

# Qualified Default Investment Alternative (QDIA) Initial Notice to New Employees

## San Diego State University Foundation Defined Contribution Retirement Plan

### Default Investment Notice

You are receiving this notice because if you become eligible to participate in the San Diego State University Research Foundation Defined Contribution Plan (the "Plan"), San Diego State University Foundation (the "Employer") is required to inform you how contributions under the Plan will be invested and how they will continue to be invested if you have not provided clear investment instructions.

Please disregard this notice if you are participating in the Plan and have already elected the investment allocations for your contributions.

If you become eligible for the Plan, contributions by San Diego State University Foundation will be invested on your behalf in the default investment as described in this notice if investment instructions from you were not made, or if the instructions received from you were incomplete or inadequate.

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

- What amount the Employer will contribute to your account;
- How contributions will be invested on your behalf, if investment instructions from you were not made
- When your account will be vested (that is, not surrendered when you leave your job), and when you can withdraw funds in your account; and
- How you can change the allocation of contributions.

#### **1. What amounts will San Diego State University Foundation contribute to my account?**

If you are eligible to receive contributions under the terms of the Plan, San Diego State University Foundation will make the following contributions to your account:

10% of salary, each pay period, up to the maximum permissible under the Plan

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

TIAA-CREF has been selected by San Diego State University Foundation as the investment provider for Plan contributions. The Plan lets you invest the contributions in a number of different investment choices. If you do not choose a different investment fund or funds, your Plan account will be invested in the default investment option for San Diego State University Foundation Defined Contribution Retirement Plan, which is the TIAA-CREF Lifecycle Fund that corresponds to your estimated date of retirement. The Lifecycle Funds provide a ready-made diversified portfolio using TIAA-CREF's family of broadly diversified mutual funds as the underlying investment. The allocation strategy for the underlying equity, fixed-income and short-term mutual funds is based on the number of years expected to reach the target retirement dates. These funds seek to provide high total returns until the target retirement date. Each fund's goal is to seek high current income and as a secondary objective, capital appreciation. Each fund's target asset allocation percentages automatically changes over time to become more conservative by gradually reducing the allocation to equity funds and increasing the allocation to fixed-income and short-term funds. If the default investment fund changes at any time in the future, you will be notified.

The attached fact sheet for the TIAA-CREF Lifecycle Funds provides additional information, including the investment objectives, risk and return characteristics, and fees and expenses. You can obtain updated information on fee expenses and a more detailed explanation of the TIAA-CREF Lifecycle Funds at [www.tiaa-cref.org/sdsuf](http://www.tiaa-cref.org/sdsuf) or by contacting TIAA-CREF at **800 842-2776**.

**3. How can I change the investment allocation of the contributions that will be made on my behalf by San Diego State University Foundation 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 TIAA-CREF by calling **800 842-2776** or at [www.tiaa-cref.org/sdsuf](http://www.tiaa-cref.org/sdsuf).

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 one of the TIAA-CREF Lifecycle Funds, 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 during any 60-day period. See the prospectus for more details on restrictions on frequent transfers at [www.tiaa-cref.org/sdsuf](http://www.tiaa-cref.org/sdsuf).

You can change how your account is invested, among the Plan's offered investment funds, by contacting TIAA-CREF at **800 842-2776** or accessing your account online at [tiaa-cref.org](http://tiaa-cref.org).

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

You will always be 100% vested in the employer contributions made under the Plan by San Diego State University Foundation.

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.

Even if you are vested in your Plan account, there are limits and contract restrictions on when and how you may withdraw your funds. Under the Plan, you may only withdraw vested money after you leave your job, and are no longer employed by San Diego State University Foundation. Also, there is generally an extra 10% tax on lump-sum distributions made before you reach age 59½.

**5. Who 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 Summary Plan Description (SPD) or other Plan documents, please contact the Plan Administrator at:

**San Diego State University Foundation**  
**5250 Campanile Drive**  
**San Diego, CA 92182-1945**  
[hr@foundation.sdsu.edu](mailto:hr@foundation.sdsu.edu)

# MAKE SAVING FOR RETIREMENT EASY

## TIAA-CREF LIFECYCLE FUNDS

### RETIREMENT CLASS

We understand that life can be complicated, but investing for retirement doesn't have to be. Now you can take a "ready-made" approach by choosing a TIAA-CREF Lifecycle Fund. With Lifecycle Funds, simply consider the year when you expect to retire and pick the fund closest to that year. For example, if you plan to retire in 2034, choose the TIAA-CREF Lifecycle Fund 2035. The target date of a Lifecycle Fund is an approximate date when investors may begin withdrawing from the fund. TIAA-CREF determines the asset allocation generally considered appropriate for each fund's time horizon and gradually adjusts it from more aggressive to more conservative as the target date approaches.

**You may be wondering . . .**

**Q: What kind of investor should consider a Lifecycle Fund?**

**A:** Whether you're new to investing or experienced, a long way from retirement or close to it, Lifecycle Funds may appeal to you. The advantage is simplicity. There's never any need to adjust your retirement portfolio, since the fund will automatically shift its asset allocation as your year of retirement draws closer.

