



## Pre-tax Plans comparison chart

	Traditional 457(b) Deferred Compensation Plan	Traditional 401(k) Savings & Investment Plan	403(b) Tax Deferred Annuity Plan
Who's eligible to participate?	All regular and contractual State employees		State educational institution employees
Who's eligible for the State match?	All State employees in the State Employees' Alternate Contributory Pension or Reformed Contributory Pension Plans		
Are payroll deductions pretax?	Yes (after FICA deduction)		
What's the minimum I may contribute?	\$5 per biweekly pay		
What's the maximum I may contribute?	\$19,000 effective this calendar year (may be adjusted in future years for inflation) <sup>1</sup>		
May I "catch-up" in a later year?	Age 50 or older catch-up: \$6,000 per calendar year. Special 457(b) catch-up provision available within 3 years of retirement. These two provisions may not be used in the same year. <sup>1</sup>	Age 50 or older catch-up: \$6,000 deferral per calendar year <sup>1</sup>	
May I contribute to more than one Plan at the same time?	Yes – but with the following limitations: <ul style="list-style-type: none"> <li>• \$19,000 457(b) and/or Roth 457(b) + \$19,000 401(k) and/or Roth 401(k) = \$38,000/yr<sup>1</sup></li> <li>• \$19,000 457(b) and/or Roth 457(b) + \$19,000 403(b) = \$38,000/yr<sup>1</sup></li> <li>• \$19,000 457(b) and/or Roth 457(b) + combination of 403(b) &amp; 401(k)/Roth 401(k) not to exceed \$19,000 = \$38,000/yr<sup>1</sup></li> </ul>		
How often may I change my contribution amount?	Unlimited, effective within timing restrictions		
What are the costs to participate?	0.14% of your account value a year, capped at \$2,000 per year, plus 50 cents per month per account. <sup>2</sup>		
What are the current investment options?	Investment Contract Pool Mutual Funds Target Date Retirement Funds	Vanguard Money Market Mutual Funds Target Date Retirement Funds	
Does MSRP allow roll over money from other retirement accounts? <sup>3</sup>	Yes – from a 457(b), 401(k), 403(b), thrift savings plan or IRA into your supplemental retirement account		
Does MSRP allow roll overs to another type of retirement account, like an IRA?	Yes – to a 457(b), 403(b), 401(k) or IRA, upon leaving State service	Yes – to a 457(b), 403(b), 401(k) or IRA, upon leaving State service or obtaining age 59½	
May I withdraw money from my account while employed?	Yes, but only at age 70½ or older, or qualify for an unforeseeable emergency withdrawal	Yes, but only at age 59½ or older, or qualify for a hardship withdrawal	
When may I begin withdrawals from my account without an additional 10% early withdrawal tax? <sup>4</sup>	When you leave State employment, regardless of age	If you leave State employment at age 55 or older, or at age 59½ regardless of employment. Other exceptions may apply. Consult your tax or legal advisor for more information	
May I change my withdrawal option, amount or frequency once I start payout?	Yes, excluding purchased annuities		
Must I elect my payout date when I leave State employment?	No – payouts not required until 70½ and separated from State service		
Is there a loan provision and a hardship/emergency provision?	Yes		

**NOTE:** 401(a) Plan: The withdrawal rules are the same for the 401(a) and 401(k) plans except that in the 401(a) plan, distributions are not permitted until separation from State service.

<sup>1</sup> Source: IRS.gov

<sup>2</sup> In addition, each of the mutual funds offered by the plan has fund expenses that are netted directly from the mutual fund's daily price. These will vary based upon the mutual fund selected. Also, some mutual funds may impose a short-term trade fee. Please read the underlying prospectuses carefully. NOTE: some mutual funds pay reimbursements that offset fees, see our "Mutual Fund Savings" pamphlet and your account statement for more information.

<sup>3</sup> There are generally several considerations relevant to evaluating whether you might rollover outside assets or leave the money where it is currently invested. Qualified retirement plans, deferred compensation plans and individual retirement accounts are all different, including fees and when you can access funds. Assets rolled over from your account(s) may be subject to surrender charges, other fees and/or a 10% early withdrawal tax if withdrawn before age 59½. It's important to understand retirement account differences and similarities, such as fees, services, investment options, etc., before making any rollover decisions.

This material is not a recommendation to buy, sell, hold or roll over any asset, adopt an investment strategy, retain a specific investment manager or use a particular account type. It does not take into account the specific investment objectives, tax and financial condition or particular needs of any specific person. Investors should work with their financial professional to discuss their specific situation.

<sup>4</sup> Withdrawals are taxed as ordinary income.

**Money market funds: Investment in the fund is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other federal government agency. Although the fund seeks to preserve the value of your investment at \$1.00 per share, it is possible to lose money by investing in a money market fund.**

Target Date Retirement Funds offered by T. Rowe Price are asset allocation funds that are based on a targeted date as to when an investor plans to begin to withdraw money. These funds use a strategy that reallocates equity exposure to a higher percentage of fixed investments over time. As a result, the funds become more conservative over time as you approach retirement. It's important to remember that no strategy can assure a profit or prevent a loss in a declining market. The principal value of the fund(s) is not guaranteed at any time, including at the target date.

