

## Plan highlights

# Cherokee County 457(b) Retirement Plan

Cherokee County 457(b) Retirement Plan affords you an excellent opportunity to help accumulate money for a secure retirement. You contribute pretax dollars automatically by convenient payroll reduction, which might lower current income taxes. You may also make after-tax contributions to a Roth account in the plan by convenient payroll deduction. Your accounts benefit from the opportunity for tax-advantaged growth.

This is not your plan document. The administration of each plan is governed by the actual plan document. If discrepancies arise between this summary and the plan document, the plan document will govern.

### Eligibility

You are immediately eligible to participate in the plan and may begin contributing to the plan upon enrollment.

### Enrolling is easy! Here's how ...

Simply decide how much you want to save and how you want to invest contributions to your account. There are three convenient ways to enroll:

- Online at [aig.com/RetirementServices](http://aig.com/RetirementServices)
- By phone at our Enrollment Center at 1-888-569-7055
- In person with your financial advisor

### John Richardson, CFP®

Financial Advisor  
7029 Albert Pick Road, Suite 206  
Greensboro, NC 27409  
Office: 336.605.6449]  
Direct: 828.447.6047  
[john.richardson@aig.com](mailto:john.richardson@aig.com)

### Your contributions (subject to plan terms)

Generally, you may contribute as much as 100% of your annual includible compensation up to \$19,500 in 2020. You may increase or decrease your contributions as often as your employer allows.

### Catch-up contributions

You may be able to contribute up to an additional:

- \$19,500 in 2020 if you are within the last three taxable years ending the year before the year you reach normal retirement age as specified under the plan and have undercontributed in prior years, or
- \$6,500 in 2020 if you are age 50 or older.

If you are eligible for both, you may not combine the two catch-up amounts, but you may contribute up to the higher amount.

### Pretax or Roth contributions

You have a choice regarding your elective contributions. You can direct all of your contributions to a traditional pretax account, to a Roth account or to a combination of the two. Contributions to a Roth account are after-tax. Regardless of your election, you are subject to the annual contribution limits detailed previously.

### Fee disclosure information

Obtain specific fee disclosure and fund performance information by visiting [aig.com/RetirementServices](http://aig.com/RetirementServices) and clicking on "Fee Disclosure" in the dark box at the bottom of the screen.

### Stop/change contributions

You may change your contribution amount or discontinue contributing to your plan at any time and resume contributing again later, subject to plan provisions and any administrative requirements. In the meantime, your account will continue to grow on a tax-deferred basis. Under a 457(b) plan, an election start, change or stop contributions will become effective no sooner than the first pay period of the month following the date the election is made.

### Vesting

You are always 100% vested in your own contributions.

### Account consolidation

You might be able to transfer your vested retirement account balance from a prior employer's plan to your Cherokee County 457(b) Retirement Plan with AIG Retirement Services. This may be a way to simplify your financial profile and to ensure your overall investments are suitably diversified and consistent with your investment preferences. However, before moving funds, check with your other provider to determine if your account has any restrictions, imposes a withdrawal penalty or provides favorable terms.

### Tax-free loans

Tax-free loans make it possible for you to access your account, subject to certain limitations, without permanently reducing your account balance. Defaulted loan amounts (not repaid on time) will be taxed as ordinary income.

### Withdrawal restrictions

Your plan was established to encourage long-term savings, so withdrawals prior to age 72 (age 70½ if born before July 1, 1949) are subject to federal restrictions. Unlike many other plan types, there is no 10% federal early withdrawal tax penalty in the 457(b) plan.

Generally, depending on plan provisions, you may withdraw your vested account balance if you meet one of the following requirements:

- Retirement or severance from

employment

- Unforeseeable emergencies
- Your death
- Age 72 (age 70½ if born before July 1, 1949) (if your plan allows in-service distributions)

In addition, you must begin taking distributions once you reach age 72 (age 70½ if born before July 1, 1949) or you retire, whichever is later.

### Distribution options

Your plan offers many distribution options, allowing you to tailor your benefits to meet your individual needs. Depending on plan provisions, your withdrawal options include:

- Transferring or rolling over your vested account balance to another tax-advantaged plan that accepts transfers of rollovers
- Electing systematic or partial withdrawals
- Taking a lump-sum distribution
- Choosing one of the many annuity options available
- Deferring distributions until the later of age 72 (age 70½ if born before July 1, 1949) or severance of employment, and allowing your account to continue to grow on a tax-deferred basis

Generally, income taxes must be paid on all amounts you withdraw from your plan.

Qualified distributions from a Roth account are tax-free. Generally, a qualified Roth distribution is a distribution that (1) is withdrawn after the end of the five-year period beginning with the first year in which a Roth contribution was made to the plan, **and** (2) is after reaching age 59½, death or disability.

Consult your financial advisor for more specific information.

### Account statement

AIG Retirement Services sends all participants a comprehensive account statement at least annually. This account statement documents all activity for the preceding period, including total contributions and transfers among investment options. You can choose to "go paperless" if you wish. Receive secure, paperless, electronic notification when your retirement account

statements, transaction confirmations and certain regulatory documents are available online through our secure connection, Personal*Deliver-e*<sup>®</sup>. Managing these items electronically is faster and more secure than paper mail. To sign up for this free service simply log in to your account at [aig.com/RetirementServices](http://aig.com/RetirementServices).

### Account access

Once you are enrolled, you can access your account information and perform certain transactions, 24 hours a day, seven days a week from anywhere at any time:

- Online at [aig.com/RetirementServices](http://aig.com/RetirementServices)
- By phone at 1-800-448-2542

Access account information on your mobile device.

- AIG Retirement Services Mobile for iPad<sup>®</sup>,

iPhone<sup>®</sup> or Android<sup>™</sup>-based phones

- AIG Retirement Services Mobile Access for web-enabled devices at [aig.com/RetirementServices](http://aig.com/RetirementServices)

### Personal service

For assistance, please visit [aig.com/RetirementServices](http://aig.com/RetirementServices), call our Client Care Center at 1-800-448-2542, or contact your financial advisor

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Annuities are issued by The Variable Annuity Life Insurance Company (VALIC), Houston, TX. Variable annuities are distributed by its affiliate, AIG Capital Services, Inc. (ACS), member FINRA.

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