

Understanding the



Supplemental Pension Plan

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<http://www.mariettaga.gov/city/cityhall/hr/pension>

Legalese

Disclaimer: This briefing is an overview of the City/BLW's Supplemental Pension Plan. It is not meant to provide financial or investment advice. Each employee's retirement is different. If you would like to discuss your investment options, please contact a Principal Financial Group Retirement Specialist at 800-547-7754.

Topics

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- Key Details to Review
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Introduction

- Effective since January 1, 1981, the Supplemental Pension Plan is a defined contribution plan that is governed by Section 401(a) of the Internal Revenue Code. What does that mean? **Contributions are made by the employee, the employer, or a combination of both. In our case, the City/BLW as the employer makes contributions into the plan of 6.13% of salary for full-time employees after one year of employment (7.5% for part-time, temporary, and seasonal employees immediately). Distributions are paid out based on account value. Employees do NOT make contributions.**
- Employee assumes all of the risk
- Covers all employees except for elected officials
- Funds are immediately vested
- No taxes due, including on earnings, until you make withdrawals
- Withdrawals generally subject to 10% penalty from IRS if made before age 59 ½. Must take required minimum distributions by April 1 of the year turning 70 ½ or the year of retirement if older.

Registration/Login

<https://www.principal.com>

The screenshot shows the Principal Financial Group website. The browser address bar displays <https://www.principal.com>. The navigation bar includes the Principal logo and menu items: Individuals, Employers, Providers, Institutional Investors, and About Us. A 'Log In' dropdown menu is open, showing options: Select a login type, Personal, Employer, Advisor, TPA, Provider Services, and Careers. Below the navigation bar, there are links for 'Save, Invest & Retire', 'Insure', and 'Explore Life & Money'. The main content area features a large image of a man and a young child. Text on the image reads: 'Because you have to protect' and 'We can help you calculate how much life insurance you need and give you a quick quote.' A blue button labeled 'Get your quote >' is positioned below the text. At the bottom of the page, a banner announces the logo change: 'We changed our logo. Same great company you've always known. Now with a new logo. Get the details. >' The banner also shows the old 'Principal Financial Group' logo and the new 'Principal' logo.

Key Details to Review

- Designate a beneficiary
- Select investments
- Review plan statements



What kind of investor are you?

DO-IT-FOR-ME

- You may want a faster way to start saving now
- You're not comfortable with investment concepts
- You want asset allocation assistance

If you fall into the do-it-for-me category, you can choose a do-it-for-me feature available through your organization's retirement plan.

DO-IT-MYSELF

- You prefer to build your own portfolio
- You like to take control of your investment decisions
- You have a good understanding of investment topics
- You enjoy monitoring your own investment options

