

March 19, 2021

Dear Plan Sponsor,

This Service & Fee Disclosure Package is designed to help you better understand and assess the reasonableness of the fees and expenses charged to your plan. We have summarized the most relevant fee components, provided an explanation of the services provided for those fees and included supporting details to explain how estimated fees were derived. This package includes:

- A disclosure of the fees and expenses incurred by your plan for services provided by TIAA
- An Investment Fee & Expense Disclosure Report for the investments offered within your plan

For ERISA-covered plans, the Department of Labor (DOL) requires periodic reviews of plan fees and expenses as a part of your ongoing fiduciary obligation to monitor arrangements with plan service providers. You should confirm that the fees paid by your plan are reasonable based on the type and quality of services provided. The information in this package will enable you to:

- Comply with the "reasonable arrangement" requirement of the ERISA §408(b)(2) statutory prohibited transaction exemption.
- Prepare your annual participant fee disclosure notice. Disclosure Assist, TIAA's online tool on PlanFocus, makes it easier for you to comply with the Department of Labor's annual disclosure regulations.

If your plan is not subject to ERISA, the requirements under ERISA §408(b)(2) do not apply to you. However, you may still find this information to be helpful if, as an administrative best practice, your governance process includes assessing the reasonableness of the fees your plan pays to its service providers.

TIAA remains committed to helping you establish a formal administrative plan governance process and understand the reasonableness of fees. Please contact your TIAA representative with any questions regarding fees and expenses. If your plan is serviced by the Administrator Telephone Center, you can speak with one of our experienced consultants at 888-842-7782, weekdays, 8 a.m. to 8 p.m. (ET).

Sincerely,

Plan Compliance Services

# Service and Fee Disclosure Package

## Explanation of Services Provided

The quality and types of services being offered is an important consideration in determining the value of services being provided. TIAA is a "bundled" service provider, meaning that many of the services needed to support your retirement plans, such as investment management, recordkeeping, administration and participant communications, are provided through us as a single service provider.

TIAA offers a full suite of retirement plan services to help you manage fiduciary risk, drive efficiencies, reduce costs and encourage retirement savings. Whether you use all of our services, or select just those that meet your specific needs, we work with you to deliver positive outcomes for your organization and your employees.

<p><b>ADMINISTRATIVE AND RECORDKEEPING SERVICES</b></p>	<ul style="list-style-type: none"> <li>■ Enrollment Services</li> <li>■ Vesting and Service History Tracking</li> <li>■ Transaction Processing</li> <li>■ Distribution Processing</li> <li>■ Custodial/Trustee Services</li> <li>■ Core Recordkeeping</li> </ul>
<p><b>EMPLOYEE SERVICES</b></p>	<ul style="list-style-type: none"> <li>■ Enrollment Communications</li> <li>■ Regulatory Communications</li> <li>■ Individual Advice &amp; Counseling</li> <li>■ Quarterly Reporting &amp; Statements</li> <li>■ Telephone and Web Support</li> <li>■ Online Planning Tools</li> </ul>
<p><b>PLAN SPONSOR SERVICES</b></p>	<p>Client Support:</p> <ul style="list-style-type: none"> <li>■ Consultative Guidance</li> <li>■ Education</li> <li>■ Reporting</li> </ul> <p>Fiduciary, Compliance &amp; Risk Management Services:</p> <ul style="list-style-type: none"> <li>■ Compliance Monitoring</li> <li>■ Morningstar Fiduciary Services</li> <li>■ Plan Reporting</li> <li>■ Plan Documents</li> <li>■ Investment Consulting</li> <li>■ Custom Default/QDIA Solutions</li> <li>■ TIAA Retire Plus Series<sup>SM</sup></li> </ul> <p>Implementation Services:</p> <ul style="list-style-type: none"> <li>■ Planning</li> <li>■ Transition Management</li> <li>■ Communication Services</li> </ul>
<p><b>PLAN INVESTMENTS</b></p>	<ul style="list-style-type: none"> <li>■ Proprietary Annuities</li> <li>■ Proprietary Mutual Funds</li> <li>■ Nonproprietary Mutual Funds</li> <li>■ Managed Accounts</li> </ul>

