Successful retirement planning is an important and continuous task. The following are some milestones and points of interest along the road to retirement that apply to the U-M Basic Retirement Savings Plan and 403(b) SRA; some do not apply to the 457(b) plan while others do. Not every situation is addressed in this chart and your circumstances, retirement and estate planning issues may be different. This is not intended to constitute tax, legal or investment advice. You should consult with qualified financial, tax, and legal consultants as it pertains to your situation.

### AGE-BASED MILESTONES

**AGE 35**
- Participation in the Basic Retirement Savings Plan is compulsory when you are age 35 or older, have at least 2 years of eligible service and have a 100% appointment.

**AGE 50**
- The limit for making elective deferrals to the 403(b) SRA and 457(b) plans is increased by $6,000 for each plan during the calendar year you reach age 50.

**AGE 55**
- The IRS 10% penalty for cash withdrawals from the Basic Retirement Plan and 403(b) SRA made prior to age 59½ is waived if it is made after you terminate/retire from U-M during or after the calendar year you attain age 55. This exception to the penalty is lost if you do a rollover to an IRA.

**AGE 59½**
- You may take a cash withdrawal from the 403(b) SRA while you are still employed at U-M for any reason.
- Cash withdrawals from the Basic Retirement Plan and the 403(SRA) made prior to age 59½ are generally subject to a 10% IRS penalty.

**AGE 70½**
- You may take a cash withdrawal from the 457(b) plan while you are still employed at U-M for any reason.
- You must begin to take minimum distributions from your U-M accounts by April 1 of the calendar year following the calendar year in which reach age 70½ or terminate/retire, whichever is later.

**AGE 75**
- Any 403(b) accumulations as of 12/31/1986 are subject to a grandfathering rule in which minimum distribution of those amounts do not need to begin until age 75 once retired or terminated. This special provision is lost if you rollover grandfathered amounts to an IRA.

### SERVICE-BASED MILESTONES

**DATE OF HIRE**
- You may enroll in the Basic Retirement Savings Plan, 403(b) SRA, and the 457(b) Deferred Compensation Plan.

**1 YEAR OF SERVICE**
- You become eligible for the U-M contribution to the Basic Retirement Savings Plan (you must affirmatively enroll).

**ANNUALLY**
- Review your progress toward saving for retirement, rebalance your portfolio, increase your 403(b) SRA and/or 457(b) contribution, verify your address and beneficiary are current, and meet with TIAA-CREF and/or Fidelity Investments.

**2 YEARS OF SERVICE**
- Participation in the Basic Retirement Savings Plan is compulsory when you are age 35 or older, have at least 2 years of eligible service and have a 100% appointment.

**15 YEARS OF SERVICE**
- The limit for making elective deferrals to the 403(b) SRA increases by up to $3,000 per year, with a lifetime cap of $15,000 if: 1) your lifetime 403(b) elective deferrals to the Basic Retirement Savings Plan and the SRA average less than $5,000 per year; and, 2) you have 15 cumulative years of service at U-M.

**5-7 YEARS PRIOR TO RETIREMENT**
- Meet with TIAA and/or Fidelity Investments to begin retirement income, tax, and estate planning. Order Social Security income estimates.

**30 DAYS PRIOR TO RETIREMENT**
- Submit forms to TIAA and/or Fidelity to start retirement income. Your unit needs to process your retirement date with university records, which is used to authorize TIAA and Fidelity to begin issuing your income payments.