

PARTICIPANT EDUCATION & ELECTION RESOURCES

Mailed Resources:

Notice of opportunity to switch during Second Choice Window:

Mailed in early January, 2021 to those who had a Savings Choice contribution in October, 2020 and elected Savings Choice in 2016. An emailed version of this letter was sent on December 23.

The notice should NEVER be used as the sole indicator of eligibility. If a participant did not receive the notice via email or mail then you could check their Savings Choice election date (RO16 in ECM imaging) and have the participant confirm that they are an active Savings Choice participant and not on an unpaid LOA.

A notice could have been sent to a participant who separated between October, 2020 and January, 2021, and you can inform those participants that if they return to UC in an eligible position then they could elect to switch if they are still within their second choice window.

Election Form:

The UCRS216 form was mailed along with the notice listed above and the Factsheet listed below. An electronic or hard copy may be provided to an active Savings Choice participant who is within their second choice window.

Factsheet:

The factsheet was mailed along with the notice and election form listed above. This resource may be provided to anyone who requests additional information, as this is a general education resource.

Fidelity Retirement Planners:

One-on-One appointments:

Call 800-558-9182

- or -

Make an online appointment by visiting
getguidance.fidelity.com/universityofcalifornia

PARTICIPANT EDUCATION & ELECTION RESOURCES

Online Resources:

UCNET

Program Overview Page:

Second choice window for Savings Choice participants

<https://ucnet.universityofcalifornia.edu/compensation-and-benefits/retirement-benefits/2016-retirement-choice/second-choice-window-for-savings-choice-participants.html>

Article:

Second choice opportunity approved for Savings Choice participants beginning in 2021

<https://ucnet.universityofcalifornia.edu/news/2020/12/second-choice-opportunity-approved-for-savings-choice-participants-beginning-in-2021.html>

Election Form:

UCRS 216

<https://ucnet.universityofcalifornia.edu/forms/pdf/ucrs-216.pdf>

Factsheet:

<https://ucnet.universityofcalifornia.edu/forms/pdf/second-choice-window-factsheet.pdf>

Complete Guide to Your Retirement Benefits:

<https://ucnet.universityofcalifornia.edu/forms/pdf/complete-retirement-benefits-guide-for-employees.pdf>

***Will be mailed by UCSF printing in the first week in January (around Jan. 6th-8th).
If a participant did not receive a notice then you will check to see if they elected
Savings Choice in 2016 and have them confirm they are an active SC participant.
If they elected in 2016 and are active, then provide them with the Factsheet, U216
form, and a copy of this letter (you do not need to input their name and address).***

<FIRST_NAME> <LAST_NAME>
<ADDRESS_LINE_1>
<CITY>, <STATE_VALUE> <Zip_code>

RE: Second Choice Election Window for Savings Choice Participant

Dear Savings Choice Participant,

As a participant in the Defined Contribution Plan under Savings Choice for 5 years, you now have an opportunity to take another look at your career and retirement goals and determine whether Savings Choice is still the best retirement option for you. On Jan. 1, 2021, a window will open allowing you to elect a prospective switch from Savings Choice to Pension Choice, with a pension benefit through the University of California Retirement Plan (UCRP).

To give you as much time as possible to make this important decision, you will have the opportunity to elect a switch to Pension Choice at any point from Jan. 1, 2021, through May 31, 2026 — as long as you are an active employee participating in Savings Choice at the time you submit your election.

Understanding your choice

A switch from Savings Choice to Pension Choice is a change in the primary retirement benefits you will contribute to **going forward**; it is not retroactive. If you switch to Pension Choice:

- Contributions to your Savings Choice account will stop. Your account balance will remain yours.

- Your years of service as a participant in Savings Choice will count toward vesting in UCRP, but **will not** count toward the UCRP service credit that determines your pension benefit.
- You will remain in the pension plan for the remainder of your career, even if you separate and return to an eligible appointment. Participants in Pension Choice **may not** switch to Savings Choice.

Your move from Savings Choice to Pension Choice will be effective the **next plan year** (which begins on July 1), depending on when you submit your election form. For example, if your form is received on or before May 31, 2021, the change will be effective on July 1, 2021. If your form is received on or after June 1, 2021, your election will be effective July 1, 2022.

