

# The Basics

## Maryland Teachers and State Employees Supplemental Retirement Plans

401(k) • Roth 401(k) • 457(b) • Roth 457(b) • 403(b) • 401(a)

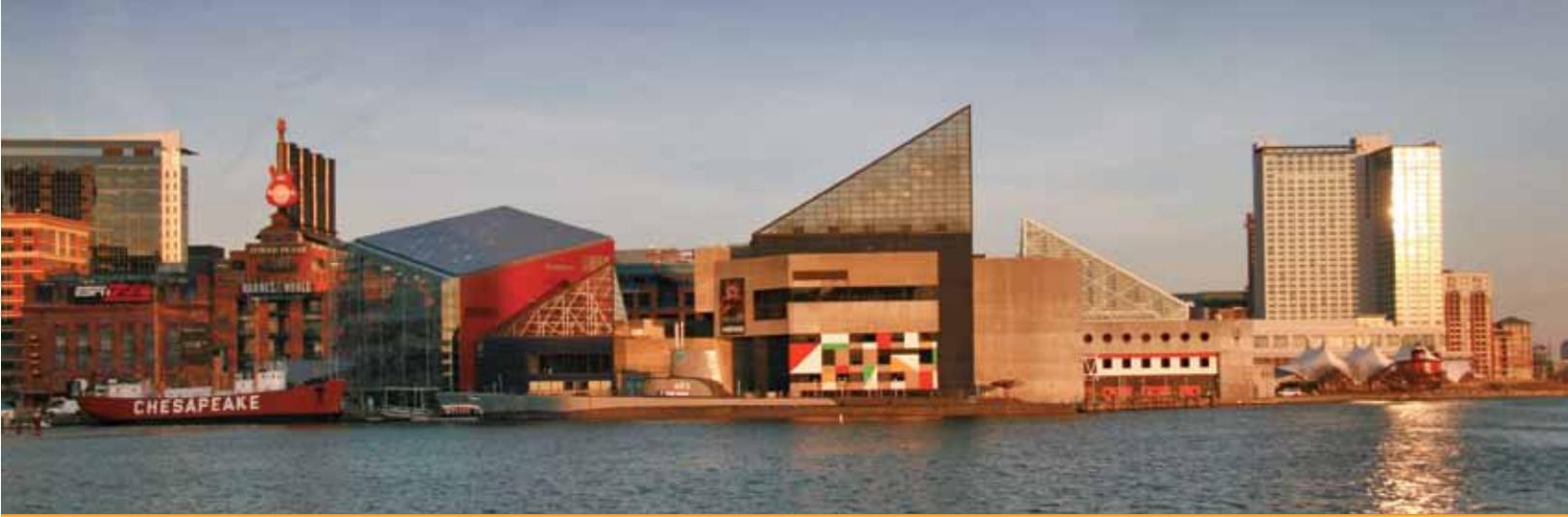


MSRP



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# Welcome

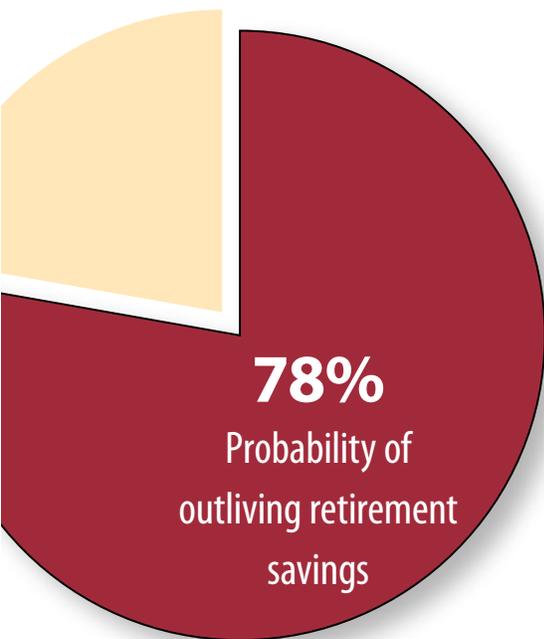
Get ready for your retirement through one or more of the three Maryland Supplemental Retirement Plans (MSRP). All employees of the State of Maryland, including contractual employees, are eligible to participate in the 457(b) and 401(k) plans. State employees who work within a State educational institution are also eligible to participate in the 403(b) plan. Take your pick:

