Your Journey to Retirement
Paul Manville/Retirement Advisor
Sept. 29, 2020
Empower Retirement

• Represents more than 9.2 million retirement participants as of June 30, 2019

• Chosen by Public Employee Benefit Authority (PEBA) to provide administrative, education and communication services

• Fully staffed local office and advisors for Deferred Comp

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1 Information refers to all retirement business of Great-West Life & Annuity Insurance Company and its subsidiaries.
About Deferred Comp

- Full/part-time employees are eligible to enroll at any time
- Two plans are available: 401(k) and 457(b)
- Before-tax (traditional) and after-tax (Roth) contributions
- Minimum contribution amount: $10 per pay period
- Annual Leave Payout contributions accepted: 401(k) and 457(b)
- Consider keeping the money in Deferred Comp after termination of service
- Low administrative fee of 0.065 percent per year, deducted from your account quarterly
Roth vs. traditional

- After-tax Roth account
  - Locks in today’s tax rates on all contributions
  - Any earnings are tax-free if you take a qualified distribution
  - Suitable for higher tax bracket at retirement
  - Employer-matching contributions are treated as before-tax contributions (even if your contributions are after-tax) and may be subject to income taxes upon distribution

- Before-tax traditional account
  - Contributions and any earnings on contributions are tax-deferred until you take a distribution
  - Suitable for lower tax bracket at retirement
How much can you contribute in 2020?

- **Minimum contribution**: $10 per pay period or 1 percent of salary

- **Maximum contribution**:
  - 401(k) and Roth 401(k): $19,500\(^1\)
    - Age 50+ catch-up: additional $6,500
  - 457(b) and Roth 457(b): $19,500\(^1\)
    - Special three-year catch-up: up to $39,000\(^2\)
    - Age 50+ catch-up: additional $6,500\(^2\)
  - Contributions to both the 457(b) and 401(k) Plans

- **Contribution changes**:
  - All changes can be made via the website or Program Services Center
  - Changes can be made effective via automatic payroll deduction
  - Changes can be made at any time

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1 Traditional and Roth contributions are combined to meet annual limit.
2 You may not use the Special three-year catch-up provision and the Age 50+ catch-up provision in the same calendar year.
Access your benefits

You may access your benefits under the following circumstances:

<table>
<thead>
<tr>
<th>Qualification</th>
<th>401(k)</th>
<th>457(b)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Retirement, permanent disability, separation from service the year you turn 55, attainment of age 59½, death</td>
<td>Retirement, unforeseeable emergency, separation from service, attainment of age 70½ if still employed, death</td>
<td></td>
</tr>
<tr>
<td>Tax implications if qualifications not met</td>
<td>10 percent tax penalty plus ordinary income tax</td>
<td>Ordinary income tax</td>
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## Access your benefits

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<th>Roth 457(b)</th>
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<td>Five years after Roth account has been established and one of the following: age 59½, death, or disability</td>
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<td>Tax implications if qualifications not met</td>
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<td>Ordinary income tax on any earnings</td>
</tr>
</tbody>
</table>
Build and monitor your portfolio

- Select your own mix of individual investment options
- Get assistance with Empower Retirement Advisory Services, offered by Advised Assets Group, LLC, a registered investment adviser

— Online Advice
  » Provides specific fund recommendations

— My Total Retirement™
  » Provides a professional investment strategy tailored to your specific financial situation
  » Available for an additional cost

Online Advice and My Total Retirement™ are part of the Empower Retirement Advisory Services suite of services offered by Advised Assets Group, LLC, a registered investment adviser.

There is no guarantee provided by any party that participation in any of the advisory services will result in a profit.
FOR ILLUSTRATIVE PURPOSES ONLY. The account owner is responsible for keeping the assigned PIN confidential. Please contact Client Services immediately if you suspect any unauthorized use.
What is next?

• Get enrolled!
  • Visit www.southcarolinadcp.com to download an enrollment form
    • One enrollment form per plan: 401(k) and 457(b)
    • The payroll center is your employer on the form
  • Questions? Contact your retirement plan advisor
  • Fax completed form to 803.754.7661

• Once enrolled:
  • Check if you are saving enough
  • Check your diversification¹
  • Enroll in Advisory Services if you would like help

• Want to learn more?
  • Go to www.southcarolinadcp.com
  • Or call 877.457.6263

¹ Diversification does not ensure a profit and does not protect against loss in declining markets.
How to enroll

To start the enrollment process, go to www.southcarolinadcp.com

• Click About Deferred Comp tab, then click Enroll now.

• Complete the enrollment form and return it to the address indicated on the form. Your payroll office will automatically be notified to start the contributions.

• Your account will be opened and you can go online to register your account.
Securities offered by GWFS Equities, Inc., Member FINRA/SIPC, marketed under the Empower brand. GWFS is affiliated with Great-West Funds, Inc.; Great-West Trust Company, LLC; and registered investment advisers Advised Assets Group, LLC and Great-West Capital Management, LLC, marketed under the Great-West Investments™ brand. This material has been prepared for informational and educational purposes only and is not intended to provide investment, legal or tax advice.

IMPORTANT: The projections, or other information generated on the website by the investment analysis tool regarding the likelihood of various investment outcomes, are hypothetical in nature, do not reflect actual investment results and are not guarantees of future results. The results may vary with each use and over time. Healthcare costs and projections, if applicable, are provided by HealthView Services. HealthView Services is not affiliated with GWFS Equities, Inc. Empower Retirement does not provide healthcare advice. A top peer is defined as an individual who is at the 90th percentile of the selected age band, salary range and gender.

Core investment options are offered through mutual funds; separately managed accounts; collective trust funds; a group fixed only and/or a fixed and variable deferred annuity issued by GWL&A or, in New York, by GWL&A of NY.

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