

Default Investment Notice for the USC Retirement Savings Program 2021

All faculty and staff employees (other than employees eligible to participate in the Keck Medicine of USC 401(k) Retirement Plan) are eligible to make pre-tax and Roth contributions to the USC Retirement Savings Program. Certain employees are automatically enrolled to make 5% pre-tax contributions after completing the Program’s eligibility period unless they complete an online salary reduction agreement by their enrollment deadline. Participants may also be eligible for matching and/or non-elective university contributions under the Program as provided under the terms of the Program. More information about the eligibility rules and the types of contributions made under the Program is available in the Program’s Summary Plan Description.

You have the right to direct the investment of your accounts under the Program. If you do not provide affirmative investment directions, your accounts under the Program will be invested in the Program’s default investment option. You may direct your contributions to your choice of the three investment providers offered under the Program: Fidelity Investments, TIAA, and Vanguard.

If you do not submit the required online salary reduction agreement by your enrollment deadline, both your contribution and any university contributions for which you are eligible will be sent to Fidelity Investments and invested in the Vanguard Institutional Target Retirement Fund most appropriate for your estimated retirement year (assuming a retirement age of 65).

If you met an eligibility period prior to March 2016 and did not complete paperwork by your enrollment deadline, your contributions along with USC’s contributions were sent to Vanguard and invested in the Vanguard Target Retirement Fund most appropriate for your estimated retirement year (assuming a retirement age of 65).

You may also have funds automatically invested in the Vanguard Institutional Target Retirement Funds if you selected an investment provider but did not choose investment funds or if your account balances were mapped into the Vanguard Institutional Target Retirement Funds as a result of the April 2016 investment menu changes.

The following is a summary of the Vanguard Institutional Target Retirement Funds:

Fund	Expenses¹	Overall Risk Level
Institutional Target Retirement Income Fund	0.09%	Conservative–Moderate
Institutional Target Retirement 2015 Fund	0.09%	Moderate
Institutional Target Retirement 2020 Fund	0.09%	Moderate
Institutional Target Retirement 2025 Fund	0.09%	Moderate
Institutional Target Retirement 2030 Fund	0.09%	Moderate
Institutional Target Retirement 2035 Fund	0.09%	Moderate–Aggressive

Institutional Target Retirement 2040 Fund	0.09%	Moderate–Aggressive
Institutional Target Retirement 2045 Fund	0.09%	Moderate–Aggressive
Institutional Target Retirement 2050 Fund	0.09%	Moderate-Aggressive
Institutional Target Retirement 2055 Fund	0.09%	Moderate-Aggressive
Institutional Target Retirement 2060 Fund	0.09%	Moderate-Aggressive
Institutional Target Retirement 2065 Fund	0.09%	Moderate-Aggressive

¹Expenses shown are those in effect November 2020. This figure represents a weighted average of the expense ratios and any fees charged by the underlying mutual funds in which the Target Retirement Funds invest. The Target Retirement Funds do not charge any expenses or fees of their own.

Vanguard Target Retirement Funds provide a professionally maintained, diversified mix of investments that shifts its emphasis to more conservative investments as the year of retirement nears. Investments in Target Retirement Funds are subject to the risks of their underlying funds. The year in the fund name refers to the approximate year (the target date) when an investor in the fund would retire and leave the workforce. The fund will gradually shift its emphasis from more aggressive investments to more conservative ones based on its target date. An investment in a Target Retirement Fund is not guaranteed at any time, including on or after the target date. Keep in mind that diversification does not ensure a profit or protect against a loss.

If you are a current employee, you may change your investment provider with respect to future contributions at any time by logging on to Workday and completing a new salary reduction agreement. You may change investment elections within a particular provider at any time by contacting that provider. SunAmerica and Prudential are closed to receive new contributions and transfers/rollovers but account balances may be transferred to one of the other USC investment providers at any time. Account accumulations can be moved from the Vanguard Institutional Target Retirement Funds to any of the other investment options available under USC’s Retirement Savings Program at any time without fees or surrender charges.

Investment Provider	Website	Phone Number
Fidelity Investments	www.netbenefits.com/uscersp	800-343-0860
Prudential Retirement	www.retirement.prudential.com	800-458-6333
SunAmerica	www.sunamerica.com	800-445-7862
TIAA	www.tiaa.org/usc	800-842-2252
Vanguard	www.vanguard.com/retirementplans	800-523-1188

Additional Information

Complete information about the USC Retirement Savings Program, including your investment provider choices and contact information as well as links to the online enrollment forms, can be found at the Benefits website at <https://employees.usc.edu/benefits/retirement/>.

You may obtain a copy of the Summary Plan Description and the Summary Annual Reports at the same web address. You may also obtain paper copies of this notice, the Summary Plan Description and the Summary Annual Reports by contacting Retirement Plan Administration at 213-821-8131 or rpadmin@usc.edu.

Please contact the investment providers directly, or visit their websites, for information about the funds available in the USC Retirement Savings Program. If you have any questions regarding your enrollment in the USC Retirement Savings Program, please call the USC HR Service Center at 213-821-8100 or send email to uschr@usc.edu.

If there is any inconsistency between this Notice and the Program's official plan documents, the plan documents will control.