

SoonerSave

Features & Highlights

SoonerSave is one retirement savings program with two components: the Deferred Compensation (457) Plan and the Savings Incentive 401(a) Plan. Your contributions are deferred into the 457 Plan, and a \$25 employer contribution from the State of Oklahoma is contributed to the 401(a) Plan.

General Questions and Answers About SoonerSave

Q What is the Deferred Compensation Plan?

A The Deferred Compensation Plan was created based on Internal Revenue Code section 457(b). Commonly called a 457 plan, the Deferred Compensation Plan allows eligible employees to supplement any existing retirement/pension benefits by contributing and investing pre-tax dollars through voluntary salary deferrals. Contributions and any earnings grow tax deferred until money is withdrawn, usually during retirement when the **participant is typically receiving less income** and, therefore, may be in a lower tax bracket than while working.

Q What is the Savings Incentive Plan?

A The Savings Incentive Plan was created based on Internal Revenue Code section 401(a) and is another type of retirement plan designed to allow employers to supplement employees' existing retirement/pension benefits by contributing to a plan on the employees' behalf. As with a 457 plan, contributions and any earnings grow tax deferred until money is withdrawn, usually during retirement when the **participant is typically receiving less income** and, therefore, may be in a lower tax bracket than while working.

Q How do I know if I am eligible to participate in SoonerSave?

A Generally employees of the State of Oklahoma, except those who participate in the Oklahoma Pathfinder Plan, are eligible to participate in SoonerSave. Please see your Agency Coordinator if you have questions about your eligibility.

Q Why should I participate in SoonerSave?

A If you are interested in saving and investing additional money for retirement and/or reducing the amount of current state and federal income tax you pay each year, SoonerSave can be an excellent tool. **Even better, the State of Oklahoma also provides an employer contribution of \$25 per month through the 401(a) Savings Incentive Plan.**

Q Is there any reason why I should not participate in SoonerSave?

A Participating may not be advantageous if you are experiencing financial difficulties, have excessive debt, do not have an adequate emergency fund (in an easy-to-access account) or expect to be in a higher tax bracket during your retirement. Please keep in mind that you cannot withdraw your account balances until the occurrence of Plan-designated distribution events. For example, the Deferred Compensation Plan prohibits in-service withdrawal of funds except for unforeseeable emergencies. Withdrawals from the 401(a) Plan are only available upon severance of employment.

Q How are SoonerSave assets protected?

A All SoonerSave assets are held in trust for the exclusive benefit of SoonerSave participants and their beneficiaries. This means that the Plans' assets are not subject to the claims of state creditors in the unlikely event of the state's bankruptcy.

Q Does participation in SoonerSave affect my Social Security benefits or reduce my state pension/retirement benefits?

A **No.** SoonerSave is a supplementary retirement program and does not replace or reduce your state retirement benefits or Social Security benefits.



The Nuts & Bolts of SoonerSave

Getting Started

Q Who contributes?

A You contribute to the Deferred Compensation 457 Plan, and the State of Oklahoma contributes to the Savings Incentive 401(a) Plan on your behalf.

Q What is the contribution amount?

A The minimum payroll contribution to the 457 Plan is \$25 monthly or \$11.54 biweekly. You may contribute up to 100% of your eligible compensation per year or the maximum shown below (whichever is less). If you reach age 50 during the calendar year, you can take advantage of the age 50+ catch-up provision and contribute an additional amount as shown below.

Year	Regular Maximum Contribution Limit	Age 50+ Catch-up
2023	\$22,500	\$7,500

The total you can contribute using the age 50+ catch-up provision is \$30,000 in 2023. As long as you are actively contributing to SoonerSave through the 457 Plan, the State of Oklahoma will contribute \$25 per month to the 401(a) Plan.

Q How do I enroll?

A To enroll in SoonerSave, complete an Enrollment Form indicating the amount you wish to contribute to the 457 Plan and your investment option selections for both Plans. You need to also complete a Beneficiary Form at enrollment.

Q What are my investment option choices?

A Your choices for both Plans include a wide array of investment options. You may also choose to use the self-directed brokerage account option. The Schwab Personal Choice Retirement Account® (PCRA), offered through Charles Schwab & Co., is available for the 457 Plan only. PCRAs are for knowledgeable and experienced investors who acknowledge and understand the risks associated with many of the investment choices available through each PCRA.

Managing Your Account

Q How do I keep track of my account?

A Empower will mail a combined quarterly account statement showing your account activity and balance for both Plans.

You can check your account balance and move money among investment options at any time. Access your Plan account(s) via the website at www.soonersave.com or toll-free through the voice response system at **(877) 538-3457**, 24 hours a day, seven days a week. The Empower app is available in the App Store® from Apple® for iOS® or on Google Play™ for Android™.

You will receive a separate statement from Schwab that will detail the investment holdings and activity within your PCRA, including any fees and charges imposed in connection with the PCRA.

Q How do I log in to my online account?

A For first-time access:

- At www.soonersave.com, select *REGISTER*.
- Choose the *I do not have a PIN* tab.
- Follow the prompts to create your username and password.
- If we don't have your email or phone number on file, or if you have another account with Empower (with a former employer, for example), you will need to call Empower to access your new account.

If you have already registered for the site but have forgotten your login information, click the *Login help?* link on the homepage and follow the instructions.



**THE STATE OF OKLAHOMA
DEFERRED COMPENSATION PLAN
AND SAVINGS INCENTIVE PLAN
WORK TOGETHER AS...**

SOONERSAVE!

Q How do I make investment option changes?

A Log in via the website at **www.soonersave.com** or the voice response system at **(877) 538-3457**.

You can then:

- Move all or a portion of your existing balance among investment options, or
- Change how your contributions are invested.