- 1 the 457(b) Deferred Compensation Plan
  - pre-tax (tax-deferred) option
  - after-tax Roth option (beginning April 2011)
- 2 the 401(k) Savings and Investment Plan
  - pre-tax (tax-deferred) option
  - after-tax Roth option (beginning April 2011)
- 3 the 403(b) Tax-Deferred Annuity Plan for employees in educational institutions

Even though your pension and Social Security will provide income in retirement, they may not provide enough to maintain your current standard of living. MSRP lets you save and invest on your own and participation is voluntary.

## Who is eligible?

All employees of the State of Maryland, including contractual employees, are eligible to participate in the 457(b) and 401(k) plans. State employees who work within a State educational institution are also eligible to participate in the 403(b) plan.



## Retirees in the state of MD

Source: 2009. Ernst & Young LLP for Americans for Secure Retirement.



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# MSRP

## A plan with you in mind

The MSRP includes three supplemental retirement plans — the **457(b), Roth 457(b), 401(k), Roth 401(k) and 403(b)**. Employees may participate in more than one plan. **All** the plans offer you the following advantages:

- **Competitive** plan fees
- **Diversified** investment options
- **Flexible** payout options
- **Easy** online account access
- Ability to transfer other assets\* into your MSRP traditional or Roth 457(b), traditional or Roth 401(k) or 403(b)
- People who help you—Team MSRP Retirement Specialists during employment  
Personal Retirement Consultants when you're within five years from retirement or in retirement. Information from Retirement Specialists or Personal Retirement Consultants is for educational purposes only and should not be considered investment advice.

*\*Other qualified retirement plans can differ, including fees and when you can access funds. Assets rolled over from another qualified plan may be subject to both surrender charges from the original plan and a 10% penalty tax if withdrawn before age 59½.*

*Investing involves market risk including possible loss of principal.*

### The 401(a) match plan

Maryland provides a match to most employees' contributions to the 457(b), 401(k) and 403(b) supplemental retirement plans. For every dollar you contribute, the State will contribute a dollar on your behalf until the \$600 maximum is reached (without vesting or minimum contribution rules). And with each fiscal year, the match starts again! ***(The amount of the match may change from year to year or be suspended through legislative action, and is suspended for the fiscal year ending 6/30/2012.)***

To be eligible, you must be a full-time or part-time State employee and a member of the State Employees' Alternate Contributory Pension Plan. Once you're enrolled in the MSRP Plans, the match will **automatically** begin. To get the full \$600 match, you need to contribute at least \$600 per fiscal year (July 1 - June 30). That's only \$24 per pay period.

# Get started

You can choose your own individual funds — or invest in a targeted retirement fund. It all depends on how involved you want to be as an investor.

And you're not on your own — Retirement Specialists can answer questions, explain how investing works and help allocate investment dollars.

## OPTION A: Targeted retirement funds\*

Choose a single Targeted Retirement Fund for a one-step portfolio for a target retirement date. These funds automatically adjust over time and are managed by a professional money manager.

Each fund offers a professionally selected mix of diversified mutual fund investments and has a target retirement and/or income inception date in mind, and is rebalanced and adjusted over time to be more conservative as the retirement date approaches. See the *Spectrum of Investment Options* for details about these funds.

—and/or—

## OPTION B: Traditional investment approach

Choose your own mix of MSRP investment options. Review your investments and gradually change your overall strategy as you near retirement, and/or use an Asset Allocation model selected based on your own risk tolerance.

**Actively-managed** funds may appeal to investors wanting an active role in investment selection and monitoring. **Passively-managed** funds may appeal to investors looking for funds that normally carry lower than average fees and track markets per their selected indices.

