Get to Know Your

401(a) Profit-Sharing Plan

A profit-sharing plan may be your primary source of retirement income or play a key supporting role. The more you know about how it works, the better you can plan for your retirement.

A 401(a) Profit-Sharing Plan is an investment vehicle with tax advantages.

- Contributions can consist of employee contributions, employer contributions, or a combination thereof, as specified by the employer.
- Your account's value is based on those contributions and subsequent investment returns.
- Earnings are not subject to tax until withdrawn.

You have control over:

- How the money is invested
- How funds are withdrawn following your separation from service
- Who receives any remaining assets upon your death

Contributions

You and your employer contribute to your account each year based on a set formula, which is determined by your employer.

See retirement savings contribution limits at: www.missionsq.org/contributionlimits

Guided Pathways®

MissionSquare can help you decide how much to save and how to invest through **Guided Pathways®**.*

Find more information at: www.missionsq.org/guidedpathways

* Investment advice and analysis tools are offered to participants through MissionSquare Retirement, a federally registered investment adviser. Investment advice is the result of methodologies developed, maintained, and overseen by the Independent Financial Expert, Morningstar Investment Management LLC. Morningstar Investment Management LLC is a registered investment adviser and subsidiary of Morningstar, Inc. Morningstar, Inc. and Morningstar Investment Management LLC are not affiliated with MissionSquare Retirement. All rights reserved. The Morningstar name and logo are registered marks of Morningstar, Inc. For additional information on our Guided Pathways® Advisory Services, refer to Form ADV Part 2A Brochure available at **www.adviserinfo.sec.gov**.

Vesting

Your ownership in employer contributions to the plan (if applicable) is determined by the plan's vesting schedule.

You're vested (fully own) 100% of all contributions you make, as well as any associated earnings.

Your ownership of employer contributions is based on a vesting schedule in which you have to work a certain number of years before being vested 100%.

Manage Your Investments

You control how the money in your account is invested and can make changes at any time. Review the available investments and consider using the online resources MissionSquare Retirement offers to help you decide how to invest your contributions.

Access to Your Money

Based on your employer's plan rules, withdrawals may be allowed while you're still working.

When you leave your employer, you can withdraw assets regardless of the reason and your years of service.

Enjoy flexible withdrawal options for vested assets like:

- Withdrawal of your entire balance
- Periodic, partial withdrawals as you see fit
- Installment payments of a certain dollar amount and frequency, such as monthly or quarterly, that you can change at any time
- Lifetime income payments

After you reach age 73[1] or separate from service, whichever is later, you'll be required to withdraw a minimum amount from your account each year, per IRS rules.

If plan rules and/or IRS rules allow, you can also borrow against your vested assets through a loan.

Unlike with 457 plans, withdrawals prior to age 59½ are subject to the IRS 10% penalty tax unless an exception applies, such as separation from service in the year you turn age 55 or later.

[1]70½ (if you were born before July 1, 1949), age 72 (if you were born after June 30, 1949, and before January 1, 1951), or age 73 (if you were born after December 31, 1950).

Roll-Ins

After leaving your employer, assets can be transferred – or rolled in – to another eligible retirement plan without being taxed.

Designate Beneficiaries

You designate a beneficiary, or beneficiaries, to receive any remaining assets upon your death.

- Most plans require that if you're married, your spouse is automatically your beneficiary for 100% of your account, unless they waive this right.
- If you don't designate beneficiaries, your estate is the default beneficiary, in which case:
  - Assets may not be distributed per your wishes.
  - Assets are subject to probate costs, potential delays, and creditor claims.
  - Non-spouse heirs may receive fewer tax benefits.

Beneficiaries control investment decisions, receive the most flexible withdrawal options allowed by law, and aren't subject to any additional fees.

Learn More

Get to know your 401(a) plan: **www.missionsq.org/401a**

Log into your account to manage your savings and visit MissionSquare's Financial Wellness Center for 100+ interactive, fun, short videos, charts, calculators, articles, and tutorials.

Get answers to your questions about debt, emergency savings, college tuition planning, investing, retirement planning, and much more: **www.missionsq.org/learn**

Founded in 1972, **MissionSquare Retirement** has helped more than 3 million people in public service retire with confidence. MissionSquare is a mission-based, nonstock, nonprofit, financial services company that focuses on delivering results-oriented retirement plans, education, investments, and advice for over 1.7 million public participant accounts.* For more information, visit **www.missionsq.org**.

MissionSquare RETIREMENT

*As of December 31, 2022