



Human Resources & Payroll
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George Mason University 403(b) Tax-Sheltered Annuity Plan Notice of Automatic Enrollment and Default Investment

Beginning in 2008, George Mason University began making saving for retirement under the 403(b) Tax-Sheltered Annuity Plan (the "TSA") even easier by offering an automatic enrollment feature. This automatic enrollment feature means that Mason will enroll you in a TSA 90 days after your date of employment unless you take action to either:

1. Opt-out of the program, or
2. Make an election to contribute.

Without any action on your part, after 90 days of employment you are automatically enrolled in a Fidelity TSA invested in Freedom Funds (see default fund discussion below). Mason will deduct \$20 per pay period from your pay and contribute it to your TSA account. Mason will also match 50% of the amount you contribute, in this case \$10 per pay period¹

If you do not want to contribute \$20 per pay period to the TSA, you must take action. You may elect to contribute more or less, or you may opt-out of the TSA. To contribute more or less, you must complete a 403(b) Salary Reduction Agreement and submit it to Human Resources & Payroll. To opt out of the TSA you must complete an opt-out form and submit it to Human Resources and Payroll. Both forms are available on the [Human Resources & Payroll website](#). If you do nothing, the automatic \$20 contribution election will apply each pay period until you change your election.

If you choose to have a TSA, you have a choice between two vendors: TIAA-CREF or Fidelity Investments. Each plan provider offers a diverse set of investment options. For more information on the plan providers and the available investment options, please visit the [Supplemental Retirement](#) website. If you do not select a plan provider, your contributions and Mason's matching contributions will be invested in the TSA's default investment with Fidelity.

Please note that by selecting Fidelity to provide the default investment, Mason is not recommending that you invest with Fidelity. You may change the investment of your TSA account at any time to TIAA-CREF. If you elect to change the investment of your TSA account, there may be restrictions, fees, or expenses imposed in connection with that transfer. You may obtain a copy of the prospectus or information statement for each investment option by going to the [Supplemental Retirement](#) website and navigating to the link of your desired plan provider's website.

Default Investment

The TSA's default investment is the Fidelity Freedom Fund that corresponds to your estimated date of retirement. The Fidelity Freedom Funds are known as lifecycle funds. The Fidelity Freedom Funds invest in a number of other Fidelity mutual funds to provide an overall investment mix that is generally considered appropriate for investors at the corresponding stage of retirement planning. The Fidelity Freedom Fund's strategy for creating the right mix of underlying investments (e.g., equity (stocks), fixed-income (bonds), and short-term mutual funds (cash equivalents), etc.) is based on the number of years expected to reach the fund's target retirement date. Each Fidelity Freedom Fund's investment mix will change over time to become more conservative by gradually reducing the percentage of equity funds and increasing the percentage of fixed-income and short-term funds. Exhibit A provides a more detailed explanation of the Fidelity Freedom Funds.

If you have questions about this notice, please contact Human Resources and Payroll, 4400 University Dr., MS 3C3, Fairfax, VA 22030, (703) 993-2600 or visit our website at <http://hr.gmu.edu/benefits/>.

¹ Disclaimer: The Commonwealth of Virginia and George Mason University reserve the right to terminate, suspend, withdraw, amend or modify the benefits plan in whole or in part at any time. Further, The Commonwealth and the University reserve the right to terminate or modify coverage for any group of employees, active or retired and their dependents or a class of dependents at any time.

EXHIBIT A – FIDELITY FREEDOM FUNDS

What it is:	<p>The Fidelity Freedom Funds are investment options that allow the investor to select the fund that best matches his or her expected retirement year. The Fidelity Freedom Funds invest in a diversified portfolio of other Fidelity mutual funds to provide moderate asset allocation. They are designed for investors who want a simple yet diversified approach to investing for their retirement. The allocation strategy for the underlying equity, fixed-income, and short-term mutual funds is based on the number of years until the Freedom funds reach their target retirement dates. Each Freedom fund with a target retirement date will gradually adopt a more conservative asset allocation as it approaches its target retirement date. Therefore, each fund's target asset allocation percentages will change over time to become more conservative, by gradually reducing allocations to equity funds and increasing allocations to fixed-income and short-term funds. The Fidelity Freedom Income Fund®, designed for those already in retirement, emphasizes fixed-income and short-term mutual funds and seeks to maintain a stable asset allocation from year to year.</p>
Goal:	<p>The Fidelity Freedom Funds with target retirement dates seek to provide high total returns until the target retirement date. Thereafter, each fund's goal will be to seek high current income and, as a secondary objective, capital appreciation. The Freedom Income Fund seeks high current income and, secondarily, capital appreciation.</p>
What it invests in:	<p>Each Freedom fund invests in a diversified portfolio of Fidelity equity, fixed-income, and short-term mutual funds. Fidelity Freedom 2050 Fund®, with the longest time horizon, invests primarily in equity mutual funds to take advantage of potentially greater growth opportunities. The asset mix of each Freedom fund with a target retirement date (Fidelity Freedom Income Fund®, Fidelity Freedom 2000 Fund®, Fidelity Freedom 2005 Fund®, Fidelity Freedom 2010 Fund®, Fidelity Freedom 2015 Fund®, Fidelity Freedom 2020 Fund®, Fidelity Freedom 2025 Fund®, Fidelity Freedom 2030 Fund®, Fidelity Freedom 2035 Fund®, Fidelity Freedom 2040 Fund®, Fidelity Freedom 2045 Fund®, Fidelity Freedom 2050 Fund®, Fidelity Freedom 2055 Fund®) will gradually become more conservative over time so investors can stay with the same fund before and during retirement. After reaching the target retirement date, these Freedom funds continue to be managed more conservatively for 10 to 15 more years until their asset mix is approximately the same as Freedom Income Fund. Ultimately, after notifying the funds' investors, the funds will merge into the Freedom Income Fund. The Freedom Income Fund, designed for those already retired, is invested more conservatively, with a larger percentage in fixed-income and short-term funds and has a smaller percentage of equity mutual funds. The funds' manager must invest in the group of underlying funds named in the prospectus, and will aim for the projected target asset allocation percentages announced to investors in the funds' annual and semiannual reports. Freedom funds with target retirement dates may invest in domestic and foreign equity funds, high yield and investment grade fixed-income funds, and short-term funds. The Freedom Income Fund invests in domestic equity funds, investment grade fixed-income funds, high yield bond funds and short-term funds. These funds are subject to the volatility of the financial markets in the U.S. and abroad and may be subject to the additional risk associated with investing in high yield, small cap, and foreign securities. Share price and return of each Freedom fund will vary.</p>
Who may want to invest:	<ul style="list-style-type: none"> • Someone who wants a simple approach for choosing retirement investment options. • Someone who wants a long-term investment strategy that changes over time as his or her target retirement date approaches. • Someone who wishes to take advantage of a diversified portfolio of well-established, actively-managed Fidelity funds.
Fees/Expenses:	<p>As of 12/16/2011, the gross expense ratios associated with the various Freedom Funds (Freedom Income, 2000, 2005, 2010, 2015, 2020, 2025, 2030, 2035, 2040, 2045, 2050, and 2055) ranged from 0.46% to 0.81%. You can obtain updated information on fee expenses at www.fidelity.com or by contacting Fidelity at 800 343 0860.</p>