We can help you automatically rebalance your asset allocation quarterly when you call or go online to sign up for automatic rebalancing. The *Spectrum of Investment Options* lists funds in the MSRP Plan is available online at MarylandDC.com, from your Retirement Specialist, or by calling Team MSRP at 1-800-545-4730.

*Please consider the fund's investment objectives, risks, and charges and expenses carefully before investing. The prospectus contains this and other important information about the investment company. Prospectuses are available by calling 1-800-545-4730. Read the prospectus carefully before investing.*

*\*Targeted Retirement Funds offered by T. Rowe Price, also known as target date funds, are asset allocation funds that are based on a targeted date as to when an investor plans to begin to withdraw money. These funds use a strategy that reallocates equity exposure to a higher percentage of fixed 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. The principal value of the fund(s) is not guaranteed at any time, including at the target date.*

**SEND OR FAX COMPLETED FORM TO:**  
Nationwide Retirement Solutions  
11550 McCormick Road  
Executive Plaza 3, Suite 902  
Hunt Valley, MD 21031  
Phone: 800-545-4730  
Fax: 443-886-9403

**MARYLAND TEACHERS AND STATE EMPLOYEES  
SUPPLEMENTAL RETIREMENT PLANS**

**EZ Enrollment Form**  
(457b Plan if under age 55  
401k Plan if 55 years or older)

**PERSONAL INFORMATION (please print)**  Male  Female

First Name \_\_\_\_\_ Last Name \_\_\_\_\_  
Address \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_  
Work Phone \_\_\_\_\_  
Home Phone \_\_\_\_\_  
Payroll Type (circle answer): Regular University Contractual Other  
Agency Code: \_\_\_\_\_  
Payroll Center Name (circle answer): Central University Other

**ENROLLMENT INSTRUCTIONS**

I want to enroll in the MSRP Program today and begin contributing:  
 \$25 per pay period  
 \$ \_\_\_\_\_ per pay period

A pre-tax payroll deduction will be invested into the T. Rowe Price Targeted Retirement Fund closest to the year in which I turn age 65. I understand that deferrals will begin on the next pay date 30 days from the date my form is received by the program and that upon receipt of this program and that upon receipt of this program...

I acknowledge that I have read and understand the terms and conditions of the 457(b) Plan and the 401(k) Plan and I agree to enroll in the 457(b) Plan and the 401(k) Plan.

Signature \_\_\_\_\_  
Social Security Number \_\_\_\_\_

**TERMS AND CONDITIONS**

Upon receipt of this enrollment form, you will receive a copy of the prospectus and a copy of the plan document. Please read them carefully before investing.

- My account balance is subject to change.
- I may cancel my participation, before my forms are processed, by calling 1-800-545-4730 within seven days from the date that I signed the enrollment form.
- Based on market fluctuations, the rate of return on my account could be either positive or negative. This could result in my account balance being worth less than my contributions.
- Investments may have underlying expenses or management fees that will reduce the investment results. Information on these expenses can be found in the investment profiles or the respective prospectuses.
- Investment profiles and prospectuses can be found on the Plans website at [MarylandDC.com](http://MarylandDC.com).
- Read the prospectus carefully and understand the risks before investing.
- You can invest in the MSRP Plan.

3) An Unforeseeable Emergency withdrawal...  
4) Plans loan provision  
5) Total disability  
6) Attaining age 59½ even if still employed. Only available for 401(k).  
7) Attaining age 70½ even if still employed. Only available for 457(b).  
Although not required, withdrawals may begin after receipt of a Payroll Request Form including my severance from employment and my employer's verification of severance.  
Distributions must commence by April 1 following the year you reach age 70½ (unless still employed by the State—457(b) only).

Fill in your personal information, check a few boxes, sign and you're done with Option A and EZ enrollment!

## Determine your investment style

Enrolling in MSRP is a first step toward being ready for retirement.

- 1 Choose the plan(s) that will work best for you — the traditional 457(b), the Roth 457(b), 403(b), traditional 401(k) and/or Roth 401(k).
- 2 Decide how many dollars per paycheck to contribute.
- 3 Choose to invest in targeted retirement funds (option A) and/or self-selected mutual funds (option B).



