

# Skidmore College Retirement Plan Investment Fund Changes

## FREQUENTLY ASKED QUESTIONS

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### What is changing and when?

On September 30, 2015, the following important changes to the investment funds offered under the Skidmore College Retirement Plan will take effect

- x The funds offered by TIAACREF and Vanguard will be consolidated down to a core lineup of funds
- x Three new investment options will be added under the TIAACREF investment menu to ensure you will have adequate opportunity to diversify your investment of your account under the Plan
- x TIAACREF and Vanguard will add a new selected brokerage option allowing you access to a wide range of mutual funds from well-known fund companies.

If you are currently invested in a TIAACREF or Vanguard fund that will no longer be offered, the value of your account and any future contributions to that fund will be transferred automatically—that is, “mapped”—to a similar investment option, if available to the age appropriate Target Date Fund offered under the Plan (See page 2 for information about Target Date Funds.)

We urge you to review these materials and your current investments, but unless you wish to change, no action is required on your part at this time.

### Why is the change happening?

Today, there are over 100 core investment options offered under the Skidmore College Retirement Plan. Offering so many options generally makes it very difficult for participants to understand all of the investment objectives and risks associated with each fund and to make well-informed investment elections

Current retirement plan industry research and best practices indicate that participants have a better understanding of the investment options offered by a retirement plan—and make better investment decisions—when there are a relatively limited number of core investment options. Many colleges and universities have already reduced the number of funds available under their retirement plans in the last few years. The Plan’s Investment Manager, Segal

What is a Target Date Fund?

A Target Date Fund is a diversified mutual fund that shifts towards a more conservative mix of investments automatically as a particular year approaches. (For example, a 2025 Target Date Fund will shift its investments towards a more conservative mix automatically as 2025 gets nearer and nearer.) The target date typically coincides with the date a participant would reach retirement normally at age 65. The managers of the fund make all decisions about asset allocation, diversification, and rebalancing of the fund's investments.

Why will some funds be mapped to a similar investment option and others will be mapped to a Target Date Fund?

The fund mapping strategy was provided by the Plan's Investment Manager. Whenever possible, discontinued funds will be mapped to similar investment options.