

Plan Features and Highlights

Participation

The West Virginia Teachers' Defined Contribution Retirement System (TDC Plan) is administered by the West Virginia Consolidated Public Retirement Board (WV CPRB). Empower is the third-party administrator and service provider for the TDC Plan. Empower is headquartered in Colorado and focuses on providing high-quality retirement plan services to employers and employees of government entities, such as the TDC Plan.

What is a 401(a) plan?

The West Virginia TDC Plan is a 401(a) plan. A 401(a) plan is a retirement savings plan designed to allow employers and their employees to contribute to a retirement plan on a tax-deferred basis until the money is withdrawn.

How much are the employer and employee contributions?

The TDC Plan mandates an employer contribution in the amount of 7.5% of your eligible gross compensation. The TDC Plan also mandates an employee contribution in the amount of 4.5% of your eligible gross compensation.

Vesting

When am I vested in the TDC Plan?

Vesting refers to the percentage of your account that you are entitled to receive upon the occurrence of a distributable event. Your contributions to the TDC Plan and any earnings they generate are always 100% vested.¹ Your employer contributions to the TDC Plan and any earnings they generate vest as follows:

Years of service	Vested percentage of contributions
Less than 6 years	0%
6 but less than 9 years	33.33%
9 but less than 12 years	66.67%
12 years or more	100%

What happens to the non-vested employer portion of my account following my termination of employment?

The non-vested employer assets are placed in a suspense account in your name for a period of five years from your date of termination. If you return within five years and complete the reinstatement of your prior distribution, if any, the non-vested employer assets and earnings thereon will be returned to your account. Otherwise, at the culmination of the five years, they will become irrevocably forfeited and returned to the originating employer(s) with earnings thereon.

Can the assets in my TDC Plan be included in a divorce settlement?

Yes. Contributions to the TDC Plan made during your marriage, including earnings and/or losses, are considered marital property. Upon receipt and approval of a qualified domestic relations order, a separate account will be established in the alternate payee's name.

What happens if I become disabled?

If you are unable to perform your duties for a minimum of six months and prior to your severance of employment, you may apply for a disability retirement through the TDC Plan. If you receive an award of disability from the TDC Plan, your account will become 100% vested regardless of your years of service.

What happens to my account when I die?

In the unfortunate event of your passing while employed, your designated beneficiary(ies) will be entitled to 100% of the remaining value of your account. If, however, you become deceased following your termination of employment, your beneficiary(ies) will be entitled to your vested account balance. Your beneficiary(ies) must notify the TDC Plan directly and request a distribution.

Distributions

When can I receive a distribution from my account?

Qualifying distributable events are as follows:

- Retirement (you must meet the minimum retirement criteria of age 55 and 12 years of service);
- Permanent disability;
- Severance of employment (as defined by Internal Revenue Code provisions); or
- Death (upon which your beneficiary receives your benefits).

Ordinary income tax will apply to each distribution. Distributions received prior to age 59½ may also be assessed a 10% early withdrawal federal tax penalty. Note: The TDC Plan does not permit a loan from your TDC Plan account.

What are my distribution options?

- Leave the value of your account in the TDC Plan until a future date.
- Receive periodic payments.
- Roll over your account balance to an eligible governmental 457(b), 401(k), 403(b) or 401(a) plan that accepts such rollovers or to an IRA.
- Purchase fixed annuity payments.
- Receive a lump-sum payment.

Rollovers

May I roll over my account from my former employer's plan?

Yes, but solely for the purpose of repayment of withdrawn contributions from the TDC Plan. Only approved balances from an eligible governmental 457(b), 401(k), 403(b) or 401(a) plan or traditional IRA may be rolled over to the TDC Plan. Please check with your Retirement Plan Advisor for more information.

May I roll over my account if I leave employment with my current employer?

There is not a requirement to roll over your account balance. If you sever employment with your current employer and are not going to be employed full-time with another participating employer of the TDC Plan, you may roll over your account balance to another eligible governmental 457(b), 401(k), 403(b) or 401(a) plan if your new employer's plan accepts such rollovers. You may also roll over your account balance to an IRA. Please contact your Retirement Plan Advisor for more information.

Consider all your options and their features and fees before moving money between accounts.

Taxes

How does my participation in the TDC Plan affect my taxes?

Employer and employee contributions and any earnings are tax deferred until you withdraw money, usually during retirement. Distributions from the TDC Plan are taxable as ordinary income during the years in which they are distributed or made available to you or to your beneficiary(ies) at your then-current tax rate. A 10% early withdrawal federal tax penalty may also apply to distributions taken before age 59½.

Fees

Are there any recordkeeping or administrative fees to participate in the TDC Plan?

There is currently a \$100 annual administrative fee set by the WV CPRB for the TDC Plan. The administrative fee will be deducted from the employer portion of your TDC account each quarter in the amount of \$25. If you do not have an employer portion in your account, the fee will be deducted from the employee portion.

Are there any fees for the investment options?

Each investment option has fees that vary by investment option. These fees are deducted by each investment option's management company before the daily price or performance is calculated. Fees pay for investment management, trading of portfolio securities and other similar expenses.

Funds may also impose redemption fees on certain transfers, redemptions or exchanges. Asset allocation funds may be subject to a fund operating expense at the fund level as well as the prorated fund operating expenses of each underlying fund in which they invest. For more information, please refer to the fund prospectus.