We have included a resource guide to help with your decision. Fidelity Retirement Planners are available for one-on-one appointments, along with online resources and workshops.

What you need to do

No action is required if you decide to continue participating in the defined contribution option. If you **do not** submit an election form, you will remain a Savings Choice participant.

If you decide to switch your primary retirement benefits to Pension Choice, complete and sign the enclosed form and return it to the Retirement Administration Service Center (RASC). The election may only be made through paper form (also available on UCnet), and must be submitted directly to the RASC.

Sincerely,

Retirement Administration Service Center

Emailed on 12/23/20 to work email. Sent to those who had a Savings Choice contribution in October, 2020 and elected in 2016.

Subject: Second Choice Election Window for Savings Choice Participant

Content:

| | |
|-------------------|----------------|
| UNIVERSITY | Retirement |
| OF | Administration |
| CALIFORNIA | Service Center |

Dear Savings Choice Participant,

As a participant in the Defined Contribution Plan under Savings Choice for 5 years, you now have an opportunity to take another look at your career and retirement goals and determine whether Savings Choice is still the best retirement option for you. On Jan. 1, 2021, a window will open allowing you to elect a prospective switch from Savings Choice to Pension Choice, with a pension benefit through the University of California Retirement Plan (UCRP).

To give you as much time as possible to make this important decision, you will have the opportunity to elect a switch to Pension Choice at any point from Jan. 1, 2021, through May 31, 2026 — as long as you are an active employee participating in Savings Choice at the time you submit your election.

Understanding your choice

A switch from Savings Choice to Pension Choice is a change in the primary retirement benefits you will contribute to **going forward**; it is not retroactive. If you switch to Pension Choice:

- Contributions to your Savings Choice account will stop. Your account balance will remain yours.
- Your years of service as a participant in Savings Choice will count toward vesting in UCRP, but **will not** count toward the UCRP service credit that determines your pension benefit.
- You will remain in the pension plan for the remainder of your career, even if you separate and return to an eligible appointment. Participants in Pension Choice **may not** switch to Savings Choice.

Your move from Savings Choice to Pension Choice will be effective the **next plan year** (which begins on July 1), depending on when you submit your election form. For example, if your form is postmarked on or before May 31, 2021, the change will be effective on July 1, 2021. If your form is postmarked on or after June 1, 2021, your election will be effective July 1, 2022.

What you need to do

No action is required if you decide to continue participating in the defined contribution option. If you **do not** submit an election form, you will remain a Savings Choice participant.

If you decide to switch your primary retirement benefits to Pension Choice, complete and sign the UCRS 216 form and return it to the Retirement Administration Service Center (RASC). The election may only be made through paper form and must be submitted directly to the RASC.

The UCRS 216 form to make your election will be mailed to your address on record (also available on UCnet after Jan. 1, 2021), along with a copy of this letter and a resource guide to assist in decision making.

Sincerely,

UC Retirement Administration Service Center

ELECTION TO CHANGE PRIMARY RETIREMENT BENEFIT FROM SAVINGS CHOICE TO PENSION CHOICE

UNIVERSITY OF CALIFORNIA RETIREMENT PLAN

UCRS 216 (R01/21) University of California Human Resources and Benefits

Send completed form to:
 Retirement Administration
 Service Center (RASC)
 P.O. Box 24570
 Oakland, CA 94623-1570
 FAX: (800) 792-5178

Use this form to elect to switch from a Savings Choice Participant in the Defined Contribution (DC) Plan to a Pension Choice Participant in the University of California Retirement Plan.

Return the original to the RASC at the above address. **Please copy this form for your records.**

Do not submit this form if you intend to remain a Savings Choice participant.

PERSONAL INFORMATION

| | | |
|------------------------------------|------------------------|---------------------------|
| NAME (Last, First, Middle Initial) | SOCIAL SECURITY NUMBER | CAMPUS/LAB/MEDICAL CENTER |
| MAILING ADDRESS (Number, Street) | EMPLOYEE ID | EMAIL ADDRESS |
| MAILING ADDRESS (City, State, Zip) | DATE OF BIRTH | PHONE NUMBER |

INSTRUCTIONS

This form may be used by an active Savings Choice Participant who is within their second-choice window to switch their primary retirement benefit to Pension Choice under the University of California Retirement Plan.