**Q: How are Lifecycle Funds invested?**

**A:** Lifecycle Funds seek high total return over time through a combination of capital appreciation and income. The Lifecycle Retirement Income Fund seeks high total return over time primarily through income, with a secondary emphasis on capital appreciation. They achieve this by investing in TIAA-CREF's family of broadly diversified mutual funds. These underlying mutual fund investments include stocks (equities) and fixed-income instruments. Approximately seven to ten years after a Lifecycle Fund's target date, the fund may merge into the Lifecycle Retirement Income Fund or a similar fund. As with any mutual fund, the principal value in a Lifecycle Fund is not guaranteed.

**Q: What if I already have savings in other investments? Should I transfer that money to a Lifecycle Fund?**

**A:** If you prefer not to actively manage multiple retirement investments, and if the benefits of diversification and ongoing professional management appeal to you, you may want to consider transferring your other retirement savings to a Lifecycle Fund. Be sure to carefully consider differences in features, costs, charges and services; possible IRS penalties and other tax consequences; and the potential loss of vested benefits. Consult your tax advisor before taking action.

**Q: What if I change my projected retirement year?**

**A:** If your goals or needs change, you can easily switch to another Lifecycle Fund, just as you would with any other mutual fund holding.

**TIAA-CREF: FINANCIAL SERVICES FOR THE GREATER GOOD**

TIAA-CREF's investment philosophy seeks to deliver consistent growth for our investors year after year. Since 1918, we have helped millions of people at America's academic, medical, cultural and research institutions plan for the future.

For additional assistance, contact TIAA-CREF at **800 842-2273** or visit [tiaa-cref.org](http://tiaa-cref.org).













**FINANCIAL SERVICES  
FOR THE GREATER GOOD®**

Please note that TIAA-CREF Lifecycle Funds share the risks associated with the types of securities held by each of the underlying funds in which they invest. In addition to the fees and expenses associated with the Lifecycle Funds, there is exposure to the fees and expenses associated with the underlying mutual funds.

## PICK THE LIFECYCLE FUND THAT'S RIGHT FOR YOU

Simply choose the Lifecycle Fund that's closest to your expected retirement date. If you're already retired, the TIAA-CREF Lifecycle Retirement Income Fund offers an asset allocation that's generally appropriate for the needs of retirees.\* TIAA-CREF Lifecycle Funds are actively managed, so their asset allocations are subject to change and may vary from what is shown here.

### TIAA-CREF LIFECYCLE FUNDS - RETIREMENT CLASS

IF YOU PLAN TO RETIRE AROUND:	THEN CONSIDER:	ASSET ALLOCATION	GROSS EXPENSE / NET CHARGE**
			<i>As of the most current prospectus dated 2/1/10</i>
<b>2010</b>	<b>Lifecycle 2010 Fund</b>	 52% Equities 48% Fixed income	<b>0.96% / 0.65%</b>
<b>2015</b>	<b>Lifecycle 2015 Fund</b>	 60% Equities 40% Fixed income	<b>0.98% / 0.67%</b>
<b>2020</b>	<b>Lifecycle 2020 Fund</b>	 68% Equities 32% Fixed income	<b>0.98% / 0.67%</b>
<b>2025</b>	<b>Lifecycle 2025 Fund</b>	 76% Equities 24% Fixed income	<b>1.01% / 0.69%</b>
<b>2030</b>	<b>Lifecycle 2030 Fund</b>	 84% Equities 16% Fixed income	<b>1.03% / 0.71%</b>
<b>2035</b>	<b>Lifecycle 2035 Fund</b>	 90% Equities 10% Fixed income	<b>1.03% / 0.72%</b>
<b>2040</b>	<b>Lifecycle 2040 Fund</b>	 90% Equities 10% Fixed income	<b>1.02% / 0.72%</b>
<b>2045</b>	<b>Lifecycle 2045 Fund</b>	 90% Equities 10% Fixed income	<b>1.50% / 0.72%</b>
<b>2050</b>	<b>Lifecycle 2050 Fund</b>	 90% Equities 10% Fixed income	<b>1.96% / 0.71%</b>
<b>Already retired</b>	<b>Lifecycle Retirement Income Fund</b>	 40% Equities 60% Fixed income	<b>1.46% / 0.65%</b>

\* Not all Lifecycle Funds are available through all employer-sponsored plans. Please contact us to determine if your employer's plan can accept investments into a specific fund.

\*\* The net expense ratio includes fees for the Lifecycle Funds and fees for the underlying funds; each Lifecycle Fund indirectly bears its pro rata share of the fees and expenses incurred by the underlying funds. The net annual expense charge reflects a contractual fee waiver and reimbursement of certain expenses by the fund's advisor through January 31, 2011. The reimbursement does not cover the fee for services provided in connection with the offering of this class on retirement platforms. See the current prospectus for information on expenses.

**You should consider the investment objectives, risks, charges and expenses carefully before investing. Call 877 518-9161 or visit [tiaa-cref.org](http://tiaa-cref.org) for a prospectus that contains this and other information. Read the prospectus carefully before investing.**

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