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# Planning ahead is smart

It's never too soon — or too late — to begin investing, but using time to your advantage is very important. Most investment professionals recommend that you'll need as much as 75% – 90% of your current income to maintain a comfortable standard of living. Will you have enough money in retirement to live the life that you want? Remember, the earlier you start, the better opportunity you have to build a supplemental retirement income.

## Consider how long you'll need income

People are living longer, healthier lives. Today's average retirement is about nine years longer than in 1950 — 22 years total. And, the cost of living will probably increase considerably. Your other resources may not meet all your needs for retirement income.

Even with Social Security and a pension, you may need supplemental income to enjoy your retirement without worrying about money. That's where Team MSRP can help.

## Start early — start now

This example illustrates how an investor uses time to his advantage.

Ben started investing for retirement at age 30 and invested \$2,000 a year for only 10 years, and then he stopped making contributions. John waited until age 40 to start investing for retirement and invested \$2,000 for 25 years. Because he started early, Ben will have more for retirement even though he contributed less than John.



*This illustration is a hypothetical compounding calculation assuming an 7% annual rate of return. It is not intended to serve as a projection or prediction of the investment results of any specific investment. Investments are not guaranteed. Depending on your underlying investments, your return may be higher or lower. Interest compounded annually based on beginning-year contributions. No taxes or fees are reflected in this example, which would lower the results displayed.*

Source: Hewitt Associates, 2008.



## **State of Maryland—Rollover into MSRP**

**To expedite the Rollover/Transfer process, please check to see that you have provided us with the following items before your request is submitted:**

- A completed Direct Rollover/Transfer form**
- A recent statement of account from your previous plan provider**
- Distribution paperwork from your previous provider, completed and signed**
- The appropriate signature requirements from your previous employer**

**After all of the above items are obtained, please mail the completed paperwork to the following address:**

**Nationwide Retirement Solutions  
11350 McCormick Road  
Executive Plaza III – Suite 902  
Hunt Valley, MD 21031-9972**

**If you require assistance in completing this form or need additional information, please contact us at 1-800-966-6355.**

**Before completing this form, please review the checklist on the back to insure that your rollover/transfer is processed in a timely manner.**

**State of Maryland Direct Rollover/Transfer Request (For incoming assets only)**

Please complete all sections of this form. All information on this document must be completed and returned to Nationwide Retirement Solutions in order to be processed. If you require assistance in completing this form or need additional information, please contact us at 1-800-966-6355.

Upon completion of this form, please return the signed document to: **Nationwide Retirement Solutions  
11350 McCormick Road, Executive Plaza III – Suite 902  
Hunt Valley, MD 21031-9972**

SECTION I: Participant Information			
Name	Last	First	Middle
Current Address			Number and Street
			Apt./Suite
City			State
			Zip Code
State Agency:		Work Location:	
		E-mail Address:	

SECTION II: Rollover/Transfer Funds	
Plan Type:	<input type="checkbox"/> 457 plan <input type="checkbox"/> 401(k) plan <input type="checkbox"/> 403(b) plan <input type="checkbox"/> 401(a) plan <input type="checkbox"/> Traditional IRA <input type="checkbox"/> Other _____
Amount to Rollover/Transfer:	<input type="checkbox"/> Total account balance <input type="checkbox"/> Partial dollar amount \$ _____
Carrier/Custodian Name	Account Number
Address	Contact Name
City	Telephone Number

SECTION III: Rollover/Transfer Funds	
Plan Type:	<input type="checkbox"/> 457 plan <input type="checkbox"/> 401(k) plan <input type="checkbox"/> 403(b) plan
Make check payable to:	Nationwide Retirement Solutions, FBO (Participant Name, SS#)
Mail check to:	Nationwide Retirement Solutions, 11350 McCormick Road, Executive Plaza III – Suite 902, Hunt Valley, MD 21031-9972

