THE CLAREMONT COLLEGES
Tax Deferred Annuity Plan

Plan Overview:
- The Tax Deferred Annuity Plan (TDA) is available for elective deferrals only
- The TDA Plan is a defined contribution plan qualified under IRC Section 403(b)
- Fidelity and Vanguard are available as investment options
- The Claremont Colleges do not monitor the investment options in the TDA, and therefore, TDA participants must sign a statement acknowledging that it is their responsibility to monitor the performance and expenses of the funds they choose to invest in

Plan Eligibility:
- All Faculty and staff (excluding students) are eligible to participate through elective deferrals upon date of hire

Plan Enrollment:
- To enroll in the TDA Plan, completion of an enrollment form for Fidelity or Vanguard is required
- Enrollment forms can be requested from the CUC Benefits Office
- Completion of a Salary Reduction Agreement is required to begin making voluntary elective deferrals through payroll deduction
- Salary Reduction Agreements are available on the CUC Benefits website at http://www.cuc.claremont.edu/benefits/forms.asp

Voluntary Elective Deferrals:
- Pre-tax deferrals:
  - Lower taxable income in the year of the deferral
  - Accumulated deferrals and earnings are taxable upon withdrawal at retirement
- Roth after-tax deferrals (Available with Fidelity only):
  - No effect on taxable income in the year of the deferral
  - Accumulated deferrals and earnings are not taxed upon withdrawal at retirement
  - Deferrals must be in the plan for at least five years to receive favorable tax treatment
- Deferrals can be made in any combination of pre-tax or Roth after-tax
- Minimum elective deferral is $25 per month
- Maximum elective deferral depends on IRS limits for the calendar year
  - Basic Maximum - $17,500 for 2013
  - Age 50+ Catch Up - $5,500 for 2013
  - 15 Year Rule Catch Up - $3,000 for 2013 ($15,000 lifetime maximum)
- Elective deferrals are remitted to Fidelity and Vanguard after every pay period

Investment Choices:
- Dependent on Investment Option (Fidelity or Vanguard)
Investment options offered in the TDA Plan are not monitored by The Claremont Colleges.
It is your responsibility to monitor the performance and expenses of the funds you invest in.
You may obtain extensive information from each investment company to evaluate investment fund performance and expenses.

**Distributions:**
- Available upon termination of employment from the institution.
- Available upon attainment of age 59 ½.
- Loans are not available.
- Hardship Withdrawals:
  - Must qualify under IRS Safe Harbor guidelines.
    - Expenses for medical care previously incurred by the employee, spouse, dependents or beneficiary or is now necessary for these persons to obtain medical care.
    - Costs directly related to the purchase of a principal residence (excluding mortgage payments).
    - Tuition, related educational fees and room and board expenses for the next 12 months of postsecondary education for the employee, spouse, dependent children or beneficiary of the employee.
    - Payments necessary to prevent the eviction of the employee from principal residence or mortgage foreclosure.
    - Funeral expenses for the employee, spouse, dependents, or beneficiary of the employee.
    - Certain damage repair expenses for the employee’s principal residence.
  - Hardship withdrawals cannot be repaid back to the plan and you are not permitted to contribute to the plan for six months after the withdrawal.
  - Hardship withdrawals are subject to income taxes and a 10% additional tax on early distributions.
- Death of employee.

**Plan Resources:**
- **CUC Benefits Administration**
  - Tony Romero – Retirement Analyst
    - (909) 621-8805
    - tony_romero@cuc.claremont.edu
  - Loo Hsing – Senior Benefits Analyst
    - (909) 607-3780
    - loo_hsing@cuc.claremont.edu
- **Investment Provider Information**
  - Fidelity Investments
    - (800) 343-0860
    - www.fidelity.com
  - Vanguard
    - (800) 662-2003
    - www.vanguard.com