

SDRS
Supplemental Retirement Plan

**Enroll
right now.**

Plan highlights



Enroll in the SDRS Supplemental Retirement Plan.

Enrolling in the SDRS Supplemental Retirement Plan is one of the most important and easiest decisions.

Visit srp457.com to view the following useful tools:

- Locate My Interactive Retirement PlannerSM (MIRP) at srp457.com to help decide how much to contribute and see the future impact of your investments
- Decide how you want to invest; use our My Investment PlannerSM tool, located at the bottom of the page.

Choose your investment strategy.

There are varying approaches to building your portfolio. A portfolio can be described as a collection of investments all owned by a single investor. You can choose from the “Do it for me,” “Help me do it” or “I’ll do it myself” options. These approaches can be used independently or together with one another. There is no right or wrong way.

“Do it for me” and complete the 457 Participant Agreement

Nationwide ProAccount[®] is a convenient, professionally managed option in which your investments are actively selected for you by a professional money manager based on information you provide about your time horizon and risk tolerance. To enroll, ask for a Nationwide ProAccount enrollment kit to sign up for or learn more about this option. Investment advice for Nationwide ProAccount is provided to plan participants by Nationwide Investment Advisors LLC, an SEC-registered investment adviser. Nationwide Investment Advisors LLC has retained Wilshire Associates Incorporated as the Independent Financial Expert for ProAccount.

“Do it myself” and complete the 457 Participant Agreement

You choose and manage your individual funds from the lineup available through your plan. View your investment options on the srp457.com website under the “Investments Information” tile and within the “view fund performance” section. Using the My Investment Planner tool helps you decide where to invest.

“Help me do it” and complete the EZ Enrollment form

Asset allocation funds are a “Help me do it” option designed to provide diversification across several investment and asset classes, primarily by investing in underlying funds. The performance, risks and expenses of each directly correspond to the performance, risks and expenses of the underlying funds in which it invests. The use of diversification and asset allocation as part of an overall investment strategy does not guarantee to make a profit or avoid loss in a declining market.

- **Vanguard target date funds** build a portfolio designed to invest for a specific date. Typically, that means the further into the future the target date, the more aggressive the portfolio mix. Target date funds automatically adjust the mix to become more conservative as the target date approaches. You can choose the target date fund that is closest to the year you plan to retire or begin taking income. The principal value of the fund(s) is not guaranteed at any time, including at the target date.

Keep in mind that investing involves market risk, including possible loss of principal, and there is no guarantee that investment objectives will be achieved. Some investment options may impose a short-term trading fee. Please read the underlying prospectuses carefully. Refer to the asset class descriptions for any additional risks that may apply.

Now you’re ready to enroll.



Select “Enroll Now” at srp457.com and follow the required steps.



Select “Forms” at srp457.com and download a fillable PDF enrollment form.



Call 800-959-4457 to request an enrollment form.

Decide how much you want to contribute each pay period and whether you want to make pre-tax or after-tax (Roth) deferrals or a combination of the two.

See what could happen with an account if it was given the opportunity and time to grow.

Note: Roth contributions are identical to the Amount Actually Deferred column.