The second-choice window opens on January 1 of the fifth anniversary of the calendar year in which Savings Choice was elected and extends through May 31 five and a half years later, or the date you make your election, whichever comes first.

DECLARATION OF ELECTION TO SWITCH FROM SAVINGS CHOICE TO PENSION CHOICE

I, _____, elect to change my primary retirement benefit from Savings Choice to Pension Choice under the University of California Retirement Plan on a prospective basis, pursuant to the procedures outlined by the Plan Administrator.

SIGNATURE

My signature below certifies that:

- I understand the financial impact of each primary retirement benefit option, Pension Choice and Savings Choice, and how it relates to my retirement objectives.
- I understand the vesting requirements of the University of California Retirement Plan and the DC Supplement, if applicable.
- I understand that my election to participate in the University of California Retirement Plan is prospective, and will commence no sooner than the beginning of the next Fiscal/Plan Year, subject to the applicable payroll processing deadline.
- I understand that both the University's and my contributions to the DC Plan under Savings Choice will stop, and I am required to contribute to the University of California Retirement Plan under Pension Choice, coinciding with the effective date of my enrollment in the University of California Retirement Plan.
- I understand that this opportunity to switch my primary retirement benefit is available only one time. Further, I understand that this election is **irrevocable** upon submission of this form, even if there is a change to my personal or work situation. I will not be able to switch back to Savings Choice.

I further certify I have read *A Complete Guide to Your UC Retirement Benefits* and understand the implications of my election to switch to Pension Choice. My signature below certifies that I am an active Savings Choice participant on active UC pay status.

| | |
|-----------|------|
| SIGNATURE | DATE |
|-----------|------|

This form is subject to review and approval.

FOR INTERNAL USE ONLY

| | | | |
|------------------------------|--|---------------------------------|-----------------------|
| SAVINGS CHOICE ELECTION DATE | ACTIVE SAVINGS CHOICE PARTICIPANT? Yes / No | ELIGIBLE TO SWITCH? Yes / No | DATE OF U216 ELECTION |
| APPROVED OR DENIED | EFFECTIVE DATE OF SWITCH 07/01/ ____ ____ | REVIEWER NAME | OUTGOING LETTER DATE |

PRIVACY NOTIFICATIONS

STATE

The State of California Information Practices Act of 1977 (effective July 1, 1978) requires the University to provide the following information to individuals who are asked to supply information about themselves.

The principal purpose for requesting information on this form, including your Social Security number, is to verify your identity, and/or for benefits administration, and/or for federal and state income tax reporting. University policy and state and federal statutes authorize the maintenance of this information.

Furnishing all information requested on this form is mandatory. Failure to provide such information will delay or may even prevent completion of the action for which the form is being filled out. Information furnished on this form may be transmitted to the federal and state governments when required by law.

Individuals have the right to review their own records in accordance with University personnel policy and collective bargaining agreements. Information on applicable policies and agreements can be obtained from campus or Office of the President Staff and Academic Personnel Offices.

The official responsible for maintaining the information contained on this form is the Associate Vice President—University of California Human Resources and Benefits, 1111 Franklin Street, Oakland, CA 94607-5200.

FEDERAL

Pursuant to the Federal Privacy Act of 1974, you are hereby notified that disclosure of your Social Security number is mandatory. The University's record keeping system was established prior to January 1, 1975 under the authority of The Regents of the University of California under Article 1X, Section 9 of the California Constitution. The principal uses of your Social Security number shall be for state tax and federal income tax (under Internal Revenue Code sections 6011.6051 and 6059) reporting, and/or for benefits administration, and/or to verify your identity.

NOTICE

The election you make with this form is subject to the applicable plan provisions and the policies and rules that govern them. If a conflict exists between terms described on this form and the plan documents, the plan documents govern. The Plan Administrator has the authority to interpret disputed provisions.

By authority of the Regents, University of California Human Resources, located in Oakland, administers all benefit plans in accordance with applicable plan documents and regulations, University of California Group Insurance Regulations for Faculty and Staff, and state and federal laws. Source documents are available for upon request (800-888-8267). If you belong to an exclusively represented bargaining unit, some of your benefits may differ from the ones described here. The University of California intends to continue the benefits described here indefinitely; however, the benefits of all employees, retirees and plan beneficiaries are subject to change or termination at the time of contract renewal or at any other time by the University or other governing authorities.

