

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 account.

You may opt-out of automatic enrollment in two ways during the 60 day opt-out period by contacting our 401k vendor Transamerica Retirement Solutions directly: 1) Register/log in to your online account at transamerica.com/portal/umhealth to make deferral changes, or 2) Contact Transamerica directly at **1-800-755-5801** to make the request via phone.

- **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.

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 service and worked 1,000 eligible hours, you will automatically be eligible to receive the 3% annual Safe Harbor contributions.

Vesting

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

Annual Limit: The 2026 IRS annual contribution limit is \$24,500.

If you are age 50 or over, you may contribute an additional \$8,000 annually; age 60-63 has a higher catch-up limit allowed of \$11,250.*

**See IRS Secure Act 2.0 for further details surrounding catch-up contributions.*

Questions? Please contact the Transamerica at 800-755-5801 or e-mail sparrowretirement@transamerica.com