

**THE MASSACHUSETTS INSTITUTE OF TECHNOLOGY
SUPPLEMENTAL 401(K) PLAN**

Summary of Material Modifications

This Summary of Material Modifications (SMM) explains an amendment to the Massachusetts Institute of Technology Supplemental 401(k) Plan (the "Plan"). Beginning January 1, 2017 MIT employees eligible to participate in the MIT Supplemental 401(k) Plan can elect to make pre or post-tax Roth contributions.

This SMM describes:

- The Basics of Post-Tax Roth Contributions
- Contributing to the Plan
- MIT matching contribution
- Vesting
- Rollovers to the Plan
- Loans
- Taxes on your benefit payments

Other plan provisions have remained unchanged and can be found in the Summary Plan Description which you can request from MIT by emailing benefits@mit.edu or calling 855-253-6151. You can also download a copy of the Summary Plan Description at http://hrweb.mit.edu/sites/default/files/retirement_401k_spd.pdf.

The Basics of Post-Tax Roth Contributions

Post-tax Roth contributions are an additional savings option in the 401(k) Plan. All other features of MIT's 401(k) Plan are staying the same. Here's an overview of what you need to know:

- Your contributions will continue to be deducted from your paycheck.
- You will continue to receive a 100% MIT match on the first 5% of pay you contribute, whether on a pre or post-tax basis.
- You can continue to make pre-tax contributions, change your contributions to Roth post-tax, or choose a combination of pre and post-tax Roth contributions.
- You pay no taxes on your Roth contributions when they're paid out to you from the plan. You can withdraw Roth funds tax-free if you become disabled. If you die, your beneficiary will be eligible to make a tax-free withdrawal. This is based on current tax law, which is subject to change.
- Investment earnings on your post-tax Roth contributions will be tax-free when you withdraw them from the 401(k) Plan, as long as you are age 59½ and it has been at least five calendar years since you started making Roth post-tax contributions to the MIT 401(k) Plan. This five-year period starts on January 1 of the calendar year of your first post-tax Roth contribution. If you begin making post-tax Roth contributions on July 1, 2017, for example, your five year period will be measured beginning January 1, 2017.

Contributing to the Plan

Contributing to the Plan is voluntary. You may begin contributing to the Plan after you become eligible and have enrolled. You may elect to contribute as little as 1% of your pay or as much as 95% of your pay. Beginning January 1, 2017 when you initially make or change your contribution election, you will designate the proportions of your contribution that are pre-tax, or Roth post-tax.

