



What You Need to Know about the Deferred Compensation Plan for 2022 August 2021

What is Great-West Life & Annuity Insurance Company?

It is the parent company of Empower Retirement, a wholly-owned subsidiary. GWL&A, as it is abbreviated, started out in the life insurance sector and then expanded into the retirement planning business in the 1980s.

Where can I see what planning services and financial tools Empower Retirement will offer me?

Empower has a website you can visit to see all the tools and calculators. Visit www.learningfromempower.com and look around for a lot of information and videos on financial wellness and retirement planning. These resources are available to the public; you don't have to have an Empower account set up to use these tools.

How will my assets get transferred to Empower?

ICMA-RC will transfer all your assets to Empower during the blackout period (see the July version of this document for an explanation of the blackout period). WSSC Water has directed Empower to move your assets into an age-appropriate, based on your date of birth, American Funds target date fund in December. In October, you will receive a transition bulletin detailing how your assets will be mapped from ICMA-RC into your account at Empower.

Will I have to pay to move my account from ICMA-RC to Empower?

No, you will not pay a fee to move your account from ICMA-RC to Empower.

What is a target date fund?

Target date funds help individuals invest in well-diversified portfolios that rebalance over time for retirement or other long-term goals. Sometimes referred to as a life-cycle fund, a target date fund helps you manage your investment risk. The fund is based on a specific year calculated by adding your year of birth and the age you plan to retire. For instance, if you are 30 years old and want to retire at age 65, the American Funds 2055 target date fund might be most appropriate -- adding 1991 (birth year) plus 65.

The date in the name of the target date fund is the assumed date of retirement. The asset allocation becomes more conservative as the fund nears the target retirement date; however, the principal value of the fund is never guaranteed.

What if I want to keep my current ICMA-RC investments and don't want to be transferred into a target date fund?

WSSC Water will offer an opt-out period in November where you can elect to keep your overall investment strategy as it is, with similar types of funds and asset allocations. The Empower portfolio will have a similar investment lineup. We will have more details in the next version of this document.

ICMA-RC’s target date funds are in 10-year increments. Will American Funds’ target date funds be in 10-year increments?

No. The American Funds target date fund series are in five-year increments.

I have accounts with Empower and ICMA-RC. Will my ICMA-RC account be merged with my Empower account, or will it be a separate account?

Your ICMA-RC assets will be merged into your existing Empower account.

When my funds are moved to Empower, will Empower send me a statement showing the activity for the time my funds are with them in 2021?

Yes, Empower will provide you a 4th Quarter statement showing all activity. The statement will arrive in January 2022. You can always view your statements online by logging in to your account, selecting your 457(b) Plan on the next page, and visiting the *Statements and documents* link in the *Account overview* section.

What about ICMA-RC—will they send me a statement showing the activity for 2021?

Yes, ICMA-RC will send all WSSC Water participants a final statement in January 2022.

I currently invest in the VT Retirement Income fund with ICMA-RC. What will happen when my funds are moved to Empower?

Your assets will transfer over to an American Funds target date fund that is age appropriate based on your date of birth. If you wish to stay in an income fund asset allocation, you will have the opportunity to opt out of the target date fund and select the similar fund in WSSC Water’s chosen Empower fund lineup (Great-West SecureFoundation Balanced fund). The opt-out period begins November 1.

I only have an Empower retirement account. Will I see any changes during this transition?

Yes. WSSC Water has directed Empower to move your assets into an age-appropriate, based on your date of birth, American Funds target date fund in December.

What if I want to keep my current Empower investments and don’t want to be transferred into a target date fund?

WSSC Water will offer an opt-out period in November where you can elect to keep your overall investment strategy as it is, with similar types of funds and asset allocations. This does not apply to the balances you have invested in the Great-West SecureFoundation Balanced Fund, the Great-West fixed rate funds and My Total Retirement (managed account product). You will log in to your existing account to conduct the opt-out process. *We will have more details in the next version of this document, and you’ll receive documentation in October that explains the opt-out process.*

I don’t currently use a managed account program. Will I have the option with Empower?