Savings Choice participants: Your opportunity to switch to Pension Choice

If you elected Savings Choice, you may be eligible for a second choice of primary retirement benefits. During your “second choice window” you’ll have an extended opportunity to switch prospectively from Savings Choice to Pension Choice, and become a member of the UC Retirement Plan (UCRP).

Enrollment in Pension Choice is permanent—whether you select Pension Choice initially, are enrolled in Pension Choice after 90 days, or switch to Pension Choice during your second choice window.

This is a big decision, so UC is allowing plenty of time for you to consider your options and discuss them with a Fidelity Retirement Planner and/or your personal financial advisor.

For more information about Savings Choice, Pension Choice and UCRP, including a glossary of related terms, please see *A Complete Guide to Your UC Retirement Benefits*. If you’re represented by a union, your retirement benefits are governed by your union’s contract with UC. Please refer to your collective bargaining agreement (available at ucal.us/agreements).

YOUR SECOND CHOICE WINDOW

The second choice window opens on Jan. 1 of the fifth anniversary of the calendar year in which you made your initial election and extends through May 31 five years later, as shown at right. You must be an active Savings Choice participant (not on unpaid leave) when you submit your election.

| Savings Choice Election Date | Second choice window opens | Second choice window closes |
|-------------------------------------|-----------------------------------|------------------------------------|
| July 1, 2016–Dec. 31, 2016 | Jan. 1, 2021 | May 31, 2026 |
| Jan. 1, 2017–Dec. 31, 2017 | Jan. 1, 2022 | May 31, 2027 |
| Jan. 1, 2018–Dec. 31, 2018 | Jan. 1, 2023 | May 31, 2028 |
| Jan. 1, 2019–Dec. 31, 2019 | Jan. 1, 2024 | May 31, 2029 |
| Jan. 1, 2020–Dec. 31, 2020 | Jan. 1, 2025 | May 31, 2030 |

Your move from Savings Choice to Pension Choice will be effective the next plan year (which begins on July 1), depending on when you submit your election form. For example, if your form is received on or before May 31, 2021, the change will be effective on July 1, 2021. If your form is received between June 1, 2021, and May 31, 2022, your election will be effective July 1, 2022.

UNDERSTANDING YOUR CHOICE

The decision to switch from Savings Choice to Pension Choice is complicated. Since you have plenty of time, it’s a good idea to talk to a Fidelity Retirement Planner and/or your personal financial advisor to help you understand whether the decision is right for you.

A switch from Savings Choice to Pension Choice is a change in the primary retirement benefits you will contribute to going forward; it is not retroactive.

If you switch to Pension Choice:

- You will remain in the pension plan for the remainder of your career, even if you separate from UC and return to another eligible UC position later. Participants in Pension Choice may not switch to Savings Choice.
- Your Savings Choice account balance will remain yours. On the date the switch takes effect, contributions (from you and UC) to your Savings Choice account will stop and you’ll begin contributing to UCRP and earning UCRP service credit.
- The service credit you earned as a participant in Savings Choice:
 - **Will count** toward vesting in UCRP (becoming eligible for a pension benefit at 5 years of service) and toward your retiree health benefits.
 - **Will not count** as UCRP service credit toward the calculation of your pension benefit or toward vesting in (becoming eligible to receive) UC’s contributions to your supplemental Pension Choice account, if you have one. Please see “Your retirement benefits if you switch to Pension Choice” for more information about how this will affect your retirement benefits.

Getting help

Retirement Planners are available to meet with you by phone or in person—at no cost to you. 800-558-9182
getguidance.fidelity.com/universityofcalifornia

YOUR RETIREMENT BENEFITS IF YOU SWITCH TO PENSION CHOICE

Your future retirement benefits will be calculated differently if you switch from Savings Choice to Pension Choice.

Savings Choice is considered a “defined contribution” program. As a Savings Choice participant, you and UC make defined contributions to a retirement savings account. When you retire, your account balance is based on contributions from you and UC, plus investment performance.

If you switch from Savings Choice to Pension Choice, your Savings Choice account (including contributions from you and UC) will belong to you, and you will continue to direct your investments. When you retire, you can draw money from your Savings Choice account, in addition to receiving a monthly pension benefit from UCRP.