Carefully consider the investment option's objectives, risks, fees and expenses. Contact Empower for a prospectus, summary prospectus for SEC-registered products or disclosure document for unregistered products, if available, containing this information. For prospectuses related to investments in your PCRA, contact your PCRA provider. Read them carefully before investing.

Transfers/Rollovers

Q May I roll over my account from my former employer's retirement plan into my SoonerSave account?

A **Yes.** Approved balances from other governmental 457 plans can be rolled into the SoonerSave 457 Plan. Approved balances from other 401(k), 401(a) or 403(b) plans, or an IRA, can be rolled into the Savings Incentive 401(a) Plan. Contact the SoonerSave Administrative Office for more information.¹

Q May I roll over my account if I leave employment with the State of Oklahoma?

A If you leave employment with the state, you can roll your account balance(s) to a 401(a), 401(k), 403(b) or governmental 457(b) plan if your new employer accepts this type of rollover. You can also roll over your account(s) into an IRA.²

Consider all your options and their features and fees before moving money between accounts.

Withdrawals

Q When can I withdraw from my account?³

A For both Plans, you may withdraw only when you:

- Retire,
- Reach age 70½,
- End employment with the state,
- Die (your beneficiary receives your benefits), or
- Suffer an unforeseeable emergency while participating in the 457 Plan.

Q What are my distribution options?

A Upon severance of employment or retirement, you may leave your balance in the Plans and continue to have full

access to maintain your accounts. Plus, any growth will continue to be tax deferred. You are not required to take a distribution from SoonerSave until the later of April 1 of the year following the year in which you reach age 73 or end State service.⁴

You can begin withdrawing funds from your SoonerSave account as soon as 30 days after ending employment with the State of Oklahoma. When you take a withdrawal from SoonerSave, you have great flexibility in how you structure the distribution payments to fit your retirement income needs. To receive distributions over time, you may change the amounts or the method of payments at any time. You may structure distributions as follows:

- Lump-sum or partial payment,
- Periodic payments,
- A rollover into a governmental 457, 401(k), 401(a), 403(b) plan or an IRA.³

Q Can I make a contribution to my account from accrued annual leave paid at retirement or termination?

A **Yes.** The election to participate in the Accrued Annual Leave Deferral Option must occur no later than the month prior to the date you would receive your leave payment and prior to your actual termination date. The amount of annual leave eligible for payout is determined by state statute and will not exceed 480 hours. Your total contributions for the year cannot exceed the annual IRS limit. For further information on how to contribute from your unused annual leave, call the SoonerSave administrative offices at **(405) 858-6705** or **(800) 733-9008**.

Q What happens to my money when I die?

A If you die before you select a payment distribution method, your designated beneficiary(ies) (as indicated on your Enrollment Form or most recent Beneficiary Designation Form) will receive the full value of your account(s) at the time they elect a distribution.

If you die after you have selected a payment distribution method, your beneficiary(ies) will receive the amount of your remaining account balance (if any) to which they are entitled. Your beneficiary must contact the SoonerSave Administrative Office to apply for a distribution.

Income Taxes⁵

Q Do I report any current earnings on my account to the IRS?

A **No.** Do not report any current earnings from your 457 Plan or 401(a) Plan on either your federal or state income tax forms. Any current earnings on your contributions are tax deferred until withdrawn.²

Q How much will my distribution be taxed?

A When you take a distribution at the occurrence of one of the qualifying events listed on the previous page and if such distribution is an eligible rollover distribution, a mandatory 20% of your distribution will be withheld for federal income tax. You may owe more or less than 20% depending on your specific tax situation. Applicable state taxes are also withheld.

For both Plans, your distribution is taxed based on your current tax rate at the time of distribution. For the 401(a) Plan, distributions made prior to age 59½ may be subject to an additional 10% federal tax penalty.



Website

www.soonersave.com

Voice Response System

(877) 538-3457

SoonerSave Plan

Administrative Office

(405) 858-6737

(800) 733-9008

Fees

Q What are the fees to participate in SoonerSave?

A The participation fee for SoonerSave is \$2.61 per month and will be deducted from your account. The fee pays for the day-to-day operation of the Plan, including the administrative, recordkeeping, communication and investment education services.

Q Are there any fees for the investment options?

A Each investment option has an investment management fee that varies by investment option. These fees are deducted by each investment option's management company before the daily price or performance is calculated. Fees pay for trading individual securities in the underlying investment options and other management expenses.

Funds may impose redemption fees on certain transfers, redemptions or exchanges.

Asset allocation funds may be subject to a fund operating expense at the fund level as well as the prorated fund operating expenses of each underlying fund in which they invest. For more information, please refer to the fund prospectus. Funds are subject to the risks of the underlying funds.

There may be a recordkeeping or administrative fee for investing in certain investment options. Please contact your Empower representative for more information about any potential investment option fees.

There is an additional quarterly fee of \$15 and transaction fees to participate in the PCRA option.

Q Are there any distribution fees?

A There are no distribution fees.

¹Funds rolled into a governmental 457 plan from another type of plan or account may still be subject to the 10% early withdrawal penalty if taken before age 59½.

²Governmental 457 funds rolled into another type of plan or account may become subject to the 10% early withdrawal penalty if taken before age 59½.

³Withdrawals may be subject to income tax.

⁴As of January 1, 2023, the IRS generally requires you to start taking required minimum distributions (RMDs) at age 73. (If you turned 72 in 2022 and delayed your first-time RMD until April 1, 2023, you must take your 2022 RMD by April 1, 2023, and your 2023 RMD by December 31, 2023.)

⁵The tax information provided is based on current laws, which are subject to change and interpretation.

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