Securing your future

Plan Overview

City of Indianapolis and Marion County, Indiana Deferred Compensation Plan

Prepare for your future

Reaching your retirement goals can take a lot of preparation. As a general rule, you'll need 75–80% of your final working salary to maintain your lifestyle during retirement. The City of Indianapolis and Marion County, Indiana Deferred Compensation Plan provides a way to start preparing for your retirement. Your plan offers you the tools, education and investment options that will prepare you for your future.

Estimate your need

With the average life expectancy increasing, uncertainty around Social Security, rising healthcare costs and inflation continuing to erode the purchasing power of your money, participating in your retirement plan is more important than ever.

The amount you need in retirement income could play a significant role in reaching your future financial goals. It is important to take the time to look at your specific situation and retirement income needs before determining how much to contribute to your retirement account.

It is important that you start preparing to reach your retirement income goals early, because waiting even one year can make a big difference.

To determine a suitable amount for your situation, use resources at www.indygov457plan.com.

Impact of starting early

David, age 25

Annual contribution **$1,500**

Assumptions
- Earns $30,000/year
- Plans to retire at age 65
- Contributions assume a constant rate of return of 6%

Starts contributing	Total at age 65	Cost of waiting one year
at age 25	$246,072	$15,429
at age 26	$230,643	

Sheryl, age 40

Annual contribution **$3,000**

Assumptions
- Earns $50,000/year
- Plans to retire at age 65
- Contributions assume a constant rate of return of 6%

Starts contributing	Total at age 65	Cost of waiting one year
at age 40	$174,469	$12,875
at age 41	$161,594	

Note: All individuals are fictitious and all numeric examples are hypothetical. These hypothetical investment returns are for educational purposes only and are not indicative of any particular investment or performance. Hypothetical returns assume reinvestment of earnings. Actual returns or principal value will vary. Balances shown are before reduction for taxes.

Determine your contributions

It is a smart idea to participate in your retirement plan as soon as possible. If you start contributing right away, your account may have more time to grow and weather ups and downs.

Your retirement plan contributions
The money you contribute to your retirement account is automatically deducted from your paycheck and deposited directly into your retirement account. Your contributions are deducted from your paycheck before taxes are taken out which reduces your taxable income. This means you are paying less in current income taxes for the year. Contributing to your retirement account on a pre-tax basis may help minimize the impact on your take-home pay.

Put tax deferral to work for you
Pre-tax contributions made to the plan are tax deferred. Tax deferred simply means that the contributions you make to the plan are not currently taxed. You are putting off paying taxes on that money until you withdraw it from your retirement account. How can putting off paying taxes be a benefit? Not only are your contributions deducted on a pre-tax basis which reduces your taxable income but if your account experiences growth, the growth is also tax deferred.

Roth contributions
Unlike traditional pre-tax contributions, Roth contributions are made with after-tax dollars, which means that you are taxed on the full amount you earn first, and then your contribution is deducted. Roth contributions and earnings accumulate tax-free. Qualified distributions of your contributions and all earnings on your contributions are generally not taxable at the time of distribution. In order to qualify, the account must generally have been held for at least five years and you must be at least age 59½ when withdrawals begin.

Roth is not for everyone. Weigh your options carefully.

The benefits of compounding
Compounding occurs when the initial investment generates a gain. When the new balance (the original investment plus the gain) is reinvested and experiences additional gains, it generates further earnings. This process continues allowing your earnings to continue to generate additional earnings. As a result, your account balance at retirement may be significantly higher than your contributions to the plan.

Benefits of compounding

Michael, age 25

Monthly contributions **$100**

Assumptions
- Contributes for 40 years
- Plans to retire at age 65
- Contributions assume a constant rate of return of 6%

Total contributions	Balance at retirement	Compounding difference
$48,000	$196,857	**$148,857**

Thanks in part to compounding the difference between the contributions to Michael's account and the actual account balance at retirement $148,857!

Note: This hypothetical investment return and ficticious name is designed to demonstrate the impact of compounding returns and is not indicative of any particular investment or performance. Hypothetical returns assume reinvestment of earnings and a 6% average return on investment. Actual returns or principal value will vary. Balance shown is before reduction of taxes. An investor should consider his or her current and anticipated investment horizon and income tax bracket when making an investment decision, as the example may not reflect those factors.

Choose your investments

An important and sometimes confusing step in retirement preparation is choosing which options to invest in. Because each investor has different goals and different circumstances, there is no set strategy that works for everyone.