**Fund prospectuses can be obtained by calling 800-545-4730. Before investing, carefully consider the fund's investment objectives, risks, and fees and expenses. The fund prospectus contains this and other important information. Read prospectuses carefully before investing.**



## After-tax Plans comparison chart

	Roth 457(b) Deferred Compensation Plan	Roth 401(k) Savings & Investment Plan
Who's eligible to participate?	All regular and contractual State employees (including employees in higher education institutions)	
Who's eligible for the State match?	All State employees in the State Employees' Alternate Contributory Pension or Reformed Contributory Pension Plans	
Are payroll deductions pretax?	No	
What's the minimum I may contribute?	\$5 per biweekly pay	
What's the maximum I may contribute?	\$19,000 effective this calendar year (may be adjusted in future years for inflation) <sup>5</sup>	
May I "catch-up" in a later year?	Age 50 or older catch-up: \$6,000 per calendar year. Special 457(b) catch-up provision available within 3 years of retirement. These two provisions may not be used in the same year. <sup>5</sup>	Age 50 or older catch-up: \$6,000 deferral per calendar year <sup>5</sup>
May I contribute to more than one Plan at the same time?	Yes – but with the following limitations:	<ul style="list-style-type: none"> <li>• \$19,000 457(b) and/or Roth 457(b) + \$19,000 401(k) and/or Roth 401(k) = \$38,000/yr<sup>5</sup></li> <li>• \$19,000 457(b) and/or Roth 457(b) + \$19,000 403(b) = \$38,000/yr<sup>5</sup></li> <li>• \$19,000 457(b) and/or Roth 457(b) + combination of 403(b) &amp; 401(k)/Roth 401(k) not to exceed \$19,000 = \$38,000/yr<sup>5</sup></li> </ul>
How often may I change my contribution amount?	Unlimited, effective within timing restrictions	
What are the costs to participate?	0.14% of your account value a year, capped at \$2,000 per year, plus 50 cents per month per account. <sup>6</sup>	
What are the current investment options?	Investment Contract Pool Mutual Funds Target Date Retirement Funds	
Does MSRP allow roll over money to or from other retirement accounts? <sup>7</sup>	Yes – but only a direct rollover from another Roth 457(b) account.	Yes – but only a direct rollover from another Roth 401(k) account.
Will my distributions be taxed?	Qualified distributions are not subject to federal or Maryland income tax. If not a qualified distribution, investment earnings are subject to ordinary income tax and possibly an additional 10% early withdrawal tax. <sup>8</sup>	
When may I begin withdrawals from my account without an additional 10% early withdrawal tax? <sup>4</sup>	When you leave State employment, regardless of age	If you leave State employment at age 55 or older, or at age 59½ regardless of employment. Other exceptions may apply. Consult your tax or legal advisor for more information
May I change my withdrawal option, amount or frequency once I start my payout?	Yes, excluding purchased annuities	
Must I elect my payout date when I leave State employment?	No – payouts not required until 70½ and separated from State service	
Is there a loan provision and a hardship/emergency provision?	Yes	

**NOTE: 401(a) Plan:** The withdrawal rules are the same for the 401(a) and 401(k) plans except that in the 401(a) plan, distributions are not permitted until separation from State service.

<sup>5</sup> Source: IRS.gov

<sup>6</sup> In addition, each of the mutual funds offered by the plan has fund expenses that are netted directly from the mutual fund's daily price. These will vary based upon the mutual fund selected. Also, some mutual funds may impose a short-term trade fee. Please read the underlying prospectuses carefully. NOTE: some mutual funds pay reimbursements that offset fees, see our "Mutual Fund Savings" pamphlet and your account statement for more information.

<sup>7</sup> There are generally several considerations relevant to evaluating whether you might rollover outside assets or leave the money where it is currently invested. Qualified retirement plans, deferred compensation plans and individual retirement accounts are all different, including fees and when you can access funds. Assets rolled over from your account(s) may be subject to surrender charges, other fees and/or a 10% early withdrawal tax if withdrawn before age 59½. It's important to understand retirement account differences and similarities, such as fees, services, investment options, etc., before making any rollover decisions.

This material is not a recommendation to buy, sell, hold or roll over any asset, adopt an investment strategy, retain a specific investment manager or use a particular account type. It does not take into account the specific investment objectives, tax and financial condition or particular needs of any specific person. Investors should work with their financial professional to discuss their specific situation.

<sup>8</sup> Generally, a Roth 401(k) or Roth 457(b) distribution is a qualified distribution if: 1) the first Roth contribution has been in the account for 5 years (the five-year period begins January 1 of the year a member first makes a Roth contribution into the account); and 2) a member is age 59½, (and for the Roth 457(b) has separated from State service) or has died or become disabled under IRC section 72(m)(7). Distributions made prior to these requirements being met are nonqualified distributions, and earnings could be taxable.

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Investing involves risk, including possible loss of principal.

This document was created to help educate participants on the Maryland Supplemental Retirement Plan and is intended only to provide a general summary of the Plan and its features. In the event there are any inconsistencies between this document and the Plan Document, the Plan Document will govern.

Nationwide Investment Services Corporation (NISC), member, FINRA, an affiliate of Nationwide, provides educational and enrollment services on behalf of MSRP. Financial & Realty Services, LLC may provide education and marketing support services on behalf of Nationwide. Its Retirement Consultants are registered representatives of NISC. Financial & Realty Services, LLC is not affiliated with MSRP, Nationwide or NISC.