On the date your switch is effective, contributions from you and UC to your Savings Choice account will stop, and you’ll begin contributing to UCRP and earning UCRP service credit. Pension Choice is considered a “defined benefit” program. Once you have earned five years of combined Savings Choice and UCRP service credit, you are vested in UCRP, which means that you are eligible to receive a defined pension benefit, subject to plan rules.

UCRP also provides disability and survivor benefits for qualifying eligible members and survivors, and members can choose someone to receive monthly lifetime income upon their death.

CALCULATING YOUR UCRP PENSION BENEFIT

Your pension benefit is calculated based on your highest average 36 months of eligible pay (up to the PEPRA or IRS maximum; see sidebar at right), your age at retirement and your UCRP service credit. The service credit you earned as a participant in Savings Choice will not count toward this calculation.

If you are eligible for a Pension Choice supplemental account (see sidebar at right), your mandatory contributions to your supplemental account will vest (become yours) immediately. UC’s contributions will vest after you have earned five years of UCRP service credit. The service credit you earned as a participant in Savings Choice will not count toward vesting in UC’s contribution to your supplemental account.

Examples

Here are examples of how this would work, depending on a few important factors. In all examples, we’ll assume that you submit your election to switch to Pension Choice as soon as your second choice window opens.

At the beginning of the next plan year after you switch (July 1), you begin making contributions to UCRP and earning UCRP service credit. You and UC stop making contributions to your Savings Choice account.

Does the PEPRA maximum apply to you?

The “PEPRA maximum” refers to the maximum on pensionable earnings set under the 2013 California Public Employees’ Pension Reform Act (PEPRA). This maximum also applies to other California public pension plans and is reviewed annually and may be adjusted.

The PEPRA maximum applies to most UC employees who are hired into an eligible faculty or career staff appointment on or after July 1, 2016. However, employees are not subject to PEPRA if they:

- Were a UCRP member before July 1, 2016, or
- Were employed in a safe harbor position prior to July 1, 2016, or
- Were a “Classic Member” under CalPERS and are eligible for UCRP/CalPERS reciprocity

If you switch to Pension Choice and the PEPRA maximum applies to you, you may be eligible for a Pension Choice supplemental account, with contributions from you and UC. Contributions from UC to the supplemental account differ for designated faculty.

The IRS sets a dollar maximum for annual earnings for the Plan year upon which retirement benefits and contributions may be based. If the PEPRA maximum does not apply to you, your pensionable earnings will be subject to the IRS maximum.

See *A Complete Guide to Your Retirement Benefits* for more information.

Example 1: PEPRA maximum applies

You retire at 65, after 25 years of working full time with UC. Retiring at 65 gives you the maximum “age factor” of .0250, and you have 20 years of UCRP service credit. Your basic retirement income from UCRP will be 50.0% (.0250 x 20) of your highest average eligible compensation, up to the PEPRA maximum.

As a staff member whose eligible pay exceeded the PEPRA maximum, you and UC contributed to a supplemental Pension Choice account for 20 years.

At retirement, your primary retirement benefits would include accumulations in your Savings Choice account, accumulations in your supplemental Pension Choice account, and basic retirement income from UCRP.

Example 2: PEPRA maximum does not apply

You retire at 60, after 15 years of working full time with UC. Your “age factor” is .0180, and you have 10 years of UCRP service credit. Your basic retirement income will be 18% (.0180 x 10) of your highest average eligible compensation, up to the IRS maximum.

Because the PEPRA maximum does not apply to you, you are not eligible for a supplemental Pension Choice account.

At retirement, your primary retirement benefits would include accumulations in your Savings Choice account and basic retirement income from UCRP.

Example 3: PEPRA maximum applies

You leave UC at 40, after 9 years of working full time. When you reach 55, you decide to begin collecting UCRP retirement benefits. Your “age factor” is .0110, and you have 4 years of UCRP service credit. Your basic retirement income from UCRP will be 4.4% (.0110 x 4) of your highest average eligible compensation, up to the PEPRA maximum.

As a designated faculty member whose eligible pay exceeded the PEPRA maximum, you and UC made contributions to a supplemental Pension Choice account for four years.

At retirement, your primary retirement benefits would include accumulations in your Savings Choice account, your contributions to your supplemental Pension Choice account, and your basic retirement income from UCRP.