## Summary of Disclosures Related to Your Products & Services

TIAA is providing fee disclosures for the following products, services or fee types that Vanderbilt University Defined Contribution Plan currently utilizes:

### Plan Services Disclosure

- TIAA Earnings on Idle Cash (Float)
- Transactional Fund Earnings - Breakage
- TIAA Net Plan Loan Interest
- Revenue Credit Account
- Participant Advice Service

### Investment Disclosure

- TIAA Traditional Annuity
- TIAA Real Estate Account
- CREF Variable Annuity Accounts
- TIAA-CREF Funds

## Recordkeeping Disclosure

TIAA is the recordkeeper for your plan and, as such, is considered a covered service provider under ERISA regulation §408(b)(2) and is required to provide you with information related to the services it provides and the compensation it receives. TIAA receives compensation for recordkeeping services in accordance with the terms of the Recordkeeping Services Agreement. Please refer to the Recordkeeping Services Agreement for additional information related to TIAA's compensation and the means by which the plan can satisfy TIAA's "revenue requirement". If your plan does not have an executed Recordkeeping Services Agreement, TIAA's compensation may be attributable to revenue sharing payments to TIAA as a recordkeeper from proprietary and non-proprietary mutual fund investments offered by your plan. A "revenue sharing payment" is money paid from a mutual fund's expense ratio, or by a mutual fund's investment manager, distribution company, or transfer agent from their revenues to a plan recordkeeper for keeping track of the ownership of the mutual fund's shares and other shareholder services. Any revenue shared by an investment provider is

included as part of each of their investment's expense ratio and is not in addition to the published expense ratios. In addition, plan services expense offsets may be provided by TIAA to plans with TIAA and/or CREF proprietary annuity products on their menus to assist plans in satisfying TIAA's revenue requirement. A "plan services expense offset" is provided by TIAA and notionally represents a portion of the Administration and Distribution expense ratio related to plan services. Plan services expense offsets are determined by TIAA in its capacity as a recordkeeper and are supported solely by TIAA from its surplus. For an estimate of the revenue sharing payments and plan services expense offsets, please refer to the Investment Fee & Expense Disclosure Report at the end of this document.

### TIAA Earnings on Idle Cash (Float)

As part of its compensation for processing transactions (e.g., contributions, distributions and withdrawals, and loan transactions) for your plan, TIAA retains earnings derived from the use of funds ("float") on cash balances held pending investment and disbursements in demand deposit or other non-interest bearing accounts.

On the float, TIAA earns:

- (i) interest at a market-determined overnight rate, or
- (ii) interest on short-term investment instruments, or
- (iii) "service credits" determined by each bank TIAA uses, based on the available cash balances in the contribution demand deposit or distribution accounts.

Any revenue TIAA earns on float balances is considered §408(b)(2) indirect compensation which is paid by TIAA's investment of float balances in short term instruments, in time deposits or service credits from bank service providers.

TIAA applies the service credits against banking service charges incurred with bank service providers in connection with your plan and other plans, and may apply excess service credits (if any) to charges TIAA incurs for other banking services obtained from each bank. Unused credits expire monthly or quarterly and carry no cash value. Because the cash balances held by TIAA and deposited in accounts earning a market determined overnight rate or in short term investment instruments are not segregated from other balances held by TIAA, it is not possible to accurately estimate the float income earned by TIAA on these balances. However, TIAA is able to estimate the service credits that would be earned by your plan had all balances earned float income in this manner. Balances that earn service credits are subject to Federal Deposit Insurance Corporation ("FDIC") fees.

On new contributions held pending investment, the float period commences (i) on the business day cash is received for electronic fund transfer ("EFT") payments, or (ii) on the business day that the funds become available for check payments. In both cases, the float period continues until investment purchase transactions are settled, usually within one (1) business day, unless processing delays extend this period.

For disbursements, the float period commences on the business day the investment sale transaction is settled and ends on the business day the requestor or his or her agent (i) receives the EFT payment or (ii) presents the check to our bank for payment.

To review your plan's estimated annual Float amount, please refer to your "Summary of Fees and Compensation" report which is part of your Plan Year-End Financial Reports available on PlanFocus.