Yes, participants will continue to have the option to have access to a managed account program called My Total Retirement (MTR). MTR will create a customized investment strategy using the funds available in the plan and will manage the transactions. You can tell us about other assets you have that will be considered when developing your strategy. There is a fee for this optional managed account service. This is not a mandatory service; Individuals will continue to have the option to select their investment funds.

There is no guarantee provided by any party that participation in any of the advisory services will result in a profit.

Online Advice and My Total Retirement are part of the Empower Retirement Advisory Services suite of services offered by Advised Assets Group, LLC, a registered investment adviser.

Will my account be secure after the transfer to Empower?

Yes. Empower places a high priority on cybersecurity, in addition to offering a security guarantee that helps protect your account integrity if there is a breach through no fault of your own. Empower has several simple steps available to help strengthen the security of your account.

1. Register your account on Empower (set up your username and password)
2. Provide your most current email and phone on your account
3. Use a password manager (such as LastPass, 1Password, KeePass)
4. Use multifactor authentication (MFA)
5. Leave MFA enabled by not clicking "remember this device"
6. Pay attention to security alerts
7. Freeze your credit (don't forget to add all family members)

You don't have to wait for the transition to get more information on Empower and its commitment to cybersecurity. Check out more steps you can take by visiting www.empowermyretirement.com and clicking the *Security Tips* link at the bottom of the page.

Why is registering my account on Empower so important?

By setting up your account with a username and password, you provide the first line of defense against possible fraud attempts. A person trying to access your assets first has to know your login information. If you haven't set up your account, there is no login information, allowing the potential perpetrator to pass that first gate.

Can I contribute to a 457(b) plan and an IRA in the same year?

Yes, you can contribute to both in the same year within the IRS limits.

What are the IRA limits?

For 2021, the IRS allows you to contribute up to \$6,000 to an IRA (\$7,000 if you are age 50 or older). By way of comparison, the IRS limits on a 457(b) plan are \$19,500 or 100% of your salary, whichever is less.

What is Empower's policy on keeping my information private?

Empower has a high commitment to helping ensure the information it collects stays private and protected. Visit www.empowermyretirement.com and click on the *Privacy* link at the bottom of the page to see what information is collected, how Empower uses it, and who it is shared with. Empower does not sell your data in any way that requires you to opt out of that sharing.

What are the current fees with Empower?

All current fees are embedded in the overall cost of the individual funds, so you don't see them listed separately. They are currently part of the fund charges. We will discuss current and future fees more in depth during the transition meetings in November.

What are the current fees with ICMA-RC?

As with Empower fees, all current fees are embedded in the overall cost of the individual funds, so you don't see them listed separately. They are currently part of the fund charges. We will discuss current ICMA-RC fees more in depth during the transition meetings that in November.

Have I always had administrative fees deducted from my account?

Yes, administrative fees have historically been embedded with the investment options you have chosen. Going forward, administrative fees, such as Empower's recordkeeping fee, will be fully transparent and show within your account statement and transaction history on the Empower website.

What are the new Empower administrative fees?

Empower's administrative or recordkeeping fee will be 0.024% of your account balance, calculated quarterly. This is less than the fee charged by ICMA-RC (0.1044% of your account balance), which is embedded in the individual funds. Empower's administrative fee will be listed as a separate line item on your statement to improve transparency. Once you have your Empower account set up, you can see the individual fund charges by logging into your account, choosing the 457(b) Plan, and selecting *Investment lineup* under the *Investments* section in the left-hand column.

What are the savings for the significantly lower fees?

The reduction in total administrative fees charged to all participants will be at least \$300,000 less annually (in the first year) based on current plan assets. The projected five-year savings is approximately \$1.5 million over the next five years. Additional savings are expected from the reduction in the investment management fee expenses. All participant administrative fees will be more transparent and are itemized on participant statements.

