

Supplemental retirement plan comparison chart

Questions	457(b) Deferred Compensation, Traditional and Roth	Deemed IRA, Traditional & Roth
Are contributions made pre-tax?	Yes — for traditional contributions. Withdrawals are taxed as ordinary income. No — for Roth contributions. Withdrawals are not taxed if they meet certain criteria ¹	No
What is the maximum contribution permitted?	\$18,500 combined limit for traditional and Roth contributions	After-tax, aggregate contribution of \$5,500 earned this calendar year (may be indexed annually thereafter). Contributions allowed at any age in the Deemed Roth IRA and up to the year you attain age 70½ in the Deemed Traditional IRA, provided you are actively working for a participating employer.
Are contribution limits coordinated among plans or IRA's?	Yes — for all 457(b) plans. No — for 401(k) or 403(b) plans.	Yes — for all IRA's of the employee including deemed traditional or Roth IRA's.
What are the catch-up contribution limits age 50?	\$6,000 combined catch up limit for traditional and Roth contributions	\$1,000 combined IRA catch up limit for all traditional and Roth IRA contributions
How often may I change my contribution amount?	Unlimited, subject to timing restrictions	Unlimited
May I roll over or transfer money from other retirement plans to this plan?	Yes — transfer from another 457(b) plan of the same employer. Also may transfer from former employers' 457(b) plans upon severance from employment with that employer. Rollovers are allowed from an IRA and from a 457(b), 401(a), 403(b), or 401(k) plan. Assets rolled over from a qualified plan or individual retirement account may be subject to a 10% excise tax if withdrawn prior to age 59½.	Deemed Roth IRA: Yes — a direct rollover from another Roth IRA or Roth 401(k) account is permitted, but not from a Traditional IRA account. Can accept a rollover from a qualified plan (but is subject to income tax). Deemed Traditional IRA: Yes — a direct rollover from another Traditional IRA account or another qualified retirement plan [e.g., 401(k)] is accepted, but not from a Roth IRA.
May I transfer all or a portion of my account to purchase permissive service credits within a governmental Defined Benefit Plan?	Traditional 457(b): Yes — if the governmental defined benefit plan accepts the transfer.	No
When may I begin withdrawals from my account without a 10% tax excise for early distribution?	For both traditional and Roth accounts, when you have a severance from employment, regardless of age There are no 10% excise taxes applicable to the traditional or Roth 457(b) accounts, however any money which is rolled into this plan from a 401(a), 403(b), 401(k) or IRA maybe subject to the 10% excise tax	Withdrawals from both deemed traditional and Roth IRA's may be made at anytime. A 10% additional excise tax may be applicable to the taxable portion of the withdrawal which is made prior to attaining age 59½. ^{1**}
May I change my withdrawal option, amount or frequency once I start my payout?	Yes, as long as you do not make a change that would violate the IRS regulation on required minimum distributions.	Yes, as long as you do not make a change that would violate the IRS regulation on required minimum distributions.
Once I elect my payout option can I change it?	Yes, unless a selected annuity distribution has begun.	Yes
Is there an unforeseen emergency withdrawal provision?	Traditional 457(b): Yes. Roth 457(b): Yes.	No
Are participant loans allowed?	Yes, within the restrictions as set forth in the approved loan procedures	No

¹ Earnings are not taxable in the year distributed if the distribution is made more than five years after the first tax year in which you made a contribution and is made after attainment of age 59½, death or disability.

* Source: IRS.gov

** Some restrictions apply.

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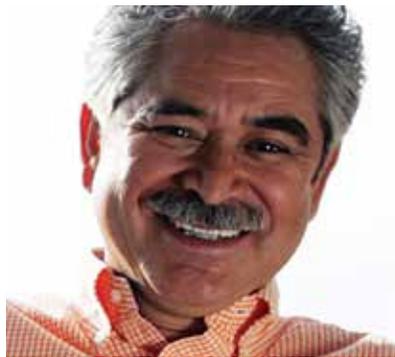
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Program Summary



PLAN SUMMARY

What is the Howard County Deferred Compensation Plan?

- The Plan is a deferred compensation plan which allows you to contribute on a voluntary basis for supplemental retirement income
- Available to employees of Howard County and Howard County Public School System
- Three contribution options:
 - Traditional pre-tax 457(b) deferrals
 - Roth after-tax 457(b) deferrals
 - Deemed traditional and/or Roth IRA contributions. Deemed IRA contributions are made on an after tax basis. For a traditional deemed IRA contribution, you may qualify for a tax deduction

457(b) Deferrals

- \$10 per pay minimum
- The combined traditional 457(b) and Roth 457(b) limit is the lesser of 100% of our compensation or \$18,500 for this calendar year
- See below

Catch-up Deferrals

The combined traditional and Roth 457(b) Special Catch-up limit:

- 457(b) Special Catch-up: Up to twice the normal maximum annual deferral limit during the three years prior to the year you reach your Normal Retirement Age, as defined in the plan document
 - This calendar year, this amount can be as much as \$18,500 in addition to the regular deferral limit, for a total of \$37,000
 - Amount is subject to the underutilized amount in years you were eligible to contribute the maximum but did not

- The combined traditional and Roth 457(b) Plan Age 50+ Catch-up limit:

- Deemed IRA's

The combined traditional and Roth IRA limit is \$5,500 for this calendar year. For those who have obtained age 50, up to an additional \$1,000 catch up contribution may be made for this calendar year.