SECTION IV: Investment Direction	
<input type="checkbox"/> Credit my rollover/transfer according to the current allocation on file -OR- <input type="checkbox"/> Credit my rollover/transfer as listed below (must total 100%):	
<b>FIXED INCOME OPTION</b>	<b>SMALL CAP</b>
_____% Investment Contract Pool (457(b) & 401(k) only)	_____% T. Rowe Price Small Cap. Stock Fund
_____% Vanguard Prime Money Market Fund (403(b) only)	_____% Vanguard Small Cap Growth Index
<b>BONDS</b>	_____% Vanguard Small Cap Value Index
_____% PIMCO Total Return Fund (Institutional Shares)	<b>INTERNATIONAL</b>
<b>BALANCED</b>	_____% American Funds – EuroPacific Growth Fund (Class A)
_____% Fidelity Puritan Fund	_____% Vanguard Total International Index Fund (Class A)
<b>LARGE CAP</b>	<b>TARGETED RETIREMENT FUNDS</b>
_____% American Funds – The Growth Fund of America (Class A)	_____% Retirement Income Fund (for those born in 1937 or before)
_____% Goldman Sachs Large Cap Value Fund (Institutional Class)	_____% Retirement 2005 Fund (designed for those born between 1938-1942)
_____% Neuberger Berman Equity Funds- Partners Fund (Institutional Class)	_____% Retirement 2010 Fund (designed for those born between 1943-1947)
_____% Vanguard Institutional Index Fund	_____% Retirement 2015 Fund (designed for those born between 1948-1952)
_____% Vanguard Value Index Fund (Investor Class)	_____% Retirement 2020 Fund (designed for those born between 1953-1957)
<b>MID CAP</b>	_____% Retirement 2025 Fund (designed for those born between 1958-1962)
_____% Dreyfus Mid-Cap Index Fund	_____% Retirement 2030 Fund (designed for those born between 1963-1967)
_____% T. Rowe Price Mid-Cap Value Fund	_____% Retirement 2035 Fund (designed for those born between 1968-1972)
_____% Van Kampen Mid Cap Growth Fund (Class A)	_____% Retirement 2040 Fund (designed for those born between 1973-1977)
	_____% Retirement 2045 Fund (designed for those born between 1978-1982)
	_____% Retirement 2050 Fund (designed for those born between 1983-1987)
	_____% Retirement 2055 Fund (designed for those born in 1988 or after)

**SECTION V: Authorization**

Please be aware that due to Internal Revenue Service regulations, if you take a distribution prior to age 59 1/2 from your MSRP account there may be a 10% penalty imposed. I acknowledge that I have received and read the fund prospectuses for the investment options I have elected above. I understand that my direct rollover will become subject to the terms and conditions of the plan. I certify that I satisfy the requirements for making a tax-free rollover/transfer into an eligible retirement plan. Nationwide Retirement Solutions is entitled to rely fully on my certification. I expressly assume responsibility for tax consequences relating to this rollover/transfer, and I agree that Nationwide Retirement Solutions shall not be responsible for those tax consequences. Upon receipt, I hereby request my funds to be invested as directed on this form.

Nationwide Retirement Solutions hereby agrees to accept the direct rollover/transfer described herein and upon receipt will deposit the proceeds within 5 business days in the account established on behalf of the individual's eligible employer. Some mutual funds may impose a short-term trade fee. Please read the underlying prospectus carefully.

Participant Signature	Date	Registered Principal Signature	Date
Registered Representative Name	Registered Representative Number	Original & Copy 1 to NRS	Copy 2 - Participant
			DC-3679-0109

PERORATION LINE

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**with return mailing label**  
**to be folded in here.**

PERORATION LINE

# How much can you invest?

You may contribute up to \$16,500 to a 457(b) plan **and** \$16,500 to either a 401(k) or 403(b) plan. In addition, you may qualify for one but not both of the catch-up provisions outlined below.

	Maximum deferral limit	Deferral limit plus Age 50 Catch-up	Special 457(b) Catch-up deferral limit
YEAR 2011	If you're less than age 50 this year, you may defer as much as ...	If you're at least age 50 this year, you may defer as much as ...	If you have three years until you retire, you may be eligible to defer as much as ...
<b>457(b), Roth 457(b) plan</b>	\$16,500	\$22,000	\$33,000
<b>401(k), Roth 401(k) 403(b) plan*</b>	\$16,500	\$22,000	\$22,000 (use Age 50 Catch Up)
<b>TOTAL</b>	<b>\$33,000</b>	<b>\$44,000</b>	<b>\$55,000</b>

\* For participants with both a 401(k) and 403(b) plan account, combined annual contributions to the plans may not exceed \$16,500.

