Empower yourself to a brighter financial future with Savings Plus

savingsplus
CALIFORNIA STATE EMPLOYEE 401(k) & 457(b) PLANS

Our topics today:

Why you should enroll

The plans we offer

Ways to contribute to your account

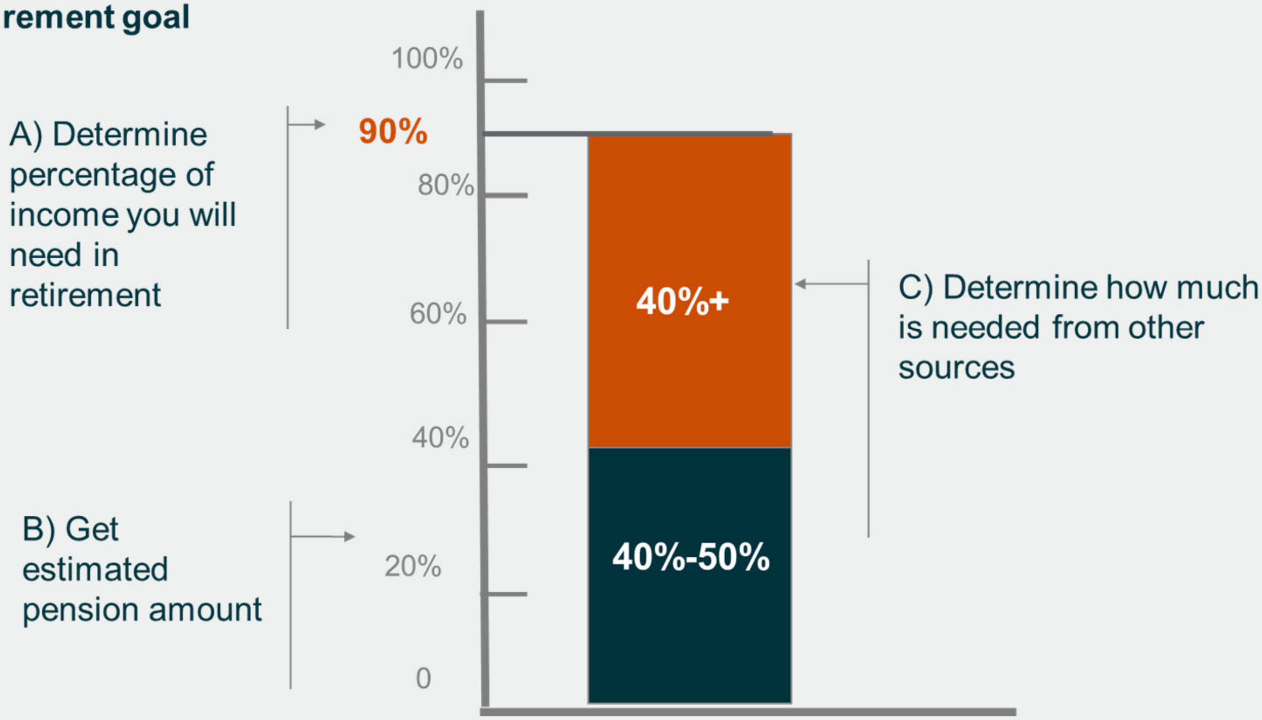
Utilizing retirement funds from a former employer

How your lump sum separation pay can become extra income in retirement

The services we offer your employees

Determine your financial needs in retirement

Example: 90% retirement goal



Who is eligible to enroll in Savings Plus?

You are eligible if you:

- Are currently employed by the State of California or the California State University system, and you are eligible for membership in CalPERS, the Legislators' Retirement System or the Judges' Retirement System
- Separated from state or CSU system employment and returned to service as a "rehired annuitant" or "retired annuitant"
- Are an active participant in the Part-time, Seasonal, and Temporary (PST) Employee Retirement Program

How to enroll in Savings Plus

Scan the QR code or go to SavingsPlusNow.com

Establish online access to your account

Provide certain personal and job-related information

Decide on plan type, contribution amount and investment options

That’s it!

Savings Plus offers two retirement savings plans

1

457(b) Plan

2

401(k) Plan

Choose to participate in either the Savings Plus 457(b) or the 401(k) plan — or even both plans at the same time — to supplement your pension, Social Security, and other personal savings.

Information discussed here is based on current federal tax law, which is subject to change. Savings Plus Retirement Specialists cannot offer investment, tax or legal advice. You should consult your own counsel before making retirement plan decisions.

Pretax or after-tax: Which is best for you?

Pretax contributions

- **Defers income taxes until withdrawal**
  - Reduces current adjusted gross income on federal tax form
- **Reduces your take-home pay by less than the amount you contribute**
  - Our Paycheck Impact Calculator displays that difference
  - You could afford to contribute more than you think

Roth after-tax contributions

- **No taxes on qualified withdrawals, including earnings**
  - Certain requirements must be met
- **May help reduce income taxes in retirement**
- **Easy to calculate the impact to your paycheck**

Both pretax and Roth contributions

- **You can use both for a tax diversification strategy**
  - Pretax for some investment options; Roth for others
- **Your election is flexible; i.e., it's not locked in**
  - You can change it as your needs change

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Make the most of what time gives you

Jamie

Starts at age 21
Stops at age 35
Contributes for 14 years
$230/month
7% hypothetical growth rate

Total contribution = $38,640
Age 67
$560,409

Carol

Starts at age 21
Stops at age 67
Contributes for 46 years
$230/month
7% hypothetical growth rate

Total contribution = $126,960
Age 67
$854,301

Jordan

Starts at age 35
Stops at age 67
Contributes for 32 years
$230/month
7% hypothetical growth rate

Total contribution = $88,320
Age 67
$314,286

This illustration is a hypothetical compounding calculation assuming a rate of return of 7% on a $30,000 annual salary. It is not intended to serve as a projection or prediction of the investment results of any specific investments. Investments are not guaranteed. Depending on the underlying investments, returns may be higher or lower. If costs and expenses had been considered in this illustration, the return would have been less. Interest compounded annually based on weekly contributions.
Investing involves risk, including possible loss of principal. There is no guarantee that any investment strategy, including dollar cost averaging and compounded investing, will generate a profit or avoid losses. Acutal results will vary depending on your investment and market experience.