## Transactional Fund Earnings - Breakage

Transactional Fund Earnings represents the gains and/or losses absorbed by TIAA from ensuring that transactions are processed using prices in accordance with TIAA's "Good Order Processing" procedures. These procedures are designed to ensure that complete and accurate information is received prior to executing any transactions initiated by plan sponsors, participants, or beneficiaries and that all transactions are processed in a timely manner.

When a review of a transaction in accordance with our Good Order Processing procedures determines that an earlier effective date is warranted, TIAA will transact using the shares or unit values that would have been in effect on the appropriate Good Order trading date. The gains created from these adjustments to transaction values are a form of indirect compensation. TIAA will absorb any losses and realize any gains that may arise in order to adjust participant accounts to the correct investment price for processing. Please review the Summary of Compensation for Your Plan report that is available on PlanFocus for an estimate of the transactional fund earnings gains realized by TIAA.

## TIAA Net Plan Loan Interest

For a loan offered by your plan to a participant, the collateral remains in the participant's account and continues to earn income which is credited to the participant's account. The income earned on the collateral held for a loan offsets a portion of the loan interest paid by the participant. The net difference between the amount paid by a participant for a plan loan and the amount received by the participant on collateral held for his or her plan loan is considered indirect compensation paid to TIAA. Please review the Summary of Compensation for Your Plan report that is

available on PlanFocus for an estimate of the transactional fund earnings gains realized by TIAA.

## Revenue Credit Account

Revenue Credit Accounts, sometimes called "ERISA Accounts" or "ERISA Budgets", are suspense accounts in plans that hold excess or other revenue generated through various negotiated agreements between a plan and TIAA. The balances of the Revenue Credit Account are considered plan assets and can only be used to pay direct, reasonable and necessary expenses of the plan which the plan is authorized to pay or to provide benefits for plan participants and beneficiaries in the form of plan servicing credits. At the direction of the plan fiduciary TIAA will assist in making payments to plan service providers from revenue credit account and/or allocating amounts to plan participants. Details regarding the Revenue Credit Account for your plan can be found in your Recordkeeping Services Agreement.

## Participant Advice Service

TIAA shall, as authorized by a Plan Administrator, offer a Plan level service that delivers investment and savings advice to Plan participants from an independent third party advice provider. The program follows the guidelines set forth in DOL Advisory Opinion 2001-09A (known as the Sun America Opinion). Morningstar Investment Advisors, LLC (Morningstar) is the independent financial expert under this participant advice program. The advice service will be delivered to participants over the phone, through the web, and by TIAA consultants in the field. TIAA accepts fiduciary responsibility for the provision of advice under this program, and as such is a covered service provider under §408(b)(2). TIAA subcontracts with Morningstar for the delivery of this service. TIAA does not charge the plan any additional fees for this service; rather this service is a component of TIAA's bundled service offer. TIAA compensates Morningstar an annual flat fee for providing such service to all plans that TIAA recordkeeps.

## Investment Disclosure Overview

The Investment Fee & Expense Disclosure Report included within this package provides a listing of your plan's investments and the expenses associated with those investments including:

### ■ Net Expense Ratio:

Each variable return investment offered by your plan incurs an annual operating Net Expense for management fees, sub-transfer agency fees,

shareholder servicing fees, 12b-1 fees, etc., which is stated as a percentage of the investment assets and is reflected in the value of the plan's investments. The Net Expense Ratio represents the total annual operating expense of the fund that is deducted from the fund's price and represents expenses for the period. Ongoing fees, such as wrap fees and mortality and expense fees are a portion of the Annual Operating Net Expense Ratio. Details on these ongoing fees are provided within the footnotes of the Investment Fee & Expense Disclosure Report. For additional information related to investment expenses please refer to the fund prospectus.

#### ■ Plan Services Expense:

The Plan Services Expense represents revenue sharing payments made to TIAA as a recordkeeper from proprietary and non-proprietary mutual fund investments offered by your plan. Plan Services Expense may also represent amounts provided by TIAA to plans with TIAA and/or CREF proprietary annuity products on their menus. Plan Services Expense are provided to assist plans in satisfying TIAA's Revenue Requirement. For more information related to revenue sharing and plan services Expense Offsets please refer to the Plan Services Disclosure Overview section. For an estimate of the Revenue Sharing Payments and Plan Services Expense Offset please refer to the Investment Fee & Expense Disclosure Report at the end of this document.

