

What's right for you?

Your employer has enhanced its CalPERS Supplemental Income 457 Plan to give you even more flexibility! Your plan has added a Roth feature.

This option doesn't change how much you can contribute. Nor does it change where you can invest. What it does is give you more control over when your contributions — and retirement income — will be subject to federal income tax.

Unlike contributions to the traditional CalPERS Supplemental Income 457 Plan, which are made on a pre-tax basis, Roth contributions are made on an after-tax basis. What this means is your Roth contributions will be subject to income taxes before they're invested in your CalPERS Supplemental Income 457 Plan account.

In exchange, though, you may be able to withdraw your contributions and any earnings tax-free when you retire (qualifying factors apply) ... which could mean more retirement income.

In short, you'd be trading a current tax benefit for a future tax benefit. So does this trade-off make sense for you? It primarily depends on whether you think your federal income tax rate will be higher at retirement, or lower. **Let's take a look at how it works.**

Ready to start?



Making changes to your CalPERS 457 Plan pre-tax or after-tax contributions is easy. Complete the Participant Change Authorization Form, get your employer's signature, and return it by fax or mail to the address on the form.

For more information



Visit: calpers.voya.com



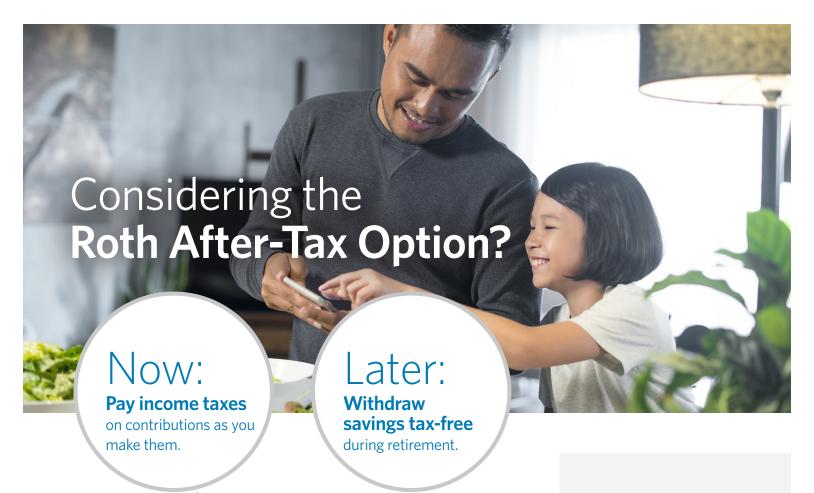
Call: 800-260-0659

Press 2 for a Participant Service Representative*, Monday - Friday, 6:00 a.m. to 5:00 p.m. Pacific Time



Schedule a personal phone review with your CalPERS 457 Account Manager at a time of your choice.

- www.calpers457.checkappointments.com
- 888-713-8244



Money going in:	
(contributions)	

After-tax contributions are subject to federal (and where applicable, state, and local) income tax withholding.

Earnings, if any:

Are **tax-free** as long as certain qualifying conditions are met (see *next paragraph*).

Money coming out:

(distributions)

Tax-free distributions, as long as you've satisfied the five-year holding period and are age 59½ or older (assuming you have separated from service), or disabled (assuming you have separated from service) or deceased.

Money moving on:

(rollovers)

Rollovers allowed to another **Roth** account in a governmental 457(b), 403(b), 401(k) or Roth IRA. (Rollovers to plans other than a governmental 457(b) plan may be subject to the Internal Revenue Code (IRC) 10% premature distribution penalty tax, unless another exemption applies.)

Required minimum distributions:

The IRC requires distributions to begin at the later of age 70½ or retirement. However, you can roll over your CalPERS Roth to a Roth IRA, where minimum distributions are **not required**.

Whichever 457 Plan contribution type you choose, you'll enjoy these key benefits.

- Investing convenience.
 You can put money aside using automatic payroll deductions.
- Investment flexibility.
 You can select from the same menu of CalPERS Target Date Funds and/or Core Funds.
- Higher contribution limits.
 You can contribute more
 through your CalPERS plan
 than you can in an individual
 retirement account (IRA)
 you set up on your own.

CalPERS does not offer legal or tax advice. Consult with your tax and legal advisors regarding your individual situation.