Other ways to contribute to your account

Rollover	Lump-sum separation pay
Direct transfer of assets in former employer's retirement plan or IRA to your Savings Plus account	Indirect transfer of assets from a lump-sum payout received from a previous employer; similar to a rollover

Contact Savings Plus Customer Service for assistance.

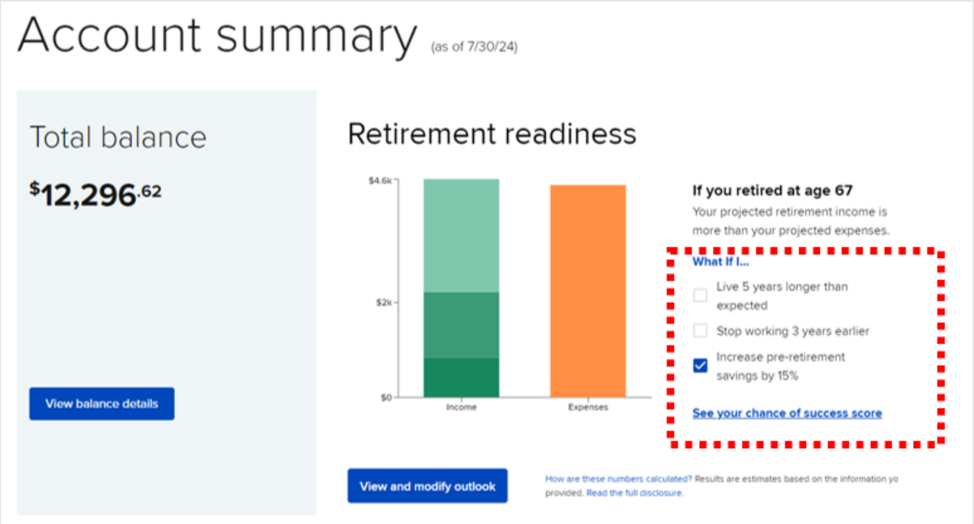
Qualified retirement plans, deferred compensation plans and individual retirement accounts are all different, including fees and when you can access funds. Assets rolled over from your account(s) may be subject to surrender charges, other fees and/or a 10% tax penalty if withdrawn before age 59½. Savings Plus Retirement Specialists cannot offer investment, tax or legal advice. You should consult your own counsel before making retirement plan decisions.

Get to know My Interactive Retirement Planner℠

This powerful resource can help you:

- Formulate retirement goals
- Identify potential retirement income sources
- Create a Retirement Readiness Report

There's no charge to use MIRP. Find it on the Savings Plus website's home page.



My Income & Retirement Planner is a hypothetical compounding example and is not intended to predict or project investment results of any specific investment. Investment return is not guaranteed and will vary depending upon your investments and market experience. Assumptions do not include fees and expenses. If fees were reflected, the return would be less. My Income & Retirement Planner is a service mark of Nationwide Mutual Insurance Company.

How Savings Plus can work for you through retirement

- Monitored funds
- No exchange fees
- Managed account solution
- Self-directed brokerage window
- No commissions
- Lower fees
- Personal Retirement Consultant

Investing involves market risk, including possible loss of principal. Actual investment results will vary depending on your investment and market experience. Savings Plus Retirement Specialists cannot offer investment, tax or legal advice. You should consult your own counsel before making retirement plan decisions.

Looking ahead: How you can take payments from your account

Installment payments

- You choose a fixed period or a fixed amount and whether to be paid annually, monthly, or quarterly
- You can model payments to get examples of what your payments would be

Supplemental payments

- You can you withdraw additional funds anytime you are receiving installment payments

Required minimum distributions (RMD)

- You must withdraw a minimum amount annually beginning at age 73
  - For those born in 1960 or later, RMDs must begin in the year you turn age 75
- We will calculate and send you that amount every year you remain a Savings Plus participant

Partial or total distribution

- You specify a dollar amount or percentage of your funds to be withdrawn

Ordinary income taxes apply to all withdrawals. State taxes are withheld from most withdrawals. Savings Plus Retirement Specialists cannot offer investment, tax or legal advice. You should consult your own counsel before making retirement plan decisions.

Source: SECURE Act 2.0

Visit the FutureFit Virtual Financial Fair

Have fun in our 3D interactive virtual event while learning how to create a financially fit retirement savings plan.

FutureFit Virtual Fair Highlights

Scoreboard

- Participate in engaging challenges and climb the leaderboard while learning how Savings Plus can support your retirement goals.

Hands-on Planning Tools

- Get practical experience with calculators, budgeting tools, and retirement planning resources.

Webinars

- On-demand and live webinars to learn from financial experts and get answers to your questions in real time.

One-on-One Sessions

- Meet with a Savings Plus representative for personal support and guidance.

Available in Spanish

- Resources and support are also available in Spanish to expand participation.

FutureFit Promo Kit

Enhance the Experience

Presentation

Dynamic presentation(s) customized to align with audience's interest

Power Sessions

Personalized 15-minute breaktime sessions to get expert guidance tailored to your financial goals

Resource Hub

Interactive resource table providing free tools and resources, person-to-person support, and giveaways

Want to collaborate: SPPOutreach@calhr.ca.gov