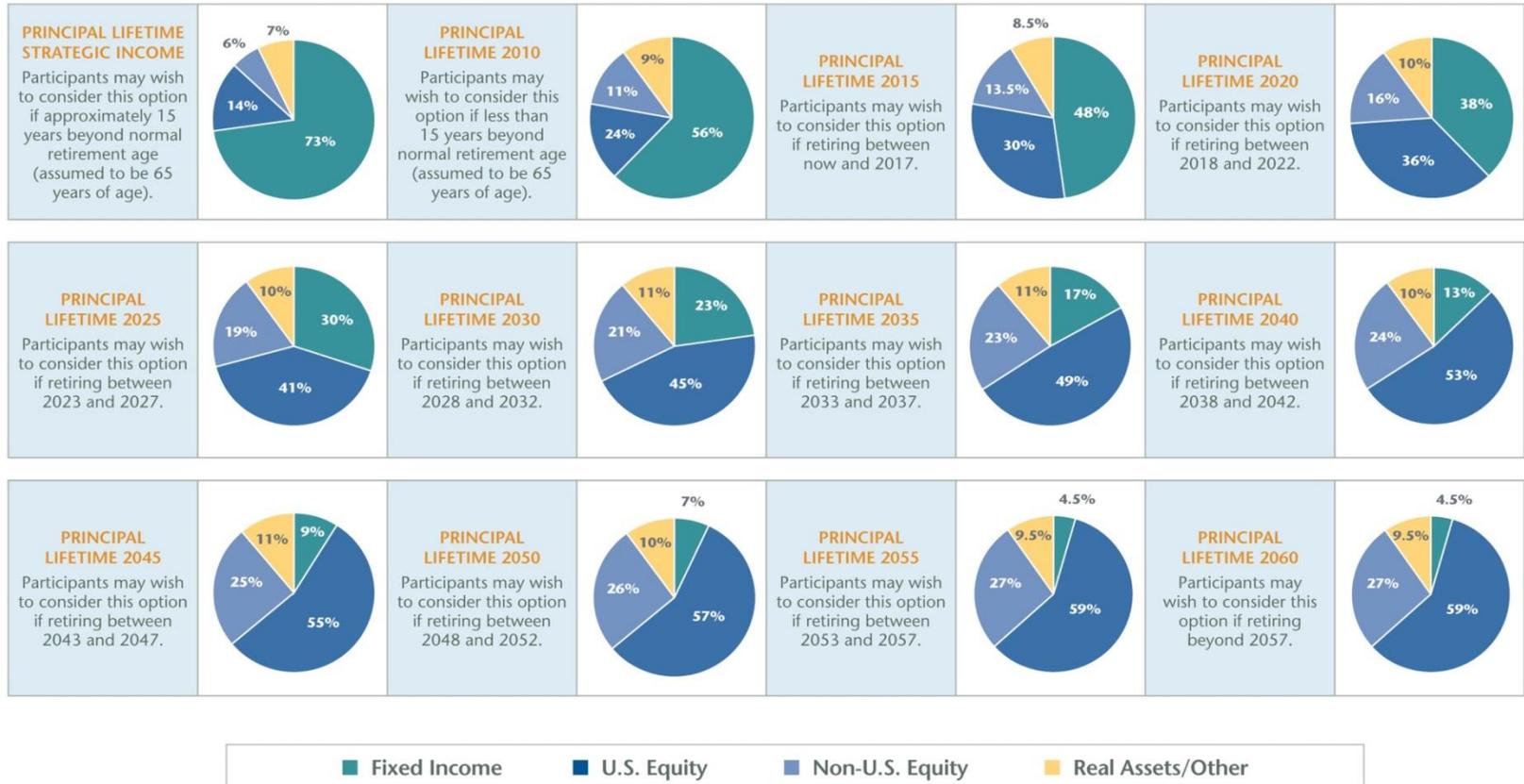
If you're more of a do-it-myself investor, you may wish to choose your own mix of investment options.

Do-It-For-Me

Principal LifeTime portfolios

- You may want a faster way to start saving now
- You may want an investment option that is automatically rebalanced

Principal LifeTime Portfolios



* Allocations based on current allocation targets as of March 2015. They will change over time. No investment strategy, such as asset allocation or diversification, can guarantee a profit or protect against loss in periods of declining values.

** The individual Principal LifeTime Funds may be combined with the Principal Strategic Income Fund if the Board of Directors of Principal Funds, Inc., determines at the time that the combination is in the best interests of Fund shareholders. Principal LifeTime Separate Accounts invest wholly in the Institutional share class of the corresponding Principal LifeTime Fund.

For all portfolios the retirement age is assumed to be 65 years of age.

Do-It-Myself

Choose from the investment options available.

Principal.com/planningcenter

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Education

- Retirement Planning
- Life Event Planning
- Managing Money
- Working with an Advisor

Tools

- Forms Library
- Calculators
- Rates, Values & Performance

Need a financial lift?

Watch real people ask real questions about their financial concerns. We've captured some of these moments that show how easy it is to get the help you need and start a plan.

Get a financial lift. From The Principal.

Retirement Income Strategy



▶ Dealing with Debt, Saving for Tomorrow

▶ Saving for Retirement

▶ Get Ready to Retire

▶ Plan and Protect

Additional Retirement Services

- Regular retirement account statements
- Online statements at **principal.com**
- Participant e-magazine
- Monthly Webinars: principal.com/learnnow
 - Medicare, Financial Fitness, Move to the Green, Retirement Income, Investments, Roth vs. Non-Roth, Social Security



Questions?

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