#### ■ Other Expenses:

One-time fees, such as redemption fees, are also disclosed in the report footnotes.

### TIAA Traditional Annuity

The TIAA Traditional Annuity is a guaranteed annuity made available under TIAA annuity contracts issued under the terms of the employer's plan(s). The TIAA Traditional Annuity is not an investment for purposes of federal securities laws; it is a guaranteed insurance contract. Therefore, unlike a variable annuity or mutual fund, the TIAA Traditional Annuity does not include an identifiable expense ratio. Each premium allocated to the TIAA Traditional Annuity buys a guaranteed minimum amount of lifetime income for participants based on the rate schedule in effect at the time the premium is paid. In addition, the TIAA Traditional Annuity provides a guarantee of principal, a guaranteed minimum rate of interest and the potential for additional amounts of interest and lifetime income when declared by TIAA's Board of Trustees. Additional amounts, when declared, remain in effect for the "declaration year" that begins each March 1 for accumulating annuities and January 1 for lifetime payout annuities. Additional amounts are not guaranteed for future years. Expenses disclosed for TIAA

Traditional will be set annually at the beginning of the declaration year for accumulating annuities. TIAA receives a Plan Services Expense fee to pay for the cost of recordkeeping and administrative services performed by TIAA for your plan(s). A contract surrender fee equal to 2.5% of the participant's distributed TIAA Traditional Annuity balance will be deducted from the distribution proceeds under the Group Retirement Annuity (GRA) or Retirement Choice (RC) contract if a participant takes a lump-sum distribution within 120 days after termination of employment. To review your plan's estimated TIAA Traditional Annuity expenses, please refer to your Investment Fee & Expense Disclosure Report included at the end of this package.

### TIAA Real Estate Account

The TIAA Real Estate Account (REA) is an insurance separate account of TIAA offered through TIAA's individual and group variable annuity contracts. REA invests primarily in real estate or real estate-related investments. To the extent that assets of a plan subject to the Employee Retirement Income Security Act of 1974, as amended ("ERISA"), are allocated to the REA, TIAA acts as an "investment manager" and a fiduciary under ERISA with respect to those assets. Accordingly, TIAA is a "covered service provider" for purposes of ERISA §408(b)(2). TIAA provides investment management and administration services to REA "at cost". In addition, TIAA-CREF Individual § Institutional Services, LLC, an affiliate of TIAA, provides distribution services to REA "at cost". RERC, LLC (RERC) is a third-party "covered service provider" for purposes of §408(b)(2) and a fiduciary contracting with TIAA to provide independent fiduciary services for the REA as required under the PTE 96-76 (as defined below). The investment management "at cost" charge to the REA includes the costs associated with retaining RERC as the independent fiduciary. Information about the services performed by, and fees received by RERC can be located on the SEC website at the following addresses:

["https://www.sec.gov/Archives/edgar/data/946155/000162828018002605/tiaarea8krerccontractupdat.htm"](https://www.sec.gov/Archives/edgar/data/946155/000162828018002605/tiaarea8krerccontractupdat.htm)  
["https://www.sec.gov/Archives/edgar/data/946155/000162828020013880/tiaarea8krerccontractupdat.htm"](https://www.sec.gov/Archives/edgar/data/946155/000162828020013880/tiaarea8krerccontractupdat.htm)

TIAA also charges REA a fee to bear certain mortality and expense risks, and risks associated with providing the liquidity guarantee. TIAA guarantees that in the aggregate, the total annual expense deductions described above will not exceed 2.50% of average net assets per year.



Expense deductions are made each valuation day from the net assets of the REA for expense charges described herein. For more information about the REA's total annual operating expenses, please refer to the REA's current prospectus (which includes the estimated total annual expense deduction rate and describes the quarterly reconciliation process), and your Investment Fee and Expense Disclosure Report included at the end of this package (which shows the estimated total annual expense deduction rate from the most recent prospectus available prior to the end of the reporting period).