Because you left UC before earning 5 years of UCRP service credit, UC’s contributions to your Pension Choice supplemental account would not belong to you.

WHAT YOU NEED TO DO

No action is required if you decide to continue participating in the defined contribution option. If you do not submit an election form during your second choice window, you will remain a Savings Choice participant.

If you decide to switch your primary retirement benefits to Pension Choice, complete and sign the election form during your second choice window and return it to the UC Retirement Administration Service Center. An election you submit while you’re not an active Savings Choice participant or before the opening of your second choice window will not be honored.

The election may only be made through paper form and must be submitted directly to the UC Retirement Administration Service Center.

When your election has been verified, you will receive a confirmation statement from the UC Retirement Administration Service Center with the effective date for your switch to Pension Choice and instructions for designating your UCRP beneficiary or beneficiaries. Make sure to designate beneficiaries as soon as possible.

It is important to remember the effective date of your switch to Pension Choice is irrevocable once your election is received and verified, so be sure to make your decision carefully.

Need additional assistance? Here are some resources available to help:

Fidelity Retirement Planners

Online: getguidance.fidelity.com/universityofcalifornia
Phone: 800-558-9182
Monday–Friday, 5 a.m. to 6 p.m. (PT)

UC Retirement Administration Service Center

UCRAYS secure message: [retirementatyour.service.ucop.edu/](mailto:retirementatyour.service.ucop.edu)
Sign in to your UCRAYS account and select “Messages”
Phone: 800-888-8267
Monday–Friday, 8:30 a.m. to 4:30 p.m. (PT)
Fax: 800 792-5178

Mail:
UC Retirement Administration Service Center
P.O. Box 24570
Oakland, CA 94623-1570

Second choice window for Savings Choice participants

The "second choice window" is an extended opportunity for Savings Choice participants to switch prospectively from Savings Choice to Pension Choice, and become members of the UC Retirement Plan (UCRP). This is a big decision, so UC is allowing plenty of time for you to discuss your options with a Fidelity Retirement Planner and/or your personal financial advisor.

The second choice window opens on Jan. 1 of the fifth anniversary of the calendar year in which you made your initial election and extends through May 31 five years later (as long as you are still an active employee when you submit your election). For example, if you elected Savings Choice at any point in 2016, your second choice window opens on Jan. 1, 2021, and closes on May 31, 2026.

Enrollment in Pension Choice cannot be revoked. Whether you select Pension Choice, are enrolled in Pension Choice after 90 days, or switch to Pension Choice during your second choice window, you may not change your participation from Pension Choice to Savings Choice.

Understanding your choice

A switch from Savings Choice to Pension Choice is a change in the primary retirement benefits you will contribute to going forward; it is not retroactive.

If you switch to Pension Choice:

- You will remain in the pension plan for the remainder of your career, even if you separate from UC and return to another eligible position later. Participants in Pension Choice may not switch to Savings Choice.
- Your Savings Choice account balance will remain yours. On the date the change takes effect, contributions (from you and UC) to your Savings Choice account will stop, and contributions to UCRP will begin.
- The service credit you earned as a participant in Savings Choice:
 - Will count toward vesting in UCRP and toward your retiree health benefits.
 - Will not count as UCRP service credit toward the calculation of your pension benefit or toward vesting in your Pension Choice supplemental DC Plan account, if you have one. Please see "How will a switch affect my retirement benefits?" under [Frequently Asked Questions](#).

Your move from Savings Choice to Pension Choice will be effective the next plan year (which begins on July 1), depending on when you submit your election form. For

example, if your form is received on or before May 31, 2021, the change will be effective on July 1, 2021. If your form is received on or after June 1, 2021, your election will be effective July 1, 2022.

What you need to do

No action is required if you decide to continue participating in the defined contribution option. If you *do not* submit an election form, you will remain a Savings Choice participant.

If you decide to switch your primary retirement benefits to Pension Choice, complete and sign the election form and return it to the Retirement Administration Service Center (RASC). The election may only be made through paper form and must be submitted directly to the RASC.

Consider your decision carefully. As soon as your enrollment form has been submitted, your decision to switch to Pension Choice cannot be revoked. Enrollment in Pension Choice is permanent.

