

PLAN FEATURES	TRADITIONAL CONTRIBUTION OPTION	ROTH CONTRIBUTION OPTION
Contributions made...	From your pay before taxes; lowers your taxable income now	From your pay after taxes
Taxes on withdrawals in retirement	You pay income taxes on all money withdrawn from your account in retirement – earnings and contributions	You pay no taxes on withdrawals in retirement, including no taxes on accrued earning (provided participant meets requirements)
Investment options	Harvard’s full retirement investment menu, including brokerage	All funds in Harvard’s plan; brokerage not available
Default investment	If you choose a TDA Traditional option and make no investment or vendor election, you will be defaulted into a Vanguard target date fund closest to the year you turn 65	If you choose a TDA Roth option and make no investment or vendor election, you will be defaulted into a Vanguard target date fund closest to the year you turn 65
Loans	Loan option available (provided participant meets requirements)	Not available
Hardship withdrawals	Yes, if meet requirements; pay penalty tax of 10% if under age 59 1/2	Yes, if meet requirements; penalty tax may apply - please check with the Harvard University Retirement Center (HURC) for details
Harvard auto-enrollment and auto-escalation	Faculty, administrative and professional staff and other nonunion staff who make no active election are automatically enrolled in the Traditional option after 60 days of employment and continue to participate in annual auto-escalation program if no other changes	Not available
Best for...	Those who expect to be in a lower tax bracket after retirement or who can afford to contribute more with current tax savings	Those who expect to be in a higher tax bracket after retirement (for example, those who are younger or at the beginning of their career) or who are interested in passing a portion of retirement assets tax-free to heirs