NOTICE FOR SAFE HARBOR
MIT Supplemental 401(k) Plan
Plan Year Beginning January 1, 2021 and ending December 31, 2021

Important Information for MIT Employees

NO ACTION REQUIRED

To: MIT Employees Eligible to Contribute to the MIT Supplemental 401(k) Plan
From: MIT Human Resources/MIT Benefits
Date: November 2020

SUMMARY

Federal law requires that MIT provide all participants of the MIT Supplemental 401(k) Plan ("Plan") with this notification annually. You are receiving this notification because you are eligible to participate in the Plan.

The Plan is intended to qualify as a profit-sharing plan under Sections 401(a) and 401(k) of the Internal Revenue Code (the "Code"). Under section 401(k) of the Code, participants in the Plan may contribute to the Plan on a before-tax basis ("elective contributions"), thereby saving and investing for retirement and deferring the taxation of these savings until they are paid as benefits. Participants in the Plan may also contribute to the Plan on an after-tax basis ("Roth contributions"). Elective contributions and Roth contributions are collectively referred to herein as "elective deferrals."

To qualify under Section 401(k) of the Code, the Plan must satisfy certain nondiscrimination requirements. These requirements are imposed by federal law to prevent the Plan from discriminating in favor of highly-compensated employees. The Code provides plan sponsors (such as MIT) a method for satisfying these nondiscrimination requirements through certain plan provisions and notice requirements; this is referred to as the "safe harbor". The Plan is intended to satisfy these safe harbor nondiscrimination requirements.

I. SAFE HARBOR FORMULA

One method of satisfying the safe harbor contribution requirement under the Code is for a plan sponsor to match a certain level of the contributions of participants. The Plan satisfies the safe harbor matching contribution requirement by providing dollar-for-dollar matching contributions by MIT equal to the participant's elective deferrals up to the first 5% of the participant's compensation.

II. ADDITIONAL CONTRIBUTIONS

MIT may also make discretionary matching contributions on behalf of every participant who makes elective deferrals for the plan year. The amount of discretionary matching contributions, if any, will be determined by MIT in its sole discretion.

In lieu of employee elective and discretionary matching contributions, MIT will make a special contribution, for disabled participants who are receiving disability benefits under MIT's long-term disability program, equal to 10% of the participant's rate of compensation in effect immediately before the participant became disabled.

III. COMPENSATION THAT MAY BE CONSIDERED FOR CONTRIBUTIONS

For purposes of making elective deferrals and matching contributions, "compensation" means regular basic salary or wages (before reduction for pre-tax deductions for health and welfare plan coverages) plus overtime, bonus, shift differential, summer session pay, and temporary rates paid by MIT to the individual after the individual becomes a participant. Compensation does not include any incentive, awards, or other additional payments for service, generally amounts paid after severance from employment, or any amounts paid for site differential or any similar items as determined by MIT. Compensation will not include amounts in excess of the compensation limit imposed under the Code (see Code Section 401(a)(17)), which for 2021, is $290,000.

IV. HOW ELECTIVE DEFERRALS ARE MADE

Eligible employees who are not contributing to the Plan may do so at any time by calling 877-MIT-SAVE (648-7283) or by visiting http://netbenefits.fidelity.com. TTY service is available for the speech and hearing impaired by calling (800) 610-4015. Eligible employees can contribute up to $19,500 for 2021 ($26,000 if age 50 or older).

Plan participants can change their elective deferrals deductions at any time by calling 877-MIT-SAVE (648-7283) or by visiting http://netbenefits.fidelity.com. TTY service is available for the speech and hearing impaired by calling (800) 610-4015. Eligible employees can contribute up to $19,500 for 2021 ($26,000 if age 50 or older) as elective contributions, Roth contributions, or a combination thereof. Participants who make elective deferral changes by the 15th of any month will generally have the change be effective with their paycheck for the first pay period ending in the following month. Amounts will be credited to Participants' accounts as soon as administratively practicable.

V. VESTING AND BENEFIT PAYMENTS

Plan participants are at all times 100% vested (that is, they fully own their benefit) in their accounts. Upon retirement or severance from employment, a participant can elect to receive his or her balances accumulated under the Plan in a lump sum or as a series of regularly scheduled payments.

Prior to separation from service, a participant will be able to withdraw amounts from the Plan if he or she has reached age 59 1/2 and is scheduled to work 50% or less of a regular full-time work schedule. Such a participant may withdraw amounts in the same forms available to participants who have retired or terminated employment.

Also, participants are generally eligible to request a loan from their plan accounts, except Roth contributions, (up to lesser of 50% of their account balance or $50,000).

Married participants generally have to obtain spousal consent to obtain a withdrawal or loan.

However, a participant can withdraw or borrow amounts he or she has rolled over into the Plan from another qualified plan at anytime, regardless of age or spousal/partner consent, subject to the procedural requirements established by the Plan's administrator.

Furthermore, participants who are terminally ill, as determined by the Plan's administrator, may also withdraw certain contributions prior to separation from service.

If there is any inconsistency between the information in this Notice and the provisions of the Plan Document, the Plan Document will govern.

Please note, for Roth contributions, certain tax liabilities may apply with respect to investment earnings on such contributions, if amounts are paid out earlier than five calendar years since Roth contributions commenced.

Future of the Plan
MIT expects to continue the Plan as a benefit to employees, but it reserves the right to change or terminate the Plan.

If you need additional information about the Plan, including a copy of the summary plan description (SPD), you may access the SPD online at https://hr.mit.edu/sites/default/files/mit_401k_spd.pdf or contact the MIT Benefits by e-mail benefits@mit.edu or by phone (617) 253-6151.

The information contained herein has been provided by MIT and is solely the responsibility of MIT.