

Dated 11/08

Qualified Default Investment Alternative (QDIA)
Annual Notice for 403(b) Plans
Without Automatic Enrollment
That Permits Employee Contributions

This sample annual notice is appropriate for use by a plan that enrolls a participant in the plan's Qualified Default Investment Alternative if the participant fails to provide adequate investment instructions. *If the plan uses automatic enrollment, or does not permit employees' contributions, this notice should not be used.*

Employers (with their legal counsel's assistance) must carefully review and modify this sample notice to ensure that it accurately reflects the plan's provisions.

[insert Plan Name]
Default Investment Notice

You are receiving this notice to inform you how your contributions under the plan are being invested and how they will continue to be invested if you have not provided investment instructions. Please disregard this notice if you have already elected the investment allocations for your contributions.

Beginning [insert date], 2008, contributions under the **{Insert Plan Name}** (the “Plan”) by **{Insert Name of Employer}** (the “Employer”) are being invested on your behalf in the default investment as described in this notice because we did not receive investment instructions from you, or because the instructions that we received from you were incomplete or inadequate.

This notice gives you important information about some Plan rules, including:

- What amounts the Employer is contributing to your Plan account;
- How your Plan account is currently being invested on your behalf (because we did not receive investment instructions from you);
- When your Plan account will be vested (that is, not surrendered when you leave your job), and when you can withdraw your Plan account; and
- How you can change the investment of your contributions.

You can find out more about the Plan in another document, the Plan’s Summary Plan Description (SPD), which can be obtained from the Plan Administrator at the address listed at the end of this notice.

1. What amounts is the Institution contributing to my Plan account?

If you are eligible to receive contributions under the terms of the Plan, your Employer is making the following contributions to your Plan account:

{Insert the Plan’s eligibility requirements and contribution schedule}

In addition, to the extent permitted by the Internal Revenue Code, you may elect to have your salary reduced on a tax-deferred basis pursuant to a salary reduction agreement and have the amount you elected contributed by your Employer to your Plan account. Remember, you can always change the amount you contribute to the Plan by turning in a new salary reduction agreement.

2. How is my Plan account being invested?

TIAA-CREF has been selected by **{insert name of institution}** as the investment provider for your Plan contributions. The Plan lets you invest your account in a number of different investment funds. If you do not choose a different investment fund or funds, your Plan account will be invested in the default investment option for the **{Insert Plan Name}**, which is the age-based TIAA-CREF Lifecycle Fund that corresponds to your estimated date of retirement. The TIAA-CREF Lifecycle Funds provide a ready-made diversified portfolio using TIAA-CREF mutual funds as underlying investments that include both equity and fixed-income instruments. The allocation strategy for the underlying equity, fixed-income and short-term mutual funds is based on the number of years expected to reach the target retirement dates. These funds seek to provide high total returns until the target retirement date. Each fund's goal is to seek high current income and as a secondary objective, capital appreciation. Each fund's target asset allocation percentages automatically changes over time to become more conservative by gradually reducing the allocation to equity funds and increasing the allocation to fixed-income and short-term funds. If the default investment fund changes at any time in the future, you will be notified.

The attached fact sheets for the TIAA-CREF Lifecycle Funds provide additional information **{attach the latest fund fact sheets to the notice each year}**, including the investment objectives, risk and return characteristics, and fees and expenses of the funds. You can obtain updated information on fee expenses and a more detailed explanation of the TIAA-CREF Lifecycle Funds at **{Insert Microsite URL}** or by contacting TIAA-CREF at 800.842.2776.

The Plan allows you to choose from a diverse set of investment options. A list of the Plan's available funds and a copy of the prospectus or information statement for each fund may be obtained from TIAA-CREF at 800.842.2776 or at **{Insert Institution's Microsite's URL}**. You can change how your Plan account is invested, among the Plan's offered investment funds, by turning in the enclosed **{Name of Form}** to the Plan Administrator at the address listed at the end of this notice.

To learn more about the Plan's investment funds, you can review the Plan's SPD. Also, you can contact the Plan Administrator using the contact information at the end of this notice.

3. How can I change the investment of the contributions that are being made on my behalf by the institution to another investment alternative available under the Plan?

You have the right to change the investment of your accounts at any time. If you elect to change the investment of your account from one of the Lifecycle Funds, there are no fees or expenses imposed in connection with that transfer. But certain restrictions may apply if multiple transfers are made from any one account during any 60-day period. See the funds' prospectus at http://www.tiaa-cref.org/prospectuses/index.html?tc_inlk=bottomutility for more details on restrictions on frequent transfers.

To learn more about the Plan's investment funds and procedures for changing how your Plan account is invested you can review the Plan's SPD. Also, you can contact the Plan Administrator using the contact information at the end of this notice.

4. When will my Plan account be vested and available to me?

You will always be fully vested in your own contributions to the Plan (if any). You will also be fully vested in the employer contributions made under the Plan by the Institution when you complete {Insert plan's vesting schedule}. To be fully vested in Plan contributions means that the contributions (together with any investment gain or loss) will always belong to you, and you will not lose them when you leave your job. For more information about years of service, you can review the Plan's SPD.

Even if you are vested in your Plan account, there are limits on when you may withdraw your funds. These limits may be important to you in deciding how much, if any, to contribute to the Plan. Generally you may only withdraw vested money after you leave your job, reach age 59½, or become disabled. Also, there is generally an extra 10% tax on distributions before age 59½. Your beneficiary can get any vested amount remaining in your account when you die.

5. Who should I call if I have any questions?

If you have any questions about the Plan's investment alternatives, how the Plan works or your rights and obligations under the Plan, or if you would like a copy of the Plan's SPD or other Plan documents, please contact the Plan Administrator at:

[Insert Plan administrator name]

[Address]

[Telephone number]

[Email address]