Investment types

There are different types of investments in which you may choose to invest your retirement plan contributions. The three main types are:

- **Stocks:** Have historically had the greatest risk and highest returns among the three major investment types.
- **Bonds:** Are generally less volatile than stocks but offer more modest returns.
- **Cash equivalents:** Such as certificates of deposit, treasury bills and money market funds — are generally the most conservative investments, but offer a lower potential for return than the other major investment types.

To learn more about creating an investment strategy, visit www.indygov457plan.com.

Understanding risk and return

Investment risk is the potential for an investment to lose value. Return is the change in value on an investment. Higher returns are usually associated with greater risks, while investments with lower returns generally have a lower risk level. Understanding the relationship between risk and return is very important as you develop your investment strategy.

The amount of investment risk you are willing to take, also known as your "risk tolerance," is a personal decision, which can be shaped by many factors including the amount of time you have until retirement, also known as your "time horizon."

- **Risk tolerance:** Some people are comfortable taking on the risk of frequent ups and downs of the stock market in return for potentially greater long-term returns. Others prefer the possibility of a slow, steady return with lower risk investments. Understanding your personal attitude toward risk can help you find the right mix of investments for your portfolio.
- **Time horizon:** The longer you have until retirement, the more risk you can potentially afford to take.

Mixing it up with diversification

Because different investment types have varying levels of risk and return, it is important to make sure you have a good mix of investments in your portfolio. This strategy, called diversification, aims to balance risk and reward by allocating assets according to your goals, risk tolerance and investment horizon.

Note: Each group of investments carries its own unique risks. Before investing, please read each fund prospectus for a detailed explanation of the risks, fees, and costs associated with each underlying investment. Although you might reduce volatility and risk with diversification, you can't eliminate investment risk altogether. Diversification and asset allocation do not ensure a profit or protect against loss.

Bond funds have the same interest rate, inflation and credit risks that are associated with the underlying bonds owned by the fund.

Money Market funds are not typically insured or guaranteed by the Federal Deposit Insurance Corporation or any other federal government agency. Although they seek to preserve the value of your investment at $1.00 per share, it's possible to lose money by investing in money market funds.

Investment **support**

Because choosing investment options can be difficult, the City of lndianapolis and Marion County, Indiana Deferred Compensation Plan offers you assistance with these important decisions, including tools and resources provided by OneAmerica and others available from independent, third parties.

Target date investment support
Your plan offers target date investments. Target date investments are types of Asset Allocation investments designed for investors who prefer to be less "hands-on" when it comes to their investment management.

With target date investments, which are based on your anticipated date of retirement, investments are progressively rebalanced for you from riskier investments to more conservative investments as you approach retirement.

Note: Target Date Funds are designed for people who plan to retire and begin taking withdrawals during or near a specific year. These funds use a strategy that reallocates equity exposure to a higher percentage of fixed investments; the funds will shift assets from equities to fixed-income investments over time. As a result, the funds become more conservative over time as you approach retirement. It's important to remember that no strategy can assure a profit or prevent a loss in a declining market and the principal value of the Target Date Funds is not guaranteed at any time, including the target date. Target Date Funds are designed to provide diversification and asset allocation across several types of investments and asset classes, primarily by investing in underlying funds. Therefore, in addition to the expenses of the Target Date Funds, an investor is indirectly paying a proportionate share of the applicable fees and expenses of the underlying funds. The principal amounts invested into these funds are not guaranteed at any point and may lose value.

More information on your plan's investment options can be found in your retirement plan materials, during online registration or by logging in to your secure account at www.indygov457plan.com.

What **type of investor** are you?

Based on your personal situation and comfort level with investing, this questionnaire will help you select your investor profile. Answer these questions and use your total score to identify the corresponding profile that may be suited for your retirement investments.

Determine your investor profile

	1 year	2–4 years	5–7 years	8–10 years	11+ years	Score
I expect to begin withdrawing money from my retirement account in:	1	2	3	4	5	

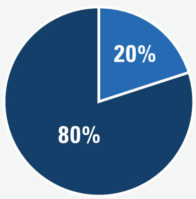
	I want a lump sum distribution	2–4 years	5–7 years	8–10 years	11+ years	Score
Once I begin withdrawing money from my retirement account, I expect the withdrawals to last:	1	2	3	4	5	