## 50 and Over Catch-up

Employees age 50 and over who contribute the maximum deferral amount allowed each year may also make catch-up contributions up to \$5,500 to that plan. Altogether, in 2011, you may contribute up to \$22,000 in the 457(b), and \$22,000 in the 401(k) or 403(b) plans.

## The Uniformed Service Employment & Reemployment Rights Act (USERRA)

USERRA is a provision that allows military personnel who leave their employer for service in the U.S. military to make up the missed contributions when returning to their former employer. Please contact Team MSRP at **800-545-4730** for details regarding this provision.

## Special 457(b) Catch-up

In the three years prior to — but not including — the year you plan to retire, you may be able to double the maximum deferral limit in effect for each year affected. In 2011, you may be able to contribute up to \$33,000 into your MSRP 457(b) account.

The Special 457(b) Catch-up Provision assumes you have deferred less than the maximum amount to the 457(b) plan in previous years. Let Team MSRP help. Call us toll-free at **800-966-6355**.

Altogether, you can contribute no more than 100% of your includible compensation to Maryland Supplemental Retirement Plans.

## Options available upon separation from service

- Leave assets in the plan until age 70½ when minimum distributions are required, or even later if not yet retired from State service
- Total distribution or partial distribution payment
- Installment payments for a fixed period
- Installment payments of a fixed amount paid monthly, quarterly, semiannually or annually

In the 457(b) plan, withdrawals may begin without penalty when you leave State employment,

regardless of age. In the traditional 401(k) and 403(b) plans, withdrawals may begin when you leave State employment, however, there is an additional 10% penalty tax on distributions unless you are age 59½ or you have separated from State employment at age 55 or older. Additionally, Roth accounts need to be held for more than five years prior to any distributions. Both 401(k)s and 403(b) plans allow payout without penalty while you are still employed if you are 59½ or older.



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# The MSRP tax advantage

**You are unique.** That's why MSRP offers both pre-tax (traditional 401(k), 457(b) and 403(b)) plans and after-tax (Roth 457(b) and Roth 401(k)) plans to help you choose the most advantageous type of plan for your situation now and in the future. Whether you choose to pay income taxes now or later, both kinds of plans offer these convenient features:

- It's easy to invest — contributions are automatically deducted from your pay
- Choose your investment amount and change it at any time
- Money can stay tax-deferred until payout — **even after** you separate from State service

## What's the difference?

	Traditional (pre-tax) 457(b) or 401(k)	Roth (after-tax) 457(b) or 401(k)
2011 contribution limit	Combined \$16,500	
2011 catch-up contribution limit — for those age 50 and older	Combined \$5,500	
Contribution taxable in year contributed	No	Yes
Contribution taxable in year distributed	Yes	No
Contribution earnings taxable in year distributed	Yes	No <sup>1</sup>

<sup>1</sup> Contribution earnings are not taxable in the year distributed assuming all contributions have been held in the Roth account for five consecutive years after the first Roth contribution is made AND the distribution is made after age 59½; or for death, disability, first-time home purchase, or a Roth IRA.

## Pre-tax Plan features

As shown in the example below, you get a jump start on your Traditional 401(k), 403(b) or 401(a) investment through payroll deduction versus investing after income taxes are taken. Accounts are not taxed until you use the money for supplemental income.

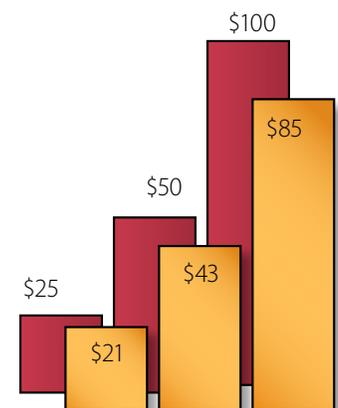
- Contributions are pre-tax — so federal taxable income is reduced by the amount of money contributed to your plan
- Contributions and any earnings grow tax-deferred until you make withdrawals. Withdrawals are then taxed as ordinary income.