The Empower SecureFoundation® benefit fee is in addition to the fees and expenses of the TDC Plan. For more important information regarding Empower SecureFoundation, including product specifics and fees, refer to the Empower SecureFoundation Summary Disclosure Statement available on your TDC Plan's website.

Are there any distribution fees?

No. Before taking a distribution, contact your Retirement Plan Advisor or call **(888) WVTEACH (888-988-3224)** to speak with an Empower representative to get more information.

Managing your account

What are my investment option choices?

A wide array of core investment options is available through the TDC Plan. More information on your individual investment options can be found on the TDC website at **wvteachersdcp.com** and via the voice response system, toll free, at **(888) WVTEACH (888-988-3224)**. The website and the voice response system are available to you 24 hours a day, seven days a week.

How do I keep track of my account?

Empower will mail you a quarterly account statement showing your account balance and activity, or you can elect paperless statements on the website.

You can check your account balance and move money among the TDC Plan investment options on the website at **wvteachersdcp.com** or by calling the voice response system at **(888) WVTEACH (888-988-3224)**.

How do I make investment option changes?

Upon automatic enrollment in the TDC Plan, your contributions are directed to the Empower Lifetime Trust Asset Allocation

Series fund that most closely matches your estimated retirement year. Generally, the asset allocation of each target date fund will gradually become more conservative as the fund nears the target retirement date.

The date in a target date fund's name is the approximate date when investors plan to start withdrawing their money (which is assumed to be at age 65). The principal value of the fund(s) is not guaranteed at any time, including at the time of the target date and/or withdrawal. For more information, please refer to the fund prospectus and/or disclosure document.²

Use your username and password to log in to your account at **wvteachersdcp.com** or call **(888) WVTEACH (888-988-3224)**. You can move all or a portion of your existing balances among investment options (subject to TDC Plan rules) and change how your payroll contributions are invested on the website or via the voice response system.

Please consider the investment objectives, risks, fees and expenses carefully before investing. For this and other important information, you may obtain prospectuses for mutual funds, any applicable annuity contract and the annuity's underlying funds and/or disclosure documents from your Retirement Plan Advisor. Read them carefully before investing.

Investment assistance

Employees of the WV CPRB cannot give financial, legal or tax advice. However, there are financial calculators and educational tools on the TDC Plan website that provide information that can help you be more prepared to select your investment options. Or you can get help through the advisory services discussed below.

How can I get help choosing my investment options?

The TDC Plan offers access to Online Advice and My Total Retirement™, which are part of the Empower Advisory Services suite of services offered by Empower Advisory Group, LLC, a registered investment adviser. You can have a registered investment adviser manage your retirement account for you through My Total Retirement. Or if you prefer to manage your retirement account on your own, you can use Online Advice. This service provides a retirement strategy based on your investment goals, time horizon and tolerance for risk.

Please visit **wvteachersdcp.com** for more detailed information or call **(888) WVTEACH (888-988-3224)** to speak to an investment adviser representative.



What fees do I pay to participate in Advisory Services?

Online Advice is available at no additional cost to you. If you choose to enroll, the annual My Total Retirement service fee will be based on a percentage of your assets under management and assessed to your account quarterly as follows:

Assets under management	My Total Retirement service fee
Up to \$100,000	0.45%
Next \$150,000	0.35%
Next \$150,000	0.25%
Greater than \$400,000	0.15%

For example, if you have \$50,000, the maximum annual fee will be 0.45%. If you have \$500,000, the first \$100,000 will be subject to a maximum annual fee of 0.45%; the next \$150,000 will be subject to a maximum annual fee of 0.35%; the next \$150,000 will be subject to a maximum annual fee of 0.25%; and any amounts over \$400,000 will be subject to a maximum annual fee of 0.15%.

How do I get more information about the TDC Plan?

Your Retirement Plan Advisor will offer an annual account review for every TDC Plan participant. Visit [wvteachersdcp.com](https://www.wvteachersdcp.com) to view your Retirement Plan Advisor's contact information and schedule a meeting. You can also visit the TDC Plan website or call **(888) WVTEACH (888-988-3224)** to learn more about your TDC Plan. The TDC Plan website includes additional financial education information, retirement calculators and other tools to help you manage your account. To speak with a representative, call **(888) WVTEACH (888-988-3224)** weekdays between 8 a.m. and 10 p.m. Eastern time and Saturdays between 9 a.m. and 5:30 p.m. Eastern time.

1 Upon notification to the TDC Plan of your severance of employment, any non-vested employer match balance will be withdrawn from your account and moved to the Plan's suspense account. Any vested employer match money in your account will be reflected as 100% vested and will not be moved to the Plan's suspense account. Your Total Service credit is used to determine the vested percentage for your employer contributions. Service credit is unverified until you terminate or retire from employment and request a distribution. If you believe this service credit to be in error, you should contact the payroll/service officer, prior to your retirement and/or termination of employment, at your local payroll office to research your years of service. If the payroll/service officer discovers an error, the officer will submit the correction to the TDC Plan in writing to be updated.

2 Asset allocation and balanced investment options and models are subject to the risks of their underlying investments.

Asset allocation, diversification and/or rebalancing do not ensure a profit or protect against loss.

Investing involves risk, including possible loss of principal.

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