its employees, may give you the ability to create a diversified retirement portfolio.

       **Increased transparency on fees.** A new fee structure will make it easier to see the cost of each investment option, as well as fees paid for plan administration.

       **You can receive personalized advice on the plan’s investment options from a Millennium Advisory Services financial advisor or a TIAA financial consultant.** Millennium Advisory Services has been selected to provide financial planning, investment advice services and information to plan participants about the upcoming changes to all plan participants through group and private meetings on campus, virtual meetings, and by phone. TIAA offers investment advice online, by phone, and through advice sessions with a TIAA financial consultant at a TIAA branch office.1

       **Update to the TIAA Brokerage option.** The percent of your total plan assets that can be held in the brokerage account will now be 60%***. Please note: Averett University does not monitor the performance of the funds in your personal brokerage account, and neither Millennium Advisory Services nor TIAA offer investment advice for brokerage balances.***

       **Roth option available.** With the Roth option, contributions are made with after-tax dollars. The contributions made to your Roth plan and any earnings will be tax free at withdrawal when you reach age 59½.2 This option may provide you with tax benefits for these savings in retirement.

**A comprehensive brochure with details of the plan updates and steps to take will be sent to your home in early February**.

Averett University is committed to providing the resources you need to help you prepare for retirement. Please review future communications to make the most of your retirement benefits.

1 TIAA and Millennium Advisory Services, or any of their affiliates or subsidiaries are not affiliated with or in any way related to each other. TIAA acts as a recordkeeper for the plan and, in that capacity, is not a fiduciary to the plan. Millennium Advisory Services provides advice and education to plan participants and accepts fiduciary responsibility to participants for advice provided. TIAA is not responsible for the advice and education provided by Millennium Advisory Services. TIAA also provides advice and education to plan participants and when it provides advice, TIAA takes fiduciary responsibility for that advice. Millennium Advisory Services is not responsible for the advice and education provided by TIAA.

2 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. For governmental 457(b) plans, withdrawals are only allowed following separation from service or when you reach age 70½.