You can also review the Prohibited Transaction Exemption (PTE) 96-76 ("PTE 96-76") issued by the U.S. Department of Labor to TIAA for the REA. PTE 96-76 is published in the Federal Register and can be located on the TIAA.org website at the following address: [Federal Register](#).

### CREF Variable Annuity Accounts

The CREF Accounts are variable annuity investments offered to plans under CREF variable annuity contracts. Each class of the CREF Accounts pays TIAA-CREF Investment Management, LLC ("TCIM"), an affiliate of TIAA, on an at cost basis, for the cost of providing investment management services to the Accounts for that Class under an Investment Management Services Agreement between TCIM and CREF. In addition, each Class of the CREF Accounts also pays TIAA-CREF Individual & Institutional Services, LLC ("TC Services"), an affiliate of TIAA, on an at cost basis, for the cost of distributing the CREF certificates for that Class under a Distribution Services Agreement between TC Services and CREF. Each class of the CREF Accounts also pays TIAA, on an at cost basis, for the cost of providing recordkeeping and administration services for that Class on your plan under an Administrative Services Agreement between CREF and TIAA. Each class of the CREF Accounts also pays TIAA a mortality and expense risk charge to guarantee that CREF participants transferring funds to TIAA for the immediate purchase of lifetime payout annuities, will not be charged more than the rate stipulated in the CREF contract. All costs and expenses described herein are assessed on each Class of each Account. All such expenses are deducted from the net assets of each Class of each CREF Account as a portion of the Annual Operating Expense Ratio of such Class on each valuation day. To review your plan's estimated investment expenses, please refer to your Investment Fee & Expense Disclosure Report included at the end of this package.

### TIAA-CREF Funds

Teachers Advisors, LLC is the investment adviser for the TIAA-CREF Funds and receives compensation for its provision of investment management and other services to each Fund that is deducted from the daily price of the applicable Class of each Fund as a portion of the Total Annual Operating Net Expense Ratio for such Class. Plan Services Expenses are paid by the TIAA-CREF Funds to TIAA or its affiliates either through the Service Fee in the case of the Retirement Class shares, or through Rule 12b-1 fees in the case of the Premier Class shares. Teachers Advisors, LLC is an affiliate of TIAA. Transaction fees are presented in footnotes to the Investment Fee & Expense Disclosure Report specific to each Fund which is included at the end of this package.

Annuity contracts and certificates are issued by Teachers Insurance and Annuity Association (TIAA) and College Retirement Equities Fund (CREF), New York, NY. TIAA-CREF Individual & Institutional Services, LLC and Teachers Personal Investors Services, Inc., members FINRA, distribute securities products.



