

WASHINGTON AND LEE  
UNIVERSITY

HUMAN RESOURCES

**Washington and Lee University Defined Contribution Plan (the “Plan”)  
Qualified Default Investment Alternative (QDIA)  
Annual Notice**

You are receiving this notice to inform you how your contributions under the Plan are being invested and how such contributions will continue to be invested if you have not provided complete investment instructions. Please disregard this notice if you have already provided complete investment instructions of how you want your future contributions invested in the investment options available in the Plan.

As of November 10, 2020, Employer contributions under the Washington and Lee University Defined Contribution Plan (the “Plan”) by Washington and Lee University (the “Employer”) are being invested on your behalf in the default investment as described in this notice because we did not receive complete investment instructions from you.

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

- What amount the Employer is contributing to your plan account;
- How your contributions are currently being invested on your behalf (because we did not receive complete investment instructions from you);
- When your account will be vested (that is, not forfeited when you leave your job), and when you can withdraw your Plan account balance;
- How you can change the way your contributions are invested; and
- How you can change your beneficiary designation(s)

Distributions from 403(b) plans before age 59 ½, severance from employment, death, or disability may be prohibited, limited, and/or subject to substantial tax penalties. Different restrictions may apply to other types of plans. You can find out more about the Plan in the Summary Plan Description (SPD), which can be obtained from the Plan Administrator at the address listed at the end of this notice.

**1. What amount is Washington and Lee University contributing to my account?**

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

**Employee contributions:** All non-student employees may make elective pre-tax 403(b) deferrals or voluntary after-tax contributions. You must complete a salary deferral agreement to begin employee elective (pre-tax or voluntary) contributions. You may change your salary deferral agreement at any time.

**Employer matching contributions:** Are made only for eligible participants who make elective 403(b) deferrals (or voluntary after-tax contributions).

**Employer Non-elective contributions:** Are made for all eligible participants regardless of whether they make elective 403(b) (or voluntary after tax contributions).

**Eligibility for Employer Matching or Non-Elective Contributions:** Employees are eligible for Employer matching or non-elective contributions after they work two Years of Service. A Year of Service is earned if you work at least 1,000 hours of service\* during the 12-month period ending on the anniversary of your employment date.

Once eligible for Employer matching or non-elective contributions, the Employer contributions are made concurrently with pay dates throughout the year for participants expected to work 1,000 or more hours in the Plan Year. If participants are not expected to work 1,000 or more hours in the Plan Year, Employer matching or non-elective contributions will be made following the end of the Plan Year (December 31) only if the 1,000 hours of service requirement has been met.

\*Credit for Years of Service is granted for eligibility purposes if you were employed by another institution of higher education within the 12 month period immediately prior to the date of employment with the Employer. If you worked more than 1,000 hours of service in each of the 12 month periods immediately prior to employment by the Employer, two (2) Years of Service will be credited in determining eligibility for Employer contributions.

Once eligible for employer contributions, Washington and Lee University will contribute 5% of the employee's compensation and will match the employee's contribution dollar for dollar up to 2.5% of compensation up to permissible IRS limits.

## **2. How will my Plan account be invested?**

Fidelity has been selected by you as the investment provider for your Plan contributions. The Plan lets you invest your account in a number of different investment choices. Because you did not choose a different investment option or options, your contributions are being invested in the default investment option for

Washington and Lee Defined Contribution Plan, which is the Fidelity Lifecycle Fund. If the default investment option changes at any time in the future, you will be notified.

You can obtain updated information on fee expenses and a more detailed explanation of the Lifecycle Funds at <https://nb.fidelity.com/public/nb/atwork/home/> or by contacting Fidelity at 800-343-0860.

To learn more about the Plan's investment choices, 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 allocation of the contributions that are being made on my behalf by Washington and Lee University to another investment choice available under the Plan?**

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 Fidelity by calling 800-343-0860 or at <https://nb.fidelity.com/public/nb/atwork/home/>.

You have the right to change the investment allocation of your account at any time. If you elect to change the investment allocation of your account from the Fidelity Lifecycle Fund, 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. See the prospectus for more details on restrictions on frequent transfers at <https://nb.fidelity.com/public/nb/atwork/home/>.

You can change how your account is invested, among the Plan's offered investment choices, by contacting FIDELITY at 800-842-2252 or accessing your account online at <https://nb.fidelity.com/public/nb/atwork/home/>.

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

You will always be fully vested in your own contributions to the Plan (if any).

You are also 100% vested in the Employer matching or non-elective contributions made under the Plan.

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 vesting, you can review the Plan's SPD, which is available from the Plan Administrator using the contact information at the end of this notice.

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. How can I change my beneficiary designation(s)?**

In addition to reviewing how your contributions are invested, you should also review and update your beneficiary designation(s) if it does not reflect how you would want your assets distributed upon your death. Reviewing and changing your beneficiary designation(s) in accordance with plan rules can be made by logging into your secure account at <https://nb.fidelity.com/public/nb/atwork/home/> or by contacting Fidelity at 800-343-0860.

**6. Whom should I call if I have any questions?**

If you have any questions about the Plan's investment choices, 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:

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