	Strongly agree	Agree	Neutral	Disagree	Strongly disagree	Score
I would take money out of my retirement account to pay for a large, unexpected expense.	1	2	3	4	5	
To meet my financial goals, my investments must grow at a high rate of return.	5	4	3	2	1	
I prefer investments that are a low risk, even if the returns are lower than the rate of inflation (the rise in prices over time).	1	2	3	4	5	
I prefer an investment strategy designed to grow steadily and avoid sharp ups and downs.	1	2	3	4	5	
When it comes to investing, protecting the money I have is my highest priority.	1	2	3	4	5	
I am unwilling to wait several years to recover from losses I could incur in an extended down market.	1	2	3	4	5	
I always choose investments with the highest possible return, even if the investments may frequently experience large declines in value because of higher risk.	5	4	3	2	1	
If I had $1,000 invested in an account, and its value dropped to $850 after six months, I would move all my money to a more conservative account.	1	2	3	4	5	

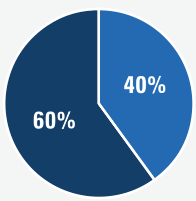
Score

Note: These models are a guide to provide you with a basic understanding of what a suitable portfolio might look like. This is not intended to be investment advice.

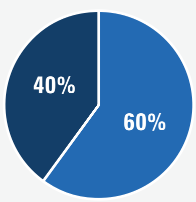
Investor models



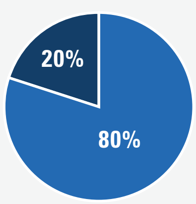
Conservative strategy (Score 10–19)
Seeks to provide:
- High current income
- Low long-term capital appreciation



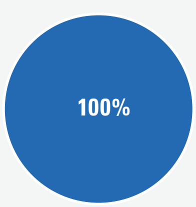
Moderate strategy (Score 20–26)
Seeks to provide:
- High current income
- Moderate long-term capital appreciation



Balanced strategy (Score 27–33)
Seeks to provide:
- Above average capital appreciation
- Moderate level of current income



Growth strategy (Score 34–40)
Seeks to provide:
- High long-term capital appreciation
- Low current income



Aggressive equity growth strategy (Score 41–50)
Seeks to provide:
- High long-term capital appreciation

Investment categories

■ (dark blue)	Bonds
■ (light blue)	Stocks

Note: Not all plans offer investment options in all categories. While diversification through an asset allocation strategy is a useful technique that can help to manage overall portfolio risk and volatility, there is no certainty or assurance that a diversified portfolio will enhance overall return or outperform one that is not diversified. An investment made according to asset allocation models neither guarantees a profit nor eliminates the possibility of loss.

Questions? Call 1-800-249-6269 or visit us online at www.indygov457plan.com.

Start participating in your plan

Whether you prefer the internet or telephone, there's an easy-to-use account management tool available to you.

Preparation

- Decide how much you want to contribute per paycheck
- Decide how you want to invest your contributions

Consolidating retirement accounts

You are able to roll over or transfer an existing qualified retirement plan account from a prior employer.

Benefits of account consolidation include:

- One point of contact for your retirement questions
- Reporting of your retirement assets on a single account statement
- One account for allocation and diversification of your retirement portfolio

Considerations include:

- Your prior account's investment options and cost structure
- Possibility of moving your account(s) into an Individual Retirement Account (IRA)

You will have an opportunity to initiate a rollover or transfer of your accounts during the registration process.

Call 1-800-249-6269 Monday through Friday from 8 a.m. to 10 p.m. Eastern Time (ET) for assistance.

To register today, visit us online at www.indygov457plan.com or call 1-800-249-6269.

Register online at www.indygov457plan.com by clicking on Your account.

Registration

1. Click on "Register for a new account"
2. Select the "Account Services" link
3. Complete the step-by-step process

Enrollment

1. Enter your User ID and Password created during Registration and click "Log in"
2. Complete the step-by-step enrollment process, which includes:
   — Entering contribution information
   — Identifying beneficiary designations (if applicable)
   — Selecting investments
   — Providing information regarding account consolidation (if applicable)

Registration assistance over the phone

Call **1-800-249-6269** to speak directly with a Participant Service Center representative. English- and Spanish- speaking representatives are available to help you.

Plan highlights

The following information is a brief summary of your retirement plan's features. While this information outlines many of the provisions of the plan, it does not provide you with every plan detail. Additional plan-specific provisions or limitations may apply. Plan documents govern this plan and contain a full set of rules for the plan. If there are discrepancies between this summary and the plan documents, the plan documents will govern. Please refer to your summary plan description (SPD), summary of material modifications (SMM), or contact your plan representative for more information.

Eligibility

When am I eligible to participate in the plan?

You are immediately eligible to participate in the plan.

Note: Certain employees may be ineligible to participate in the plan. Please refer to your SPD or SMM for additional information.

When am I eligible to enroll in the plan?

When you have met the eligibility requirements, you may enroll at any time.

Note: Requirements may differ for employer contributions made to your account.

When are my contribution elections effective?

