



PEHP[®] Fact Sheet and Investment Options

Type of plan

- Employee benefit plan
- Internal Revenue Code Section 501(c)(9)

Assets held

Tax exempt VEBA (Voluntary Employee Beneficiary Association) trusts under Internal Revenue Code 501(c)(9)

Tax advantages

- Employer pays no FICA taxes on plan contributions.
- Employees pay no FICA or federal income taxes on:
 - Contributions made on their behalf
 - Investment earnings
 - Benefits paid from the plan

Plan contributions

Employer contributions only—employee contributions including salary reduction not permitted

Plan benefits

Tax-free accumulation and reimbursements for qualified post employment medical expenses as defined by the Internal Revenue Code Section 213(d). Examples include:

- Health insurance premiums
- Medicare Part-B premiums
- Medicare supplemental insurance premiums
- Qualified long-term care premiums
- Out-of-pocket qualified medical expenses such as prescription drugs, eye glasses, doctor co-pays, etc.

Benefit flexibility

Upon the employee separating from service or retiring, requests may be made for the reimbursement of qualified medical expenses and/or medical insurance premiums.

Note: In order for your claim to be paid out, you must attach receipts and/or Explanation of Benefits (EOB) of paid medical expenses.

Funding

Health Reimbursement Arrangement

- Funded ongoing with equal dollar employer contributions per employee, per submission.
- Minimum annual ongoing contribution for City of Phoenix employees is \$150 per employee.
- Reimbursements may be made for any qualified out-of-pocket medical expense with required documentation. Examples include: health insurance premiums, prescription drugs, eye glasses, hearing aids and doctor co-pays.

Investment options

There are 12 investment options available for employees.

- For PEHP eligible employees hired June 27, 2011 or later, the default investment option for employer contributions to your PEHP account is the Nationwide Investor Destinations Moderate Fund.
- For PEHP eligible employees hired prior to June 27, 2011, the default investment option for employer contributions to your PEHP account is the Nationwide Fixed Account.

You can change how your PEHP account assets are invested by accessing your online account at phoenixdcp.com or by calling a local Nationwide Representative at 602-266-2733 or Nationwide's Customer Service Center at 1-800-891-4749.

Plan fees

- Employer—No fee.
- Employee—An annual \$8 fee and 0.50% asset fee. Note: No charge for claims reimbursements

Death of participant

Money is immediately made available to the surviving spouse and/or qualified dependents (as defined by IRC 152(a)) to use for health care expenses. If no surviving spouse or qualified dependents remain to request reimbursement, the account balance is reallocated to the accounts of the remaining members of the City of Phoenix group for their qualified medical expenses.

Visit our website for videos, registration for workshops and educational material.
www.phoenixdcp.com

**1-602-266-2733 or
1-800-891-4749**

PEHP® Investment Options

Asset allocation	
<p><i>The Nationwide Investor Destinations Funds can be selected based on your personal objectives and risk tolerance and are designed to provide asset allocation across several types of investments and asset classes, primarily by investing in underlying funds. Therefore, in addition to the expenses of the Investor Destination Funds, you are indirectly paying a proportionate share of the applicable fees and expenses of the underlying funds.</i></p>	Nationwide Investor Destinations Aggressive Fund (Instl Class)
	Nationwide Investor Destinations Moderately Aggressive Fund (Instl Class)
	Nationwide Investor Destinations Moderate Fund (Instl Class)
	Nationwide Investor Destinations Moderately Conservative Fund (Instl Class)
	Nationwide Investor Destinations Conservative Fund (Instl Class)
Small-cap stock funds	
<p><i>Small-cap is an abbreviation of the term "small market capitalization," it's a company whose market capitalization is small or newer. A small-cap stock fund is made up primarily of investments in companies that are considered small or newer companies. Small company funds involve increased risk and volatility.</i></p>	Vanguard Small-Cap Index Fund (Admiral shares)
Mid-cap stock funds	
<p><i>Mid-cap is an abbreviation of the term "middle market capitalization," a company whose market capitalization is mid-range. A mid-cap stock fund is made up primarily of investments in companies that are considered mid-range or mid-size companies.</i></p>	Vanguard Mid-Cap Index Fund (Admiral shares)
Large-cap stock funds	
<p><i>Large cap is an abbreviation of the term "large market capitalization," and that's a company whose market capitalization is very large. A large-cap stock fund is made up primarily of investments in companies that are considered large-cap, big corporations.</i></p>	Vanguard Institutional Index (Instl)
International Stock funds	
<p><i>A mutual fund that invests primarily in companies located anywhere outside of its investors' country of residence. International investing involves additional risks; including currency fluctuations, political instability, differences in accounting standards and foreign regulations.</i></p>	Vanguard Total International Stock Index (Instl)
Bond funds	
<p><i>A fund invested primarily in bonds, which could be a range of government, corporate, municipal or convertible bonds.</i></p>	Vanguard Total Bond Market Index Fund (Admiral shares)
Fixed Income/Cash	
<p><i>Fixed income options are designed to protect principle and may not keep pace with inflation. They are designed to have lower risks than alternative options but are not insured or guaranteed by the FDIC or any other government agency.</i></p>	Vanguard Federal Money Market Fund
	Nationwide Fixed Account.

Underlying fund prospectuses can be obtained by calling 1-800-891-4749 or Phoenixdcp.com. Before investing, carefully consider the fund's investment objectives, risks, and charges and expenses. Read the prospectuses carefully before investing.

Retirement Specialists are registered representatives of Nationwide Investment Services Corporation, Member FINRA.

Neither the Company nor its representatives give legal or tax advice. You should consult your attorney or tax advisor for answers to your specific questions.

Separate trusts are available for collectively-bargained employee groups and non-collectively bargained employee groups.

The PEHP unregistered group variable annuity is issued by Nationwide Life Insurance Company, contract number APO-3350.



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Local Plan Service Representatives are registered representatives of Nationwide Investment Services Corporation, Member FINRA

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NRM-3322AZ-PX.4 (01/18)