- You may maximize your contributions under one of the 457(b) Plan Catch-up provisions and the Deemed IRA Age 50+ Catch-up provision

Investment Options

You may use these investment options through either or both the 457(b) Plan and the Deemed IRAs

“I’m a hands-off type of investor”

- Retirement date funds — also known as target maturity funds — are asset allocation funds that are based on a targeted date; the fund adjusts its strategy over time as this date approaches; Retirement date funds are designed to provide diversification and asset allocation across several types of investments and asset classes, primarily by investing in underlying funds
- These funds use a strategy that reallocates equity exposure to a higher percentage of fixed investments over time. Like other funds, target date funds are subject to market risk and loss. Loss of principal can occur at any time, including before, at or after the target date. There is no guarantee that target date funds will provide enough income for retirement.

Investing involves market risk, including possible loss of principal, and there is no guarantee that investment objectives will be achieved, including at the target date

“I’m a hands-on type of investor”

- No-Load Mutual Funds — Select from the Plan’s menus of investment options
 - Fund management fees and expenses apply
- The Charles Schwab & Co., Inc. (Member SIPC) Self-Directed Option — There is a separate application process to enroll in Schwab Self-Directed Option
 - One-time set-up fee: \$50; annual fee: \$50
 - Requires a minimum amount to start, and a minimum balance to maintain
- Fixed Income Fund — Seeks to provide a lower risk reasonable investment for participants; consistent with, and providing for, preservation of capital, high credit quality, liquidity to pay plan benefits, and reasonable tracking of interest rates; guarantees are subject to the claims-paying ability of Nationwide Life Insurance Company

Investment Service

- Nationwide ProAccount is an advisory program through which you can have your Howard County Plan account managed by an experienced investment management firm
 - Is a separate application process to enroll in the managed account program, Nationwide ProAccount
 - Your account is assessed an annual Program Fee (investment management fee) of up to 65 basis points, calculated daily based on the value of assets in your program account, and payable quarterly in arrears

Fees

The managers of the funds you invest in assess management fees as well as fund charges and expenses to all investors in proportion to the amount of assets invested in the funds. There is a low annual administrative fee of .09% (\$9.00 per \$10,000) of your asset balance.

The Schwab Self-Directed Option and Nationwide ProAccount charge fees for participation, as detailed previously.

For more complete information about funds available in the Plan, please download fund prospectuses from our website, www.howard457.com, or request prospectuses by calling 877-677-3678. Before investing, carefully consider the fund’s investment objectives, risks, and charges and expenses. The fund prospectus contains this and other important information. Read the prospectuses carefully before investing.

Other

- Retirement Specialists will help you assess your personal situation so you can determine how you can use the Plan’s resources to help you reach your goals for retirement; Information from retirement specialists is for education purposes only and not intended as investment advice
- Participant loans are available in the Traditional 457(b) Plan. They are subject to certain rules and regulations; you cannot take a loan from either of the traditional or Roth Deemed IRA account(s)

NOTE:

Neither Nationwide nor any of its representatives give legal or tax advice. Please consult your own counsel for this service before making a decision about participation within the Howard County Deferred Compensation Plan.

Investment Options/Services within your plans

Questions	Retirement-Date Fund	Nationwide ProAccount ¹	Fixed Income Fund ²	Mutual Funds in the Plans	Schwab Self-Directed Option ³
Who can use this option?	Any participant.	Service available to any participant.	Any participant.	Any participant.	Any participant with at least a \$10,000 account balance in the 457(b) Deferred Compensation Plan.
Must I invest my whole account in it?	Not required.	Yes	No	No. You may mix and match from among the options.	No
Is there a separate application process?	No	Yes	No	No	Yes
Is there a start-up fee?	No	No	No	No	\$50
Is there an annual fee?	You pay a proportionate share of the charges and expenses of the underlying funds.	Your account is assessed an annual asset-based fee of up to 65 basis points. Additionally you pay a proportionate share of the charges and expenses of each fund in your Program account.	No	You pay a proportionate share of the charges and expenses of each fund you invest in.	\$50
Are there any limits to withdrawals or exchanges from this option?	No	No	No	In most cases, no. Certain funds may establish short-term trading limits, as outlined in their prospectuses.	No

¹ Nationwide ProAccount is an advisory program, which assesses an investment management fee ("Program Fee"), that allocates enrolled participant accounts according to models made up of individual mutual funds. For more information, please consult the Nationwide Investment Advisors, LLC (NIA) form ADV part II NRS ProAccount Summary Brochure, available by calling 1-877-NRS-FORU.

² Fixed Income Fund Contract # NRC-0100AO.1, Contract Name - Group Flexible Purchase Payment Deferred Managed Separate Account Annuity Contract Nonparticipating. Guarantees subject to the claims-paying ability of Nationwide Life Insurance Company.

³ Schwab PCRA is only available to the 457(b) and not to the Roth.

Please contact one of your Retirement Specialists for more information.

Scott Wamboldt

Phone: 410-274-9568

wambolr@nationwide.com

or

Richard DeNardi

Phone: 443-417-4302

denarr1@nationwide.com

Visit Howard457.com for complete information.

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