



**Date:** October 1, 2025

**To:** UNC Retirement Plan Participants

**From:** Greg Diagonale  
Assistant Vice President for Retirement Plan Administration & Compliance

**Subject:** Important Information About Your UNC Retirement Program

The University of North Carolina (UNC) System is committed to periodically reviewing its retirement programs to make sure they continue to help you meet your retirement and financial goals. Among the things considered are the investment options available through the plans and the investment option's performance and value.

Effective October 1, 2025, employees who participate in The Optional Retirement Plan of the University of North Carolina ("ORP"), the Senior Administrative Officer Retirement Program of UNC ("SAORP"), the Senior Athletic Employee Retirement Program of UNC ("SAERP"), and the UNC 457(b) Plan, will see a reduction in the expense ratio of several trusts offered by Vanguard. These changes also have an impact on the pricing of UNC Target Date Model portfolios. An expense ratio reflects how much of a fund's assets are used for investment expenses.

The purpose of this memo is to inform you of these changes. You do not need to take action to take advantage of the lower fees.

## What Does This Change Mean?

The funds affected will offer participants the same investment strategy and risk as they currently do, but the overall expenses will be lower. By paying less in fees, plan participants will be able to keep more of their investment returns.

If you participate in the ORP, SAORP, SAERP, and/or the UNC 457(b) Plan, the following chart shows the trusts that have lowered their expense ratio as of October 1, 2025.

Current Investment Option	Expense Ratio as of 6/30/2025	Expense Ratio as of 10/1/2025
<b>Target Date Funds</b>		
UNC Target Date Model Plus – 2010	0.029%	0.026%
UNC Target Date Model Plus – 2015	0.030%	0.026%
UNC Target Date Model Plus – 2020	0.032%	0.028%
UNC Target Date Model Plus – 2025	0.032%	0.028%
UNC Target Date Model Plus – 2030	0.034%	0.029%
UNC Target Date Model Plus – 2035	0.036%	0.031%
UNC Target Date Model Plus – 2040	0.038%	0.032%
UNC Target Date Model Plus – 2045	0.040%	0.034%
UNC Target Date Model Plus – 2050	0.041%	0.035%
UNC Target Date Model Plus – 2055	0.042%	0.036%
UNC Target Date Model Plus – 2060	0.043%	0.037%

Current Investment Option	Expense Ratio as of 6/30/2025	Expense Ratio as of 10/1/2025
UNC Target Date Model Plus – 2065	0.043%	0.037%
UNC Target Date Model Plus – 2070	0.043%	0.037%
UNC Target Date Model – Retirement Income	0.029%	0.025%
<b>Core Lineup Funds</b>		
Vanguard Total Bond Market Index Trust	0.0180%	0.0120%
Vanguard Institutional 500 Index Trust	0.0105%	0.0060%
Vanguard Extended Market Index Trust	0.0205%	0.0150%
Vanguard Total International Stock Index Trust	0.0450%	0.0350%

## Questions?

If you would like more information about the investment options in your plan, please contact TIAA. Don't forget, you can also change your current contribution allocation and current balance asset allocation at any time by contacting TIAA directly. And, if you need help choosing the right investment options for you or planning for retirement, you also can contact CAPTRUST, the UNC System's investment advisor, to schedule an appointment with a Retirement Counselor at no cost to you.

TIAA	CAPTRUST
<b>By phone:</b> 800-842-2252, Monday through Friday, 8 a.m. to 10 p.m. ET and Saturday, 9 a.m. to 6 p.m. ET  <b>Online:</b> <a href="http://www.tiaa.org/unc">www.tiaa.org/unc</a>	<b>By phone:</b> 800-967-9948  <b>Online:</b> <a href="http://www.captrustadvice.com">www.captrustadvice.com</a>

You can also contact your University Benefits Administrator.