

# The Archdiocese of St. Louis Lay Employees Retirement Plan features and highlights



**Read these highlights to learn more about your plan. If there are any discrepancies between this document and the Plan Document, the Plan Document will govern.**

## About the 403(b) plan

A 403(b) plan is a retirement savings plan designed for employees of tax-exempt organizations. A 403(b) plan allows eligible employees to save and invest through voluntary salary contributions.

## Eligibility requirements

### Employee contributions

After age 21, employees may contribute as soon as their information is received by Empower. You will receive a communication from Empower regarding enrolling (typically after your first paycheck after you have become eligible). Employees may contribute up to 85% of compensation or the IRS limit, whichever is less. In 2022, the contribution limit is \$20,500 for employees under 50 and \$27,000 for employees turning age 50 or older.

### Contributions can be either pretax or Roth:

**Pretax contributions** are made with pretax dollars. In other words, with the pretax option, you've haven't yet paid income taxes on the money you contribute. You will pay income taxes on the entire amount withdrawn when you take a distribution.

**Roth contributions** are made with after-tax dollars. In other words, with the Roth option, you've already paid income taxes on the money you contribute. You will not pay income taxes on the money you contributed when you take a distribution. Continue reading below for more details on the taxation of any earnings on your Roth contributions.

If you withdraw your Roth contributions and any earnings after you've reached age 59½ or severed employment due to death or disability — and after you've satisfied the five-year holding period requirement — the distribution is income tax and penalty free.

If you take a distribution from your Roth 403(b) account before age 59½, death or disability — or before you have satisfied the five-year holding period requirement — you will pay income taxes plus a 10% penalty, if applicable, on any earnings that are distributed.

No income tax or penalty is due on Roth contributions distributed from the plan since such contributions were made with after-tax dollars.

Before taking a distribution, contact your Gallagher representatives: Mike Eagen (314-792-7262) or Sharon Gogel (314-792-7261) with any questions.

### Archdiocese contributions

Currently, the Archdiocese of St. Louis makes a 5% discretionary contribution for eligible employees over the age of 21 starting with the first pay period of the month following the completion of one year of service.

This benefit is contributed to the plan for all eligible employees. You do not have to make your own contributions to receive this employer contribution.

Eligible employees are staff personnel working 1,000 or more hours during the 365-day period or teachers with at least a half-time contract (single or combined between parishes). See the Summary Plan Description for additional details. Hours worked at multiple employers (e.g., Charities, Marygrove, Good Shepherd and parishes) are consolidated to calculate the year-of-service (1,000 hours) eligibility requirement.

## Vesting schedule

All employer contributions are immediately 100% vested.

## Investment options<sup>1</sup>

A wide array of core investment options is available through your plan. Each option is explained in further detail in your plan's fund sheets. Once you have enrolled, investment option information is also available through the website at [empowermyretirement.com](http://empowermyretirement.com) or at **866-467-7756**. The website and the voice response system are available to you 24 hours a day, seven days a week.

In addition to the core investment options, a self-directed brokerage account (SDBA) is available. The SDBA allows you to select from numerous investment options for additional fees. The SDBA is intended for knowledgeable investors who acknowledge and understand the risks associated with the investments contained in the SDBA.

Call Empower at **866-467-7756** for more information.

## Transfers and allocation changes<sup>2</sup>

You can move all or a portion of your existing balances between investment options and change how your payroll contributions are invested.

## Rollovers<sup>3</sup>

Only plan administrator-approved balances from an eligible 457(b), 401(k), 403(b) or 401(a) plan or an IRA may be rolled over to the plan.

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

## Withdrawals

Qualifying distribution events are as follows:

- Retirement
- Permanent disability
- Financial hardship (as defined by the Internal Revenue Code and your plan's provisions) (one per year)
- Severance of employment (as defined by Internal Revenue Code provisions)
- Attainment of age 59½
- Death (your beneficiary receives your benefits)

Ordinary income tax will apply to each distribution. Distributions received prior to age 59½ may also be assessed a 10% early withdrawal federal tax penalty. Refer to your Summary Plan Description for more information about distributions.

## Loans

Your plan allows you to borrow the lesser of \$50,000 or 50% of your eligible total vested account balance. The minimum loan amount is \$1,000, and you have up to 60 months to repay your general-purpose loan.

There is also a \$50 origination fee for each loan, which is deducted from loan proceeds, plus an ongoing annual \$50 fee.

## Plan fees

### Recordkeeping or administrative fees

An annual asset fee of 0.185% will be deducted from your account quarterly.

A charge of \$300 per occurrence will be deducted for qualified domestic relations order (QDRO) processing services, which include QDRO reviews, calculations and distributions.

### Distribution fees

The fee for a one-time lump-sum distribution is \$15.

Fees for installment payments are:

- \$15 per installment distribution setup
- \$15 annual maintenance fee each year after the first year

### Investment option fees

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 also impose redemption fees on certain transfers, redemptions or exchanges.

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.

Asset allocation funds are generally subject to a fund operating expense at the fund level as well as prorated fund operating expenses for each underlying fund in which they invest. For more information, see the fund prospectus and/or disclosure document.

There is an additional annual fee of \$50 for the SDBA option, deducted from your account at \$12.50 quarterly, and the possibility of transaction fees to participate in the SDBA option.

## How do I get more information?

For questions about enrolling, salary deferral changes, retirement options, retirement plan details, assistance with your asset allocation and other plan-related issues, contact your Gallagher representatives: Mike Eagen (314-792-7262) or Sharon Gogel (314-792-7261).

You can also visit the plan website at [empowermyretirement.com](http://empowermyretirement.com) or call **866-467-7756** for more information. The website provides details regarding your plan as well as financial education information, financial calculators and other tools to help you manage your account.

1 Prospectuses, disclosure documents and investment-related options/services information are only available in English. Please have them translated as needed prior to investing.

2 Transaction requests received in good order after the close of the New York Stock Exchange will be processed the next business day.

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

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Investing involves risk, including possible loss of principal.

**Carefully consider the investment option's objectives, risks, fees and expenses. Contact Empower Retirement 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 self-directed brokerage account (SDBA), contact your SDBA provider. Read them carefully before investing.**

**Brokerage Products: Unless otherwise noted: NOT FDIC INSURED | NO BANK GUARANTEE | MAY LOSE VALUE**

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