



## PACE UNIVERSITY DEFINED CONTRIBUTION RETIREMENT PLAN

**Universal Availability Notice:** Pace University (the "Employer") provides you with the opportunity to save for your retirement by sponsoring the Pace University 403(b) Defined Contribution Retirement Plan (the "Plan"). Pace University would like you to know more about your opportunity to participate and contribute to the Plan. Whether you want to enroll in the Plan or are already enrolled but wish to change the amount of your deferral, you can accomplish your goal by completing a 403(b) Salary Reduction Agreement. You can obtain this by logging in to the TIAA participant portal on the [TIAA website](#). On the *Accounts* page, select *Manage contributions*.

**Eligibility:** All employees of the Employer who receive compensation reportable on an IRS Form W-2 are eligible to participate in the Plan except for the following excluded classes of employees:

- Employees who are enrolled as students and regularly attending classes offered by the Employer

Eligibility above refers to participation in the Plan through your employee contributions. Employer contributions to the plan have separate eligibility rules, waiting period, and entry dates.

If you are not yet enrolled in the Plan, please take a moment to review the Plan materials before enrolling. Once you are enrolled, you can review and change the amount of your contributions and your investment allocations, consistent with the terms of the Plan. The exact date your investment allocations will take effect may vary depending upon the terms of the Plan and the applicable investment arrangements.

**Elective Deferrals.** The "Plan" allows eligible employees to save for retirement. If you are eligible to participate in the Plan, then you may elect to reduce your compensation by a specified amount and have that amount contributed to the Plan as an elective deferral. There are two types of elective deferrals: Pre-Tax Deferrals and Roth Deferrals. For purposes of this notice, "elective deferrals" means both Pre-Tax Deferrals and Roth Deferrals. Regardless of the type of elective deferral you make, the amount you defer is counted as compensation for purposes of Social Security taxes.

**Pre-Tax Deferrals.** If you elect to make Pre-Tax Deferrals, then your taxable income is reduced by the deferral contributions so you pay less in federal income taxes. Later, when the Plan distributes the deferrals and earnings, you will pay the taxes on those deferrals and the earnings. Therefore, with a Pre-Tax Deferral, federal income taxes on the elective deferral contributions and on the earnings are only postponed. Eventually, you will have to pay taxes on these amounts.

**Roth Deferrals.** If you elect to make Roth Deferrals, the elective deferrals are subject to federal income taxes in the year of elective deferral. However, the elective deferrals and, in certain cases, the earnings on the elective deferrals are not subject to federal income taxes when distributed to you. In order for the earnings to be tax free, you must meet certain conditions. See the question in the Summary Plan Description ("SPD") entitled "What are my tax consequences when I receive a distribution from the Plan?".

## NOTICE OF RIGHT TO PARTICIPATE IN THE PLAN AND CONTRIBUTION LIMITS

**How do I elect to make contributions to the Plan?** The amount you elect to defer will be deducted from your pay in accordance with a procedure established by the Plan Administrator. The Plan may automatically make a deferral for you unless you enter into a Salary Reduction Agreement (see the SPD for more information on the Plan's automatic deferral feature). You may elect to defer a portion of your compensation payable on or after your Entry Date. Such election will become effective as soon as administratively feasible after it is received by the Plan Administrator. Your election will remain in effect until you modify or terminate it. If you are currently participating, you may want to change your amounts for the new Plan Year. You can increase or decrease your contribution or you can leave your amounts the same. You can contact the Plan Administrator to obtain further information on how to make contributions to the Plan.

**How much can I contribute?** Your total elective deferrals in any taxable year cannot exceed a dollar limit which is set by law. The limit for 2026 is \$24,500. After 2025, the dollar limit may increase for cost-of-living adjustments. See the paragraph below on Annual dollar limit.

**Age Based Catch-Up Deferrals.** If you are at least age 50 or will attain age 50 before the end of a calendar year, then you may elect to defer additional amounts (called Age 50 Catch-Up Deferrals) to the Plan as of the January 1st of that year. You can defer the additional amounts regardless of any other limitations on the amount you can defer to the Plan. The maximum Age 50 Catch-Up Deferrals that you can make in 2026 is \$8,000. If you are age 60-63, you may contribute \$11,250. After 2026, the maximum might increase for cost-of-living adjustments. Any Age Based Catch-Up Deferrals that you make will be taken into account in determining any Employer matching contribution made to the Plan. If you are age 50 and older during 2026 who received FICA wages exceeding \$150,000 in the prior year will be required to make any catch-up contributions on an after-tax Roth basis. Pre-tax catch-up contributions will no longer be permitted for these employees. However, contributions up to the standard limit (\$24,500 in 2026) may still be made as pre-tax and/or Roth, based on an individual's election. If your FICA wages were \$150,000 or less in the prior year, you are not required to designate your age-based catch-up contributions as Roth.

**Annual dollar limit.** Each separately stated annual dollar limit on the amount you may defer (the annual deferral limit and the Catch-Up Deferral limit) is a separate aggregate limit that applies to all such similar salary deferral amounts and "catch-up contributions" you may make under this Plan and any other cash or deferred arrangements (including other tax-sheltered 403(b) annuity contracts, simplified employee pensions or 401(k) plans) in which you may be participating. Generally, if an annual dollar limit is exceeded, then the excess must be returned to you in order to avoid adverse tax consequences. For this reason, you need to contact the Plan Administrator if these situations might apply to you. It is desirable to request in writing that any such excess salary deferral amounts and Catch-Up Deferrals be returned to you. If you are in more than one plan, you must decide which plan or arrangement you would like to return the excess. If you decide that the excess should be distributed from this Plan, you must communicate this in writing to the Plan Administrator no later than the March 1st following the close of the calendar year in which such excess deferrals were made. However, if the entire dollar limit is exceeded in this Plan or any other plan the Employer maintains, then you will be deemed to have notified the Plan Administrator of the excess. The Plan Administrator will then return the excess deferral and any earnings to you by April 15th.

**What is the maximum annual amount that can be contributed to my account?** The law imposes a limit on the amount of contributions (both Employer contributions and elective deferrals, but excluding Age 50 Catch-Up Deferrals) that may be made to your accounts during a year. For

## NOTICE OF RIGHT TO PARTICIPATE IN THE PLAN AND CONTRIBUTION LIMITS

2026, this total cannot exceed the lesser of \$72,000 or 100% of your includible compensation (generally your compensation for the prior 12 month period). After 2026, the dollar limit might increase for cost-of-living adjustments. Your includible compensation for purposes of this limit is limited for 2026 to \$360,000. After 2026, the dollar limit for includible compensation might increase in future years for cost-of-living adjustments. The above limit may also need to be applied by taking into account contributions made to other retirement plans in which you are a participant. If you have more than 50% control of a corporation, partnership, and/or sole proprietorship, then the above limit is based on contributions made to this Plan as well as contributions made to any 403(b) or qualified plans maintained by the businesses you control. If you control another business that maintains a plan in which you participate, then you are responsible for providing the Plan Administrator with information necessary to apply the annual contribution limits. If you fail to provide necessary and correct information to the Plan Administrator, it could result in adverse tax consequences to you, including the inability to exclude contributions to the Plan from your gross income for tax purposes. You can find out more information about the Plan in the SPD. You can obtain a copy from the Plan Administrator.

If you have questions, please contact the Benefits office by email: [benefits@pace.edu](mailto:benefits@pace.edu), or by phone: (914) 923-2828.