



# Define your journey.

## Welcome to the State of Illinois Deferred Compensation Plan (Plan).

**One of the valuable benefits of your new job is the opportunity to save for retirement through the Plan. And now's the time to start because the sooner you save, the more time your money has to work for you.**

If you are a new State of Illinois employee who is a member of the State Employees Retirement System (SERS), the General Assembly Retirement System (GRS), or the Judges Retirement System (JRS) and have not previously contributed to one of these retirement systems before July 1, 2020, you will be enrolled automatically. You don't have to do anything to begin saving.

You can take these three steps:

- 1. Make sure you're comfortable with your enrollment selections.** Once you're automatically enrolled, 3% of your before-tax pay will be deducted from your paycheck and automatically invested in the Auto-Enrollment Stable Value Return Fund. Unless you change the default investment within 140 days after your hire date, any balance you have in the Auto-Enrollment Stable Value Return Fund and all future contributions will be invested in the Vanguard Target Retirement Trust with the year closest to when you'll turn age 65.
- 2. Be sure to provide us with your beneficiary.** Take care of this important detail online at [rps.troweprice.com](https://rps.troweprice.com), scroll down your profile page to the Beneficiary information section, and click Sign-up. Make sure you have the date of birth and Social Security number for the individual(s) you'd like to name.
- 3. Verify your preferred email address.** Go to [rps.troweprice.com](https://rps.troweprice.com).

If you would like to change your contribution amount, contribution type, or investment allocation—or if you would like to opt out of participating in the Plan—visit [rps.troweprice.com](https://rps.troweprice.com) or call us at **1-888-457-5770**.

### Enrollment kit

For more details about the Plan, go to the State of Illinois Benefits page > Deferred Compensation > Enrollment Brochure.

### Connect on any device

Access your account using your preferred device. Learn more at [troweprice.com/mobilesolutions](https://troweprice.com/mobilesolutions).

### Have other retirement accounts?

Maybe you've changed jobs over time and left an old retirement plan account behind. If you would like more information about the options for your old retirement plan savings, we can help.

To learn more, talk with a retirement specialist at **1-888-457-5770**.

## Contributions to the Plan

Don't cut yourself short when deciding how much you'll need to invest for retirement. Consider your goals and factors that may affect how far your money will go. This includes other sources of income or savings, the lifestyle you want in retirement, inflation (things will likely cost more in the future), health care costs, and longevity (living past 100 is becoming more and more common).

### Employee contributions

Your Plan lets you contribute a minimum of \$10 or 1% of your gross pay per pay period, up to a maximum of 75% of your pay, subject to IRS salary deferral limits.\* You may contribute to your Plan account by making before-tax contributions, which can reduce your current taxable income. You will be taxed on your before-tax contributions and any earnings on your before-tax contributions when you take a distribution.

### Roth contributions

Roth contributions are made with after-tax dollars, or money you've already paid taxes on. Unlike before-tax contributions, Roth contributions don't provide a tax break today. Tax benefits come when you take a qualified distribution.† Depending on your preference, you can choose the tax advantages of Roth contributions, before-tax contributions, or both (as long as your combined savings do not exceed either Plan or IRS limits).

\*A qualified distribution is tax-free if taken upon the participant reaching age 59½, becoming totally disabled, or upon the participant's death **and** at least five years have passed since the participant's first Roth contribution. If your distribution is not qualified, any withdrawal from your account will be partially taxable. These rules apply to Roth distributions only from employer-sponsored retirement plans. Additional Plan distribution rules apply.

### In-plan Roth rollovers

Your Plan allows in-plan Roth rollovers, which permit you to convert non-Roth amounts to Roth accounts inside your Plan instead of rolling over the amounts to a Roth IRA outside your Plan. The amount eligible for an in-plan Roth rollover is generally limited to the amount that would otherwise be available as an eligible withdrawal from the Plan. Eligibility for withdrawal and withdrawal amount may vary depending on the specific rules of your Plan. An in-plan Roth rollover cannot be reversed after the transfer is made. The decision should be made with care and in consultation with your tax advisor. For more information, contact T. Rowe Price at **1-888-457-5770**.

### Catch-up contributions\*\*

If you will be age 50 or over as of the end of the year and have already contributed the maximum allowed by the IRS, you can make additional catch-up contributions. The IRS catch-up contribution limit may vary each year.

### Special 457 catch-up contributions\*\*

If you do not defer up to the IRS contribution limit in any given year that you are eligible, this special catch-up provision allows you the opportunity to contribute some or all of these unused or underutilized deferral amounts from prior years. You may defer the special 457 catch-up contributions during the last three years before you reach your "normal retirement age" as defined in the Plan document. During these three years, you are able to defer the regular IRS limit, plus an amount that you were eligible to contribute in previous years but did not. Additionally, during those three years, you can defer before-tax and Roth contributions up to twice the IRS deferral limit amount in effect for that year. For more information, contact CMS at **1-800-442-1300**.

\*\*Please note that you cannot use both catch-up contribution options in the same calendar year, and you may not exceed the IRS catch-up contribution limits, which may vary each year.

## Investing your contributions

The Plan provides you with two paths to invest, recognizing that people have different levels of desire, experience, and comfort with investing. For up-to-date information about your investment options, log in to **rps.troweprice.com**.

## Here's what you can expect next

Soon you'll receive a letter explaining the automatic enrollment process, including important dates to keep in mind as well as how to make changes to your account, adjust the percentage that you'll be saving, or opt out of the Plan.

### Connect with us.

We'll help you feel confident about saving and investing for your retirement.



#### **YOUR RETIREMENT PLAN WEBSITE**

Go to [rps.troweprice.com](https://rps.troweprice.com).



#### **DEDICATED REPRESENTATIVES**

Call **1-888-457-5770**. For TTY access,  
call **1-800-521-0325**.



#### **MOBILE SOLUTIONS**

Visit [troweprice.com/mobilesolutions](https://troweprice.com/mobilesolutions)  
to choose the option that's best for you.

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