A Participant's Salary Reduction Agreement may not take effect earlier than the first day of the calendar month following the date the Participant executes the Salary Reduction Agreement.

Contributions

How much can I contribute to the plan in pre-tax contributions?

Through payroll deduction you can contribute up to 100% of your wages, salary, earnings (and bonus, if applicable).

Can I make Roth contributions to the plan?

The plan allows you to make Roth after-tax contributions. The Internal Revenue Service (IRS) dollar limit applies cumulatively to pre-tax and Roth after-tax contributions.

Note: An Internal Revenue Service (IRS) dollar limit cap applies. The dollar limit is $19,500 for the 2021 calendar year. Additional plan-specific provisions or limitations may apply.

Can I make catch-up contributions to the plan?

If you are age 50 or older (or will turn age 50 during the calendar year) you may be eligible to make catch-up contributions.

Note: Before you can make catch-up contributions, you must first reach the elective deferral dollar limit (the Internal Revenue Code (Code) section 402(g) limit), the annual additions limit (the Code section 415 limit), the plan's deferral limit, or the Actual Deferral Percentage (ADP) limit. The maximum catch-up contribution limit is $6,500 for the 2021 calendar year.

When can I change or stop my contributions to the plan?

You can change your contributions or stop your contributions at any time.

Note: If you stop your contributions, you can only start contributing again in accordance with plan provisions.

Will my employer make contributions to my account?

The plan allows your employer to make a discretionary contribution in an amount to be determined by your employer on an annual basis.

Note: Your eligibility to contribute to the plan may be different from your eligibility to receive an employer contribution to your account.

Vesting

What is "vesting"?

Vesting is the non-forfeitable ownership (or partial ownership) by an employee of the retirement account balances or benefits contributed to that employee's account.

You are always 100% vested in your deferral contributions to the plan, any rollovers or transfers to the plan, plus any earnings they generate.

You are fully and immediately vested in your company's employer contributions plus any earnings they generate.

Note: Additional plan-specific provisions or limitations may apply. Please refer to your SPD or SMM for more information.

Withdrawals/Distributions

Once invested, when can I withdraw money from my account?

While your plan may provide for additional withdrawal options, in general withdrawals or distributions from your account can be made at death, for an unforeseeable emergency, in the event of a disability, or upon termination of employment. A one-time withdrawal is allowed if your account balance is $5,000 or less and there have been no deferrals for the past two years and no prior withdrawals of this type have been taken The plan may also allow you to withdraw all or part of your vested account if you can prove financial hardship and are unable to meet your financial needs another way. The plan defines a hardship as an "immediate and severe financial need" and establishes the allowable reasons for which you may receive such a withdrawal. Other requirements, limitations or fees may apply.

Note: Because withdrawals/distributions from your account may be taxable to you, and withdrawals prior to reaching age 59½ may be subject to an additional 10% penalty tax, consider talking with your tax advisor before withdrawing money from your account.

Notes

Group annuity contracts are issued by American United Life Insurance Company® (AUL) and registered variable annuity products are distributed by OneAmerica Securities, Inc., a Registered Investment Advisor, Member FINRA, SIPC, One American Square, Indianapolis, IN 46282.

Provided content is for overview and informational purposes only and is not intended and should not be relied upon as individualized tax, legal, fiduciary, or investment advice. These concepts were derived under current laws and regulations. Changes in the law or regulations may affect the information provided. For answers to specific questions, please consult a qualified tax advisor, attorney or financial professional.

Investing involves risk which includes potential loss of principal. While a participant in an annuity contract may benefit from additional investment and annuity related benefits under the annuity contract, any tax deferral is provided by the plan and not the annuity contract.

Variable products are sold by prospectus. Both the product prospectus and underlying fund prospectuses can be obtained from your investment professional or by writing to One American Square, Indianapolis, IN 46282, 1-800-249-6269. Before investing, carefully consider the fund's investment objectives, risks, charges, and expenses. The product prospectus and underlying fund prospectus contain this and other important information. Read the prospectuses carefully before investing.

About OneAmerica®

A national provider of insurance and financial services for more than 140 years, the companies of OneAmerica help customers build and protect their financial futures.

OneAmerica offers a variety of products and services to serve the financial needs of their policyholders and customers. These products include retirement plan products and recordkeeping services, individual life insurance, annuities, asset-based long-term care solutions and employee benefit plan products.

Products are issued and underwritten by the companies of OneAmerica and distributed through a nationwide network of employees, agents, brokers and other sources that are committed to providing value to our customers.

To learn more about our products, services and the companies of OneAmerica, visit **OneAmerica.com/companies**.

OneAmerica®