

University of Michigan Health-Sparrow Team Member Retirement Savings Plan 401(k)

Fact Sheet

IMPORTANT! You will automatically be enrolled in the Defined Contribution (DC) 401k plan 60 days after your date of hire. As of the first pay period after that 60 day opt out window, your team member record will be set up to have a 6% pre-tax payroll deduction deferred to your 401k.

You may opt-out of automatic enrollment anytime during the 60 day opt-out period by contacting our 401k vendor, Transamerica Retirement Solutions, at **1-800-755-5801**, online by logging in at transamerica.com/portal/sparrow, or by contacting SparrowRetirement@Transamerica.com.

- **IMPORTANT!** You can start, change or stop your payroll deferral percentage at any time after your date of hire, but remember you only have 60 days to opt-out of automatic enrollment.

****If you are a Caregiver of the MAC/MAC Restaurant**, you are not eligible for the UM Health-Sparrow Match, nor are you automatically opted in to contribute. You must reach one (1) year of service, and at least 501 hours in your first anniversary year, or a subsequent calendar year, to gain eligibility for the Affiliate 401k.

Matching Contributions

- UM Health-Sparrow will match 50% up to the first 6% of pay you contribute each payroll period. This means if you contribute 6% of your pay, UMH-Sparrow will contribute an additional 3% each pay period.
- After you have attained one year of eligible service and worked 1,000 hours you will automatically be eligible to receive the 3% annual Safe Harbor contributions.

Vesting

- Your own contributions and UM Health-Sparrow's Annual Safe Harbor Contribution vest immediately.
- UMH-Sparrow's matching contributions vest 100% after three years and 1,000 hours of service in each of those years.

The 2025 IRS annual limit is \$23,500.

If you are age 50 or over, you may contribute an additional \$7,500 annually, or age 60-63 \$11,250.