Current Age	Building account value				Receiving income from an account		
	Amount Actually Deferred	Net Biweekly Paycheck Reduction	Annual Investment	Total Contribution	Account Value at Age 65	Monthly Income for a 20-Year Systematic Payout	Earnings-Only Monthly Withdrawal at Age 65 (assumed rate of return: 4% of account value)
30	\$25	\$19	\$650	\$22,750	\$116,601	\$700	\$382
40	\$25	\$19	\$650	\$16,250	\$49,468	\$297	\$162
50	\$25	\$19	\$650	\$9,750	\$18,373	\$110	\$60
30	\$50	\$38	\$1,300	\$45,500	\$233,202	\$1,400	\$763
40	\$50	\$38	\$1,300	\$32,500	\$98,937	\$594	\$324
50	\$50	\$38	\$1,300	\$19,500	\$36,746	\$221	\$120
30	\$100	\$75	\$2,600	\$91,000	\$466,404	\$2,800	\$1,527
40	\$100	\$75	\$2,600	\$65,000	\$197,874	\$1,188	\$648
50	\$100	\$75	\$2,600	\$39,000	\$73,492	\$441	\$241
30	\$250	\$188	\$6,500	\$227,500	\$1,166,011	\$6,999	\$3,817
40	\$250	\$188	\$6,500	\$162,500	\$494,684	\$2,969	\$1,619
50	\$250	\$188	\$6,500	\$97,500	\$183,729	\$1,103	\$601
30	\$500	\$375	\$13,000	\$455,000	\$2,332,022	\$13,998	\$7,634
40	\$500	\$375	\$13,000	\$325,000	\$989,368	\$5,939	\$3,239
50	\$500	\$375	\$13,000	\$195,000	\$367,459	\$2,206	\$1,203

Important assumptions: Biweekly deferrals assume a 25% tax rate for paycheck impact (state and federal), an 8% annual rate of return during the "building account value" phase, a 4% annualized effective rate of return applied daily during the "receiving income" phase; and withdrawals taken at the end of each month. The systematic payout assumes a \$0 balance at the end of a 20-year period. Withdrawals may need to be more than the amount shown to meet the requirements of the Required Minimum Distribution; withdrawals from your pre-tax account will be taxed as ordinary income, and qualified withdrawals from your Roth account will be tax free.

This chart is intended for illustrative purposes only. It offers hypothetical examples and is not intended to predict or project investment results. It does not assume taxes, fees or account withdrawals during accumulation; if it did, results would be lower. The results do not and are not intended to represent the performance of your deferred compensation program. Investments involve market risk, including possible loss of principal. Actual investment results will vary during both the building and income stages, and you may earn more or less than the annual return depending on your investments and market experience. Income stream durations and amounts are not guaranteed.

Find answers about the SDRS Supplemental Retirement Plan.

CONTRIBUTIONS

What's the minimum I need to contribute to be in the plan?

\$25 per month

What's the maximum I can contribute?

Unless you qualify for one of the "catch-up" provisions, the maximum that you can contribute to the Plan is 100% of your includable compensation or the applicable dollar amount for the year found in Internal Revenue Code Section 457(e)(15), whichever is less. Whether you make pre-tax, Roth, or combination contributions, the total amount you may contribute is \$23,000 this calendar year.

If I'm participating in another 457(b) plan, what's the maximum I can contribute then?

If you are a member of another plan governed by Section 457(b) of the Internal Revenue Code, your total maximum deferrals to all Section 457 plans combined, not including catch-up deferrals, may not exceed \$23,000 this calendar year.

What if I'm currently in a 401(k) and/or 403(b) plan? What's the maximum contribution limit for me?

If you are currently participating in another elective deferral plan that is not a 457(b) plan, such as a 401(k) plan or 403(b) plan, the maximum deferrals to your 457(b) plan are not affected by the deferral limits for those other non-457(b) plans.

If I'm close to retirement, is there a way to contribute more?

If you are within 3 years of the year in which you will attain Normal Retirement Age under the Plan and are making the maximum contribution to your plan, you may be eligible for a catch-up contribution through the Special 457 Catch-Up provision. If you have not contributed the maximum in the past, you may be able to increase your deferral amount to up to 2 times the maximum contribution limit (for example, this calendar year you may be able to contribute as much as \$46,000). *Important: Special 457 Catch-Up cannot be used in the same year as Age 50 Catch-Up.*

If I'm not so close to retirement, can I still contribute more?

If you are age 50 or older, you may use the Age 50 Catch-Up provision. With the Age 50 Catch-Up provision you can contribute an additional \$7,500 this calendar year over the normal deferral limit. *Important: The Age 50 Catch-Up cannot be used in the same year as the Special 457 Catch-Up.*

Can I roll assets from another retirement plan into my SDRS-SRP account(s)?

