



Your 457. Your Future.

The State of Montana 457(b) Deferred Compensation Plan is a retirement savings plan designed to help you save and invest for your future. While your pension and Social Security benefits provide a great start, they may not provide enough income for you to maintain the lifestyle you want when you're retired.

You may need to save more on your own — and the 457 can help!

Before-tax and Roth contributions | Diverse investment funds | Flexible payout options | Competitive fees | Local team

Why save with the 457?

You can join at any time

- Go to www.mperadclplans.com.
- Click on *About your plan* and then *Enroll now*.
- Contact your local representative.
- Call your local office.

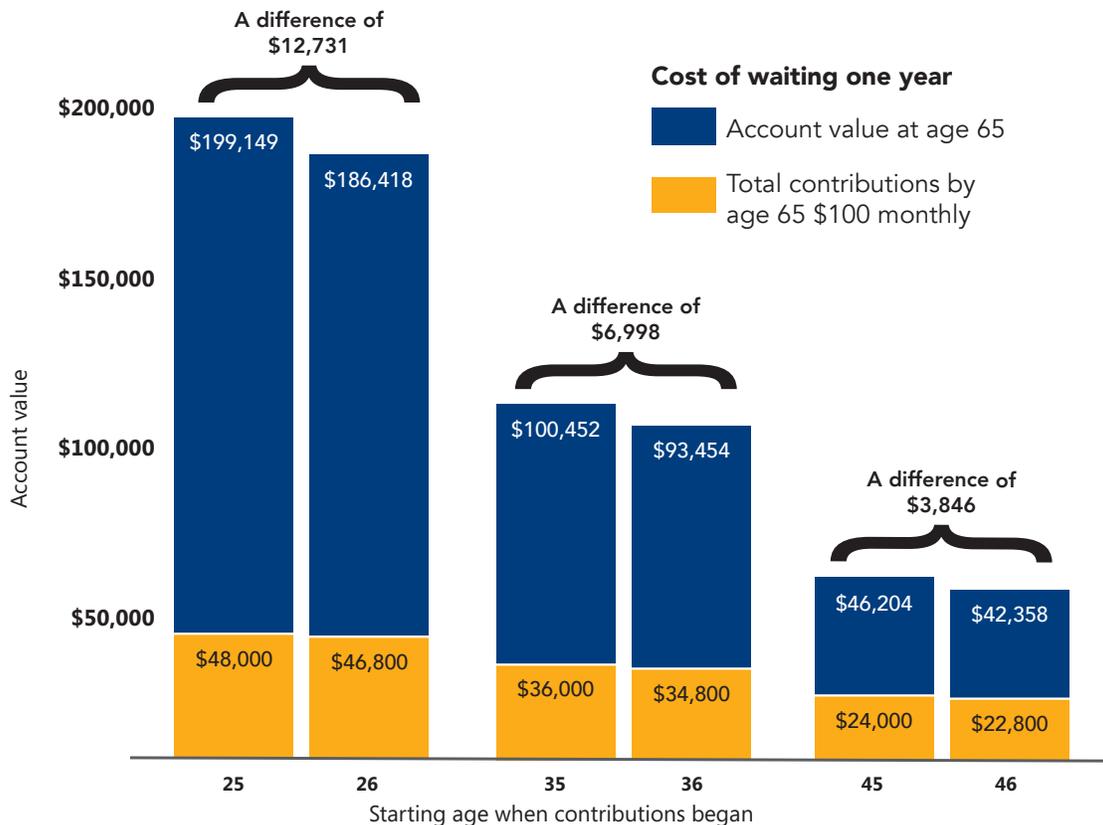
Two ways to contribute

Before-tax contributions come out of your paycheck before income tax is calculated. You pay no income taxes on any contributions or earnings until you withdraw the money (usually in retirement).

Roth contributions come out of your paycheck after you pay income taxes. You can withdraw your money and any earnings tax-free at least five years after your first Roth after-tax contribution when your distribution occurs after age 59½, disability or death.

The sooner you start, the better!

Even a small contribution amount today can make a big difference for your future:



FOR ILLUSTRATIVE PURPOSES ONLY. This hypothetical illustration is not intended as a projection or prediction of future investment results, nor is it intended as financial planning or investment advice and is intended to show how the number of years invested in the Plan could affect participant account values. It assumes monthly contributions of \$100, an annual 6% hypothetical rate of return, reinvestment of earnings, retirement at age 65 and no withdrawals. The illustration does not reflect any charges, expenses or fees that may be associated with your Plan. The tax-deferred accumulation shown above would be reduced if these fees were deducted. Rates of return may vary.

Contribution limits for before-tax and Roth

When you enroll in the 457, here's how much you can save in 2020:

- Minimum of \$20 per month
- 100% of your includible compensation or \$19,500, whichever is less (for combined before-tax and Roth contributions)
- Extra \$6,500 if you're age 50 or older for a total of \$26,000
- Total of 39,000 if you're eligible for special catch-up contributions*

* Please contact your representative for more details regarding the special catch-up option.