Frequently Asked Questions

I'm a Savings Choice participant. When will my second choice window open?

The second choice window opens on Jan. 1 of the fifth anniversary of the calendar year in which you made your initial election and extends through May 31 five years later, as shown below. You must be an active employee when you submit your election.

Not sure when you elected Savings Choice? Go to myUCretirement.com/choose and log in using your NetBenefits username and password. Your confirmation letter, showing your election date, will appear.

| Savings Choice Election Date | Second choice window opens | Second choice window closes |
|------------------------------|----------------------------|-----------------------------|
| July 1, 2016 – Dec. 31, 2016 | Jan. 1, 2021 | May 31, 2026 |
| Jan. 1, 2017 – Dec. 31, 2017 | Jan. 1, 2022 | May 31, 2027 |
| Jan. 1, 2018 – Dec. 31, 2018 | Jan. 1, 2023 | May 31, 2028 |
| Jan. 1, 2019 – Dec. 31, 2019 | Jan. 1, 2024 | May 31, 2029 |
| Jan. 1, 2020 – Dec. 31, 2020 | Jan. 1, 2025 | May 31, 2030 |

Should I switch from Savings Choice to Pension Choice?

The decision to switch from Savings Choice to Pension Choice is complicated. Since you have plenty of time, it's a good idea to talk to a Fidelity Retirement Planner and/or your personal financial advisor to help you understand whether the decision is right for you.

—

How will a switch affect my retirement benefits?

Your future retirement benefits will be calculated differently if you switch from Savings Choice to Pension Choice.

Savings Choice is considered a “defined contribution” program. As a Savings Choice participant, you and UC make defined contributions to a retirement savings account. When you retire, your account balance is based on contributions from you and UC, plus investment performance.

If you switch from Savings Choice to Pension Choice, your Savings Choice account (including contributions from you and UC) will belong to you, and you will continue to direct your investments. When you retire, you can draw money from your Savings Choice account, in addition to receiving a monthly pension benefit from UCRP

On the date your switch is effective, contributions from you and UC to your Savings Choice account will stop, and you'll begin contributing to UCRP and earning UCRP service credit. Pension Choice is considered a “defined benefit” program. Once you have earned five years of combined Savings Choice and UCRP service credit, you are vested in UCRP, which means that you are eligible to receive a defined pension benefit, subject to plan rules.

UCRP also provides disability and survivor benefits for qualifying eligible members and survivors, and members can choose someone to receive monthly lifetime income upon their death.

Calculating your UCRP pension benefit

Your pension benefit is calculated based on your highest average 36 months of eligible pay (up to the [PEPRA or IRS maximum](#)), your age at retirement and your UCRP service credit. The service credit you earned as a participant in Savings Choice will not count toward this calculation.

If you are eligible for a [Pension Choice supplemental account](#), your mandatory contributions to your supplemental account will vest (become yours) immediately. UC's contributions will vest after you have earned five years of UCRP service credit. The service credit you earned as a participant in Savings Choice will not count toward vesting in UC's contribution to your supplemental account.

For example:

You select Savings Choice on July 1, 2016, and decide to switch as soon as your second choice window opens on Jan. 1, 2021. You begin earning UCRP service credit on July 1, 2021. You retire at 65, after 25 years with UC.

Retiring at 65 gives you the maximum "age factor" of .0250, and you have 20 years of UCRP service credit. Your basic retirement income from UCRP will be 50.0% (.0250 x 20) of your highest average eligible compensation, up to the PEPRA maximum at the time you retire.

As a staff member whose eligible pay exceeded the PEPRA maximum, you and UC contributed to a supplemental Pension Choice account for 20 years.

At retirement, your primary retirement benefits would include accumulations in your Savings Choice account, accumulations in your supplemental Pension Choice account, and basic retirement income from UCRP.

Can I purchase service credit under UCRP based on my time in Savings Choice?

No, you do not have the option to purchase UCRP service credit based on your time spent in Savings Choice.

Why do I have to wait until the fifth anniversary of my election to switch?

The Regents item on the Retirement Choice Program, approved by the Regents in March 2016, stated that a Savings Choice participant should be provided a one-time opportunity to switch prospectively to Pension Choice after five years or, for faculty and lecturers, one year after the decision on tenure or security of employment, respectively. This recommendation considered that most faculty and staff would be likely to stay long-term at the University after five years, and typically would be vested in UCRP if working full-time.