Yes, you can. Assets that you have in another qualified retirement plan, such as a 401(k) or a 403(b) plan, as a traditional Individual Retirement Account, or in another deferred compensation plan may be rolled over into the SDRS Supplemental Retirement Plan. The direct rollover of assets from another qualified retirement plan into the SDRS-SRP will not result in the imposition of federal income taxes at the time of transfer. Assets rolled over from a qualified plan may be subject to a 10% excise tax if withdrawn prior to age 59½.

Can I ever stop my payroll deferrals?

You may stop payroll deferrals to your plan at any time.

How often can I change my payroll deferral amount?

At srp457.com you can increase or decrease your payroll deferral amount at any time, unless your employer has restrictions on changes. Simply fill out and return a deferral increase/decrease request form, available from your Retirement Specialist.

Are there any fees I need to be aware of?

An annual asset fee of 0.16% (\$0.16 per \$100) is assessed at the rate of 0.01333% each month or \$1 per month. If your account balance is less than \$7,500, the administrative cost will be \$12 per year (\$1 per month). When your balance exceeds \$7,500, the 0.16% annual asset fee will apply. Annual asset fees will be capped at \$500 (combined maximum).

New enrollees will have no fees for the first year. Beginning in the second year, if your account balance is less than \$7,500, the administrative cost will be \$12 per year (\$1 per month). When your balance exceeds \$7,500, the 0.16% annual asset fee will apply.

This fee is in addition to the internal expense charges/management fees accessed by the companies providing investment alternatives under the plan.

If you chose ProAccount, a professionally managed account, the Annual Program Fee starts at 65 bps (0.65%) on an account balance up to \$99,999.99.

What if I want to change the funds I select?

You may make changes to your fund selections at any time. However, each mutual fund has specific rules and guidelines that may restrict frequent transactions in and out of that fund. These rules and guidelines are generally included in the prospectus of each mutual fund. You can obtain prospectus(es) and view your investment options on the srp457.com website under the "Investments Information" tile and within the "view fund performance" section. Additionally, to protect the interests of all participants, your plan may impose plan-level restrictions that affect frequent trading.

Find answers about the SDRS Supplemental Retirement Plan.

DISTRIBUTIONS

When can I withdraw my funds from the plan?

You are eligible to receive the distribution from your traditional pre-tax 457(b) and Roth 457(b) under the following circumstances:

- Separation from service, including retirement
- If you experience an unforeseeable emergency that is approved by the Plan
- If your account balance is \$5,000 or less and you have not deferred into the Plan for at least 2 years, and you have not made prior withdrawals of this type
- Death
- Rolled over assets from a 401(k), 403(b) or traditional IRA

What happens when I leave my job?

If you leave your employment, or your employment ends because of retirement or permanent disability, there are many options available to you. Call an SDRS-SRP Retirement Specialist at **1-800-959-4457** (toll-free) for more information.

Are there any penalties when I withdraw my money?

There are no penalties from the amount withdrawn from your pre-tax 457(b) account. However, if you take distributions before age 59½ from a rollover account from a qualified plan such as a 401(k) or an IRA, you may be subject to early withdrawal penalties.

Will I have to pay taxes on the funds I withdraw?

When you withdraw your funds or start to receive distributions from your 457(b) pre-tax account, they are considered taxable income. This means you will have to pay taxes on them and you will need to complete a federal tax withholding form the year the withdrawals/distributions are made. A distribution from your Roth 457(b) account will be nontaxable if it is qualified. It must meet 2 requirements to be considered qualified. The first is that the distribution must be made after attainment of age 59½, death or disability. The second is that a Roth contribution must have been made to the Plan at least 5 tax years ago. Rollovers from other plans that offer a Roth feature may count toward the 5-year requirement in certain circumstances. The period starts at the beginning of the year the first Roth contribution or rollover is made and is met on the 5th anniversary of that date. For example, for a participant who made their first Roth contribution on July 25, 2015, the first tax year would start on January 1, 2015. The 5-year requirement would be met on January 1, 2020.

