“A simple fact that is hard to learn is that the time to save money is when you have some.” ~ Joe Moore

TAKE THE FIRST STEP TOWARD FINANCIAL FITNESS

1. Increase your financial strength by increasing your financial knowledge.
2. Create a sound financial budget to pay off debt and increase savings.
3. Build an emergency fund to protect your current funds and assets.
4. Continually review and reassess your retirement plan.
5. Retire timely and within the standard of living you’re accustomed too.

Saving for retirement is a marathon not a sprint....

Each mile brings its own set of challenges and rewards. Whether it’s a fuel station or an untimely cramp, you have to be prepared to deal with both so you can get across that finish line.

Are you saving enough toward retirement to get yourself across that finish line?
The start of a new year has become one of the most popular times to set goals and make plans. A 2018 Fidelity Investments survey found that nearly one-third of Americans will use the new year to make financial resolutions. When looking to your vision of financial freedom, both present and future, take time to be specific in your financial goals. Specific goals will help you down the right path to achieving financial and retirement security.

“Find out where you’re at, where you’re going and make a plan to get there.”

~Robert Kiyosaki

MAKE A RESERVATION WITH A FINANCIAL COUNSELOR TO DISCUSS YOUR FINANCIAL GOALS AND FUTURE RETIREMENT PLANS

<table>
<thead>
<tr>
<th>Vendor</th>
<th>Line</th>
<th>Reservation Tool</th>
<th>Individual Advisory Service</th>
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<tbody>
<tr>
<td>FIDELITY</td>
<td>800-642-7131</td>
<td><a href="http://www.fidelity.com/reserve">www.fidelity.com/reserve</a></td>
<td>866-842-3519</td>
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<tr>
<td>TIAA</td>
<td>800-732-8353</td>
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<td>866-627-5267</td>
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<tr>
<td>PRUDENTIAL</td>
<td>919-602-8226</td>
<td><a href="mailto:Christy.kelly@prudential.com">Christy.kelly@prudential.com</a></td>
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INVESTOR CORNER

Understanding Volatility

CAPTRUST’s Brandon Aber discusses how the markets work and how volatility impacts an investor’s portfolio in this very informative video. Specifically, he covers short-term and long-term market behavior, as well as how those markets are dictated. Key takeaways include the indicators an investor should focus on when thinking about long-term returns, and why time in the market is more important than timing the market.

Invest In Your Future

Investing can seem complicated. There’re technical terms like compounding, dollar cost averaging, and options, such as stocks, bonds and real estate. Not sure where to turn? Investing 101 is a great place to start. Check out this section of TIAA.org to learn the lingo in plain English, get the basics, and find out some interesting pointers such as:

- Five mistakes even smart investors make
- What to do—and what not to do—in volatile markets
- The different options to help you build a diversified portfolio

Plan to Tackle Debt

Between credit cards, student loans, medical bills, mortgage, car notes, etc. there are many types of debt out there. Fidelity research reveals that 66% of people carry a credit card balance from month to month which could mean paying hundreds or even thousands more for your purchases than intended. The stress of debt seems to overwhelm many employees daily and in turn affects other facets of their life and wellbeing. Prioritization can help tackle the different types of debt and eliminate the long list faster. Fidelity.com provides many tools to help reshape your financial life. Start by checking out this short video with tips on prioritizing your debt.

Engagement Corner

Various retirement readiness resources and tools will be provided each month to help you learn more about how to live a financially well life, save more toward a comfortable retirement future, as well as gain additional knowledge on many other key retirement topics (Social Security, Medicare, etc.). We encourage you to take advantage of all available resources.

<table>
<thead>
<tr>
<th>January</th>
<th>February</th>
<th>March</th>
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<tbody>
<tr>
<td>TIAA</td>
<td>America Saves Week (Feb. 24-29, 2020)</td>
<td>Financial Foundation “Diversification” - increase awareness on the importance of an appropriate asset allocation mix as well as staying engaged with your portfolio.</td>
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</table>
RETIREMENT PLAN UPDATES

The New Year will usher in retirement plan changes. Review the changes to find what impact they may have on your contributions and your retirement plan investments.

Contribution Increases

The IRS has approved contribution limit increases for 2020. You can now contribute up to $19,500 to your retirement account. If you are age 50 or older, you are eligible to contribute an additional $6,500 for a total of $26,000 annually.

Remember: Saving more will help bring you closer to your retirement goals. Contact your local Benefits Representative or one of the UNC retirement vendors (Fidelity or TIAA) with any questions you have concerning this contribution limit increase.

UNC SECTION 403(B) Plan Changes

- **Hardship Distribution & Loan Changes:** The UNC Section 403(b) plan document has been amended to reflect the following changes:
  - Employee contributions will no longer be suspended
  - Requirement to take available loans prior to hardship will no longer be required
  - **NO CHANGE** to the TIAA and Fidelity application process.
  - Changes go into effective January 1, 2020
- **Loan Changes to UNC 403(b) and UNC 457(b) Plans:**
  - Effective March 1, 2020
  - Moving from Collateralized Loans to Retirement Plan Loans
  - More information to follow

Fund Lineup Change

The University of North Carolina Investment Committee met during the third quarter and reviewed the current investment line-up. Based on benchmark information and committee discussions, a couple of changes will take place during the first quarter of 2020. Employees affected by this change will receive communication from their retirement vendor.

University of North Carolina System Retirement Plans:

**Plan Investment Review | Performance Summary**

(for the period ending 09.30.2019)
TIAA and Fidelity have great tools available to provide you with a clear picture of your current retirement savings. Take action to see if you are adequately preparing for your long-term goals.

More resources available at: https://myapps.northcarolina.edu/hr/benefits-leave/retirement/, or contact the approved carriers directly.

**Frequently Asked Questions**

Can I contribute more than 6% to my mandatory retirement plan (TSERS or ORP)?

Employer and employee contribution percentages are established by the General Assembly and are made on a pre-tax bases, and cannot be increased.

Employees can save additional money for retirement by contributing additional funds in Supplemental Retirement Plans - UNC 403(b) or UNC 457(b).

**Disclaimer**

The information in this newsletter is general in nature and may be subject to change. Neither the University of North Carolina (UNC), Prudential Retirement, TIAA, Fidelity Investments, nor any of their agents, can give legal or tax advice. Applicable laws and regulations are complex and subject to change. For legal and tax advice concerning your situation, you should consult your attorney or tax adviser.

For more information about any of the authorized supplemental retirement carriers or their products, including investment options, charges and expenses, please contact a company representative for a prospectus. Please read the prospectus carefully before selecting a carrier or investment option. In the event of a conflict between this guide and the Plan documents, the Plan documents will control. UNC System reserves the right to amend the Plan documents.

**ARE YOU ON TRACK?**

TIAA and Fidelity have great tools available to provide you with a clear picture of your current retirement savings. Take action to see if you are adequately preparing for your long-term goals.

**Need a Retirement Blueprint?**

CAPTRUST has many great financial calculators to help you see where you stand with your future financial goals. Visit www.captrustadvice.com or call 800-967-9948 to talk with a certified Financial Counselor to create your future financial “Blueprint”.

Image for illustrative purposes only.