Opening the second choice window at the fifth anniversary of employment and keeping it open for over five years satisfies the Regents' recommendation and allows staff, faculty and lecturers adequate time to make this important decision.

Why do I have to wait until July 1 for my switch to be effective?

Employee contributions to retirement benefits are not always allocated evenly over the plan year, which begins on July 1. For those with higher salaries, contributions stop at the point in the year that the employee's contributions reach a limit set by the IRS. Participants must

switch to Pension Choice on July 1, the beginning of a new plan year, to ensure that their contributions for the plan year do not exceed IRS guidelines.

—

Can I change my mind after I submit my election form?

No. As soon as your enrollment form has been submitted, your decision to switch to Pension Choice cannot be revoked. You will not be able to switch back to Savings Choice even if:

- You change your mind before July 1, when your switch is effective
- You separate from UC and return to an eligible position later in your career

Second choice opportunity approved for Savings Choice participants beginning in 2021

UC has received IRS approval to allow Savings Choice participants a window of opportunity to switch prospectively from Savings Choice to Pension Choice, and become members of the UC Retirement Plan (UCRP). On Jan. 1, 2021, this “second choice window” will open for the first cohort of Savings Choice participants — those who made their election for Savings Choice in the 2016 calendar year.

If you're represented by a union, your retirement benefits are governed by your union's contract with UC. Please refer to your [collective bargaining agreement](#) for details.

No action is required for those who would like to continue participating in the Savings Choice defined contribution option. Participants in Pension Choice **may not** switch to Savings Choice. Participation in Pension Choice is irrevocable.

Savings Choice participants: [Understanding your second choice window](#)

The second-choice window for Savings Choice participants opens on the fifth anniversary of the calendar year in which you made your initial election, and extends for five years and five months, according to the schedule below:

| Savings Choice Election Date | Second choice window opens | Second choice window closes |
|------------------------------|----------------------------|-----------------------------|
| July 1, 2016 – Dec. 31, 2016 | Jan. 1, 2021 | May 31, 2026 |
| Jan. 1, 2017 – Dec. 31, 2017 | Jan. 1, 2022 | May 31, 2027 |
| Jan. 1, 2018 – Dec. 31, 2018 | Jan. 1, 2023 | May 31, 2028 |
| Jan. 1, 2019 – Dec. 31, 2019 | Jan. 1, 2024 | May 31, 2029 |
| Jan. 1, 2020 – Dec. 31, 2020 | Jan. 1, 2025 | May 31, 2030 |

A move from Savings Choice to Pension Choice will be effective the **following plan year** (which begins on July 1), depending on when you submit your election. For example, if your form is postmarked on or before May 31, 2021, the change will be effective on July 1, 2021. If your form is postmarked on or after June 1, 2021, the election will be effective July 1, 2022.

The form to elect to switch primary retirement benefits to Pension Choice will be available on the UCnet Second Choice Window for Savings Choice participants page [[link to page](#)]. **Do not submit this form before your second choice window opens.**

If you switch from Savings Choice to Pension Choice: Understanding your retirement benefits

A switch from Savings Choice to Pension Choice is a change in your primary retirement benefits **going forward**; it is not retroactive. A switch to Pension Choice during your second choice window means:

- Your Savings Choice account balance will remain yours. On the date the change takes effect, contributions (from you and UC) to your Savings Choice account will stop, and contributions to UCRP will begin.
- You will remain in the pension plan for the remainder of your career, even if you separate from UC and return to another eligible position later. Participants in Pension Choice **may not** switch to Savings Choice.
- The service credit you earned as a participant in Savings Choice:
 - **Will count** toward vesting in UCRP and toward your retiree health benefits.
 - **Will not count** as UCRP service credit toward the calculation of your pension benefit or toward vesting in your supplemental Pension Choice account, if you have one. Please see [link to FAQ] for more information about how this will affect your retirement benefits.

Questions about your choice?

Visit UCnet for frequently asked questions [link to FAQs], more information about your second choice window [link to new 2CW page], and [important differences between Savings Choice and Pension Choice](#). [Fidelity Retirement Planners](#) are available for one-on-one appointments to help you compare the options, along with online resources and workshops.