# Investment Fee & Expense Disclosure

## Activity for the Reporting Period: 01/01/2020 to 12/31/2020

FUND NAME	TICKER	ASSET CLASS	ASSETS AS OF 12/31/2020	NET EXPENSE RATIO		PLAN SERVICES EXPENSE	
				(%) <sup>1</sup>	(\$)	(%)	(\$)
CREF Stock R3	QCSTIX	Equities	\$246,681,263.74	0.325%	\$801,714.11	0.100%	\$246,681.26
CREF Growth R3	QCGRIX	Equities	\$43,288,742.21	0.255%	\$110,386.29	0.100%	\$43,288.74
CREF Global Equities R3	QCGLIX	Equities	\$40,596,069.67	0.300%	\$121,788.21	0.100%	\$40,596.07
CREF Equity Index R3	QCEQIX	Equities	\$27,060,430.79	0.230%	\$62,238.99	0.100%	\$27,060.43
CREF Bond Market R3	QCBMIX	Fixed Income	\$23,370,018.51	0.260%	\$60,762.05	0.100%	\$23,370.02
CREF Inflation-Linked Bond R3	QCILIX	Fixed Income	\$9,639,758.45	0.230%	\$22,171.44	0.100%	\$9,639.76
TIAA Traditional RA <sup>2</sup>	TIAA#	Guaranteed	\$171,452,771.00	0.460%	\$788,682.75	0.150%	\$257,179.16
TIAA Traditional RA MDO <sup>2</sup>	TIAA#	Guaranteed	\$85,798,140.38	0.460%	\$394,671.45	0.150%	\$128,697.21
TIAA Traditional RA TPA <sup>2</sup>	TIAA#	Guaranteed	\$30,209,329.63	0.460%	\$138,962.92	0.150%	\$45,313.99
TIAA Traditional GSRA <sup>2</sup>	TIAA#	Guaranteed	\$26,603,813.70	0.460%	\$122,377.54	0.150%	\$39,905.72
TIAA Traditional SRA <sup>2</sup>	TIAA#	Guaranteed	\$14,366,276.67	0.460%	\$66,084.87	0.150%	\$21,549.42
TIAA Traditional RA IPRO <sup>2</sup>	TIAA#	Guaranteed	\$7,456,916.48	0.460%	\$34,301.82	0.150%	\$11,185.37
TIAA Traditional SRA MDO <sup>2</sup>	TIAA#	Guaranteed	\$6,248,464.15	0.460%	\$28,742.94	0.150%	\$9,372.70
TIAA Traditional GSRA MDO <sup>2</sup>	TIAA#	Guaranteed	\$3,847,104.49	0.460%	\$17,696.68	0.150%	\$5,770.66
TIAA Traditional RCP <sup>1 2</sup>	TIAA#	Guaranteed	\$2,836.79	0.460%	\$13.05	0.150%	\$4.26
TIAA Traditional RL Var 10/93 <sup>2</sup>	TIAA#	Guaranteed	\$0.00	0.460%	\$0.00	0.150%	\$0.00
TIAA Traditional RL Var 01/01 <sup>2</sup>	TIAA#	Guaranteed	\$0.00	0.460%	\$0.00	0.150%	\$0.00
TIAA Traditional RL Var 07/01 <sup>2</sup>	TIAA#	Guaranteed	\$0.00	0.460%	\$0.00	0.150%	\$0.00
CREF Money Market R3	QCM MIX	Money Market	\$12,206,414.11	0.230%	\$28,074.75	0.100%	\$12,206.41
CREF Social Choice R3	QCSCIX	Multi-Asset	\$24,135,573.14	0.255%	\$61,545.71	0.100%	\$24,135.57
TIAA Real Estate	QREARX	Real Estate	\$26,909,654.93	0.780%	\$209,895.31	0.240%	\$64,583.17
<b>ESTIMATED TOTAL / AVERAGE</b>			<b>\$799,873,578.84</b>	<b>0.384%</b>	<b>\$3,070,110.87</b>	<b>0.126%</b>	<b>\$1,010,539.92</b>

This Investment Fee & Expense Report provides annual notice of any change to the investment-related information associated with your plan as required by the United States Department of Labor's ERISA § 408(b)(2) regulation.

- 1 Net expense ratio percentages are from the most recent prospectuses available to TIAA prior to the end of the reporting period. The plan services expense is a component of and not in addition to the net expense ratio percentage and estimated dollar amounts. Net expense ratio and plan services expense dollars are calculated using the assets as of the end of the reporting period.
- 2 The TIAA Traditional Annuity is not an investment for purposes of federal securities laws; it is a guaranteed insurance contract. Therefore, unlike a variable annuity or mutual fund, the TIAA Traditional Annuity does not include an identifiable expense ratio. Each premium allocated to the TIAA Traditional Annuity buys a definite amount of lifetime income for participants based on the rate schedule in effect at the time the premium is paid. In addition, the TIAA Traditional Annuity provides a guarantee of principal, a guaranteed minimum rate of interest and the potential for additional amounts of interest when declared by TIAA's Board of Trustees. Additional amounts, when declared, remain in effect for the "declaration year" that begins each March 1 for accumulating annuities and January 1 for lifetime payout annuities. Additional amounts are not guaranteed for future years. The recent expense provision in the formula for determining TIAA



# Investment Fee & Expense Disclosure

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## Activity for the Reporting Period: 01/01/2020 to 12/31/2020

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Traditional Annuity returns has averaged about 46 basis points (.460%) inclusive of administrative and investment expenses. This expense provision is not guaranteed, is subject to change, and is not publicly disclosed.