

Get To Know Your

# 457(b) Deferred Compensation Plan

In addition to any pension or Social Security benefits you may receive, your 457(b) deferred compensation plan offers simple and flexible ways to help increase your retirement savings.

**With your 457(b) plan, you're in control of how much you save and where you invest those savings, while also enjoying tax advantages.\***

- Contributions are made during your employment, and you can change, stop, and restart them at any time.
- Your account's value is based on those contributions and subsequent investment returns.
- Earnings are not subject to tax until withdrawn.

## **You have control over:**

- How your money is invested.
- How funds are withdrawn following your separation from service.
- Who receives any remaining assets upon your death.

\*All investing is subject to risk, including the possible loss of principal.





### Contribute what you can.

You and/or your employer contribute to your account each year based on a set formula, which is determined by your employer.

See retirement savings contribution limits at [www.missionsq.org/contributionlimits](http://www.missionsq.org/contributionlimits).

### Learn More

Get to know your 457(b) plan at [www.missionsq.org/457](http://www.missionsq.org/457).

Log in to your account to manage your savings and visit MissionSquare's Financial Wellness Center for 100+ interactive and fun short videos, charts, calculators, articles, and tutorials. Get answers to your questions about debt, emergency savings, college tuition planning, investing, retirement planning, and much more at [www.missionsq.org](http://www.missionsq.org).

## Contributions

Pretax contributions you make reduce your taxable income for the year. These contributions and all associated earnings won't be taxed until you withdraw them.

You also may be able to make after-tax Roth contributions, if offered by your employer. While they don't reduce your taxable income for the year, future withdrawals may be tax-free. Alternatively, you can contribute to a Roth IRA. For more information, visit [www.missionsq.org/ira](http://www.missionsq.org/ira).

## Investment Control

A wide range of investment options are available to help you build a diversified portfolio. You control all investment decisions, including:

- How your contributions are invested.
- How to manage your investments on an ongoing basis.

## Access to Your Money

Based on your employer's plan rules, withdrawals may be allowed while you're still working.

When you leave your employer, you can withdraw assets regardless of the reason and your years of service.

Enjoy flexible withdrawal options for vested assets like:

- Withdrawal of your entire balance.
- Periodic, partial withdrawals as you see fit.
- Installment payments of a certain dollar amount and frequency, such as monthly or quarterly, that you can change at any time.
- Lifetime income payments.

After you reach age 73\* or separate from service, whichever is later, you'll be required to withdraw a minimum amount from pretax assets in your account each year, per IRS rules. If plan and/or IRS rules allow, you can also borrow against your vested assets through a loan.

Beginning with RMDs due in 2024, Roth balances will be excluded from the RMD calculation. Roth was required to be part of the RMD calculation for RMDs due prior to Jan. 1, 2024.

**457(b) plans are unique.** Unlike with other retirement accounts, you don't have to qualify for an exception to avoid the 10% IRS penalty tax on withdrawals of your contributions and associated earnings before age 59 ½. Just remember that your 457(b) plan is designed to help you save toward your retirement goals. Any withdrawals prior to retirement may reduce your future retirement security.

\*Age 70 ½ (if you were born before July 1, 1949), age 72 (if you were born after June 30, 1949, and before Jan. 1, 1951), or age 73 (if you were born after Dec. 31, 1950).

## Guided Pathways®

MissionSquare can help you decide how much to save and how to invest through **Guided Pathways®.\*\***

Guided Pathways Advisory Service is a fee-based service and is not suitable for all investors. Please contact our Guided Pathways team or your MissionSquare Retirement Plan Specialist and fully read the Guided Pathways Fund Advice and Managed Accounts Investment Advisor Agreement prior to enrolling in Managed Accounts to determine if this services is right for you.

Underlying fund expenses and plan administration fees still apply.

Find more information at [www.missionsq.org/guidedpathways](http://www.missionsq.org/guidedpathways).

## Roll-Ins

After you leave your employer, assets can be transferred – or rolled in – to another eligible retirement plan without being taxed.

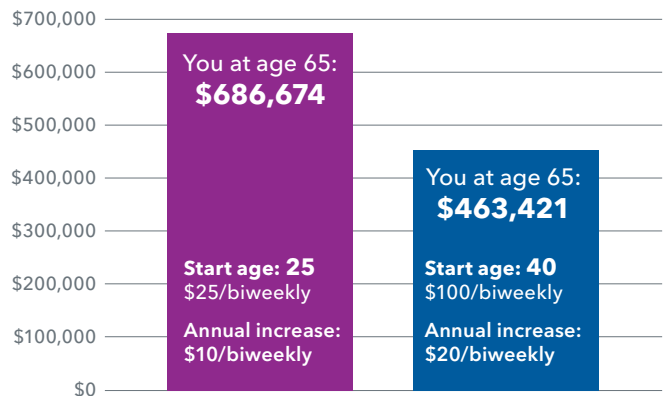
## Designate Beneficiaries

You designate a beneficiary, or beneficiaries, to receive any remaining assets upon your death. Beneficiaries control investment decisions, receive the most flexible withdrawal options allowed by law, and aren't subject to any additional fees. If you don't designate beneficiaries, your estate is the default beneficiary, in which case:

- Assets may not be distributed per your wishes.
- Assets are subject to probate costs, potential delays, and creditor claims.
- Non-spouse heirs may receive fewer tax benefits.

## Don't Delay – Start Saving Today!

Saving now can help alleviate the pressure to catch up later. Starting early can give you an advantage due to compounding, in which your investments produce earnings from previous earnings.



Assumes an effective annual rate of 6%, compounded biweekly. For illustrative purposes only. This illustration regarding the likelihood of various investment outcomes is hypothetical in nature, does not reflect actual investment results, and is not a guarantee of future results. Results may vary with use and over time, reflecting any changed circumstances, assumptions, or variables upon which the information is based. Projections involve known and unknown risks, uncertainties, and other factors that may cause actual results to differ materially and substantially from any future results or performance expressed or implied by the projections for any reason. Projections in no way represent a guarantee that a particular result will be produced or achieved. The projections do not represent actual securities or client performance and cannot determine which securities to buy or sell, or if your investment strategy is appropriate.

\*\* Investment advice and analysis tools are offered to participants through MissionSquare Retirement, a federally registered investment adviser. Investment advice is the result of methodologies developed, maintained, and overseen by the independent financial expert Morningstar Investment Management LLC. Morningstar Investment Management LLC is a registered investment adviser and subsidiary of Morningstar Inc. Morningstar Inc. and Morningstar Investment Management LLC are not affiliated with MissionSquare Retirement. All rights reserved. The Morningstar name and logo are registered marks of Morningstar Inc. For additional information on our Guided Pathways® Advisory Services, refer to Form ADV Part 2A Brochure, available at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

Founded in 1972, MissionSquare is a mission-based financial services company that focuses on delivering results-oriented retirement plans, education, investments, and advice for those working in the public sector.

For more information, visit [www.missionsq.org](http://www.missionsq.org).