Investments

You can choose from many different investment options when you save in the 457, including target date funds and core funds — which you can view at www.MPERAdcplans.com.

Target date funds*

Instead of choosing and managing a collection of different funds, you simply pick the target date fund closest to the year you expect to retire or withdraw your money. The asset allocation of each target date fund will gradually become more conservative as the fund nears the target retirement date.

How do I know which target date fund may be right for me?

Take the year you were born and add it to the age at which you expect to retire or withdraw your money.

YEAR YOU WERE BORN

AGE YOU EXPECT TO RETIRE

+ 65

=

YOUR TARGET RETIREMENT YEAR

* Each fund has a year in its name. Look for the year closest to your target retirement year in the name of the fund.

FOR ILLUSTRATIVE PURPOSES ONLY. The chart shown is only intended as a guide based on the overall design of the funds. It is not intended as financial planning or investment advice. Please consult with your financial planner or investment advisor as needed.

The date in a target date fund's name is the approximate date when you plan to start withdrawing your money (generally assumed to be at age 65). The principal value of the fund(s) is not guaranteed at any time, including at the time of the target date and/or withdrawal.*

Core funds

The 457 offers an investment lineup that consists of fund options in a variety of asset classes that range from conservative to aggressive. You can select from a wide array of core funds to help create your own investment mix that fits your unique lifestyle and retirement goals.

Carefully consider the investment option's objectives, risks, fees and expenses. Contact us for a prospectus, summary prospectus or disclosure document containing this information. Read each carefully before investing.

* Asset allocation and balanced investment options and models are subject to the risks of the underlying funds, which can be a mix of stocks/stock funds and bonds/bond funds. For more information, see the prospectus and/or disclosure documents.

Rollovers

Moving money from a retirement account with a previous employer into the 457 is a simple way to stay organized. And, with potentially lower fees, you can keep more of your money working for you — and all in the same place.

Withdrawals

The primary purpose of your 457 account is saving for retirement. That means waiting until you have retired or separated from employment to take a withdrawal. Remember, the IRS requires you to take a required minimum distribution starting at age 70½ unless you are still employed.

If you separate from employment, you can:

- Leave your account in the 457 until a future date.
- Withdraw your money in one of the approved methods.
- Roll over your money to another employer's plan or an IRA.

As with any financial decision, you are encouraged to discuss moving money between accounts, including rollovers, with a financial advisor and to consider costs, risks, investment options and limitations prior to investing.

Withdrawal options during employment

- **Rolled-in contributions:** Request a withdrawal on any money you rolled into your 457 account from another plan.
As with any financial decision, you are encouraged to discuss moving money between accounts, including rollovers, with a financial advisor and to consider costs, risks, investment options and limitations prior to investing.
- **Unforeseen emergency:** An emergency must meet IRC definitions and criteria and be approved by the MPERA Board.
- **De minimis withdrawal:** Take a withdrawal if your balance is \$5,000 or less, you have not contributed to your account for the last 24 months, and you have never before used this option.

Fees

There are certain administrative asset-based fees you may owe when you save through the 457:

- The first \$20,000 in your account will be charged at 0.44%; the next \$30,000 at 0.34%; the next \$50,000 at 0.24%; and anything over \$100,000 at 0.00%.
- Administrative fees are assessed quarterly and prorated across all investment options and shown as a dollar amount on your statement.
- If you have a balance over \$100,000, you may pay \$77.50/quarter or \$310/year in total administrative fees.

Go online. Get on track.

The website for the 457 gives you a complete view of your retirement savings picture. When you log on to www.MPERAdcplans.com, it's easy to view your account, increase your contribution rate and manage your investment strategy.

On the go? No problem!

Access your 457 anywhere, anytime with the Empower Retirement app for your mobile device or Apple Watch®. Available in the App Store® from Apple® for iOS or on Google Play for Android™.

Local team

Call your local service center to schedule a one-on-one meeting to learn about enrolling, saving and investing in the 457.

The State of Montana 457(b) Deferred Compensation Plan is administered by the Montana Public Employees' Retirement Board and recordkept by Empower Retirement.

State of Montana 457(b) Deferred Compensation Plan

Online: www.MPERAdcplans.com

Local service center: (406) 449-2408

Toll free: (800) 981-2786

Address: **208 N. Montana Avenue, Suite 106
Helena, MT 59601**

If there are any discrepancies between this document and the Plan Document, the Plan Document will govern.

The Montana Fixed Fund is a separate account product offered by Pacific Investment Management Company (PIMCO). A guaranteed separate account stable value fund is offered through an insurance company group annuity contract or funding agreement. The strength of the guarantee is dependent on the financial strength of the insurance company issuing the contract. These investments have interest rate, inflation and credit risks associated with the underlying assets owned by the portfolio or fund.

Diversification does not ensure a profit and does not protect against loss in declining markets.

Securities offered by GWFS Equities, Inc., Member FINRA/SIPC, marketed under the Empower brand.

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