Do I have to pay a fee every time I buy and sell a fund?

No. There are no fees charged when you buy or sell a fund.

Will I see the administrative fees on my quarterly statements?

Yes, your quarterly administrative fees will be included as a separate line item on your quarterly statement.

What is the difference between Empower's investment lineup and ICMA-RC's?

There are differences between the two plans, but the goal has been to identify similar asset classes and maintain a diverse investment selection. The investment lineup has been finalized by the WSSC Water Investment Committee, based on the recommendations of a professional consultant and past fund performance. This will be provided in future communications. Empower participants will receive a letter in September. ICMA-RC participants will receive a transition guide in October that explains how the transfer of assets will work.

I am enrolled in ICMA-RC and retiring in December. Will I still be able to take a distribution in January, or will it be delayed because of this change?

The balances transferring from ICMA-RC will be live on Empower's system by December 28, 2021, and, if eligible to take a distribution, you can request the withdrawal, either via the website or phone.

I currently have a loan with ICMA-RC and still contribute to my 457(b) account. When my loan moves to Empower, can I still make contributions, or will Empower suspend them until I repay my loan?

Yes, you can still make contributions. Your loan, payment amount and payment schedule will all transfer to Empower from ICMA-RC, and loan repayments will continue with Empower to repay your loan.

After the transition, will there be a new web address for everyone to use?

Yes, the new web address will be **www.empowermyretirement.com**. The Empower website will provide enhanced tools and resources for all participants in the Deferred Compensation Plan. Once you have access, you are encouraged to access your account and update your beneficiary information online.

If you currently contribute to the Washington Suburban Sanitation Commission Deferred Compensation Plan administered by Empower, this is the same website you currently use.

Where can I direct my questions?

Send questions to the WSSC Water designated email address: Empoweryoursavings@wsscwater.com.

After the transition, call Empower's Participant Services at 800-701-8255. Representatives are available by phone Monday through Friday, from 8am to 10pm Eastern time, and Saturday from 9am to 5:30pm.

For after-hours services, use Empower's voice response system at 800-701-8255. The voice response system and website are available 24 hours a day, seven days a week.

Contact Empower's Retirement Plan Advisor, Daryl Wells at daryl.wells@empower-retirement.com or 800-701-8255 (office) or 203-535-2793 (mobile).

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. Read each carefully before investing.

Asset allocation and balanced investment options and models are subject to the risks of their underlying investments.

Great-West SecureFoundation II is a variable annuity issued by Great-West Life & Annuity Insurance Company, Corporate Headquarters: Greenwood Village, CO (Contract numbers SFII 15 R (06-16) and SFII 15 U (06-16) and state variations); or, in New York, by Great-West Life & Annuity Insurance Company of New York, Home Office: New York, NY (Contract form numbers NYSFII 15 R (06-16) and NYSFII 15 U (06-16)). May not be available in all states. Certain restrictions may apply. GWFS Equities, Inc. is a subsidiary of GWLA and an affiliate of GWLANY.

Please note the plan sponsor may cancel the contract, remove the covered funds or select a new recordkeeper that may not be able to manage the benefit. If this were to happen, a participant with a distributable event who lives in an approved state where SecureFoundation II is available in an IRA may be able to roll their assets into an approved fund in the Empower Retirement IRA solution and maintain their benefit. Otherwise, the participant may lose their benefit.

Variable annuities are long-term investments and may not be suitable for all investors. Any earnings are taxable as ordinary income when distributed and may be subject to a 10% additional tax if withdrawn before age 59½. Investments in these products are subject to the fluctuating values of the underlying investment options, including the possible loss of principal.

Fees and charges associated with variable annuities include, but are not limited to, mortality and expense risk charges, sales fees, surrender charges, administrative fees, charges for optional benefits, and charges for underlying investment options.

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