If the distribution is not qualified, the portion attributed to the Roth contributions is not subject to income tax because it was already taxed when it was made. The growth portion of a distribution would be taxable on a pro-rata basis. For example, if 25% of the Roth account value was due to growth, 25% of any distribution would be considered taxable. The benefit payments made to you from the pre-tax or Roth accounts are reported on Form 1099-R.

When I'm close to retirement or leave my job, what do I do with my account?

If you separate from service, contact your Retirement Specialist to discuss the options available to you. These options include:

- Leaving your money where it is
- Taking it in a lump sum
- Withdrawing a fixed dollar amount

- Withdrawing a fixed period payment
- Choosing annuity payout options
- Rolling your money over into another plan or into an IRA

Do I have to withdraw my money right away when I retire?

If you are not ready to take any portion of your account then, you can leave it invested and delay your benefit payment. You must begin taking a Required Minimum Distribution, as defined by the Internal Revenue Service, no later than April 1 of the year following the year you turn 73 or sever from employment, whichever is later. The "73 rule" does not apply to Roth IRAs; it does apply to Roth 457 accounts.

How soon do I need to notify someone so my distributions can start?

If you are planning to stop working, contact an SDRS-SRP Retirement Specialist as soon as possible to receive assistance in planning your distributions.

Can I change how often I receive my distribution?

If you decide you want to change the frequency of your payments, simply fill out a new Benefit Payment Election form with your preferred payment schedule. If you elect an annuity payout option, other restrictions apply. You can call our Solutions Center (1-800-959-4457) at any time or log in to your account and click the withdrawal link.

How do I receive my distribution?

You can either receive it as a direct deposit into a savings or checking account or as a paper check through the mail.

Nationwide and its representatives do not give legal or tax advice. An attorney or tax advisor should be consulted for answers to specific questions.

Retirement Specialists are registered representatives of Nationwide Investment Services Corporation, member FINRA, Columbus, Ohio.

Nationwide Investment Advisors LLC (NIA) provides investment advice to plan participants enrolled in Nationwide ProAccount. NIA is an SEC-registered investment adviser and a Nationwide affiliate.

NIA has retained Wilshire® as an Independent Financial Expert for Nationwide ProAccount. Wilshire provides investment allocation portfolios based on participant ages and their personal tolerance for investment risk.

NIA assesses participants an asset-based fee for the managed account services.

Retirement products are offered by Nationwide Trust Company, FSB or Nationwide Life Insurance Company.

Wilshire is a registered service mark of Wilshire Advisors LLC, which is not an affiliate of Nationwide or NIA.

My Investment Planner is a service mark of Nationwide Mutual Insurance Company. My Interactive Retirement Planner of Nationwide Life Insurance Company. © 2023 Nationwide



Find more information.

Accessing your account information and getting help is easy. Take a look at the information below.

Contact: SDRS Supplemental Retirement Plan
222 E. Capitol Ave., Suite 1
Pierre, SD 57501
Toll-Free Solutions Center: **1-800-959-4457**

Easy web access — 24 hours a day, 7 days a week!

You can get more information about your account at **srp457.com**.

To log in to your account:

- Go to **srp457.com**
- Click the “Create an account” button and follow the easy steps to set up your account

On the website, you can view and make changes to your account, make deferral/allocation changes, make fund exchanges, view pricing and performance of your funds, and make changes to your personal information and password. You can also access helpful planning tools such as an account growth estimator, a take-home pay calculator, a needed retirement savings calculator and an asset allocation tool.



Solutions Center 1-800-959-4457



srp457@nationwide.com



1-605-224-2395

Simply call 1-800-959-4457.

The representatives can help you:

- Enroll in your plan
- Change your contribution amount
- Develop an asset allocation model
- Understand the benefits of pre-tax investing
- Learn about the importance of starting now and the power of compound interest

Representatives are available Monday through Friday from 7 a.m. to 10 p.m. CT, and Saturday from 8 a.m. to 5 p.m. CT.