### The paycheck advantage

Here's an example of the paycheck advantage for a married individual grossing \$38,000 per year who invests in a pre-tax plan.

*Example assumes a tax bracket of 15% and biweekly pay periods. Take home figures are rounded for reporting purposes.*

- Amount invested in a pre-tax plan ...
- Take home pay goes down by about ...



## Is a Roth right for you?

You may want to consider making Roth contributions if you:

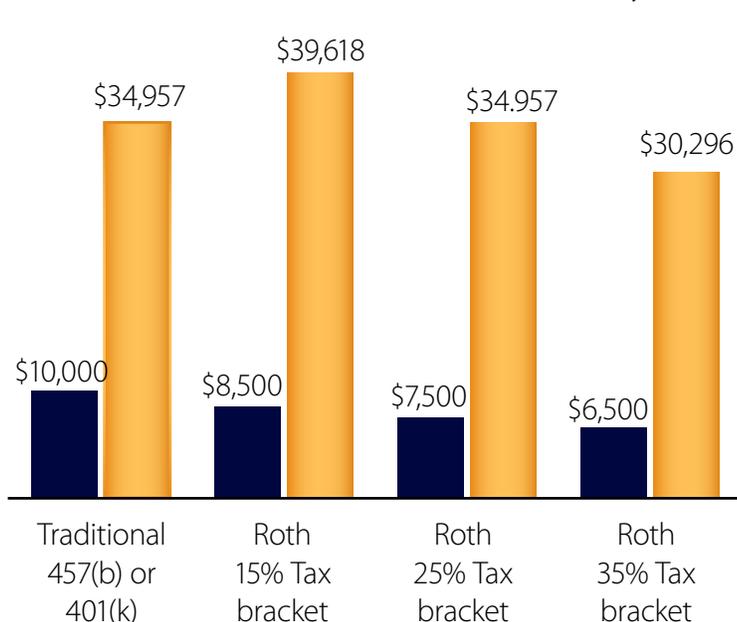
- Believe that taxes will be raised before you retire and you want to take advantage of the potential tax-free withdrawals provided for with a Roth account.
- Expect to be in a higher tax bracket upon retirement
- Are younger, with many working years ahead of you
- Are unable to contribute to a Roth IRA because of your income
- Are looking for an estate-planning tool to leave assets tax-free to heirs

*Neither Nationwide nor its representatives may offer tax or legal advice. Consult with your own counsel before making any decisions about contributing or converting your Plan assets to Roth.*

## After-tax Plan features

In a Roth 401(k) or a Roth 457(b) account, investments occur after income taxes are taken. Additionally, any earnings accounts may receive are not subject to income tax at all. Income taxes for a Roth 401(k) account are paid up front at current tax rates instead of being subject to income taxes at retirement.

### \$10,000 invested in a Traditional vs a Roth for 20-years



■ Net total contribution  
■ Net distribution

*These examples are hypothetical in nature and assume a 25% tax bracket at distribution. It also assumes that the retirement plan's value earns an average total return of 8% compounded annually. Investment return is not guaranteed and will vary depending upon the investments and market experience.*

*A single contribution of \$10,000 will be worth the same amount in 20 years if the tax bracket remains the same.*

*However, if the future tax rate is greater, the amount distributed from the Roth account will be greater than the post-tax amount distributed from the traditional 457(b) or 401(k) account.*



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# Pre-tax Plans comparison chart

	Traditional 457(b) Deferred Compensation Plan	Traditional 401(k) Savings & Investment Plan	403(b) Tax Deferred Annuity Plan
Who's eligible to participate?	All regular and contractual State employees		State educational institution employees
Who's eligible for the State match?	All State employees in the State Employees' Alternate Contributory Pension Plan		
Are payroll deductions pre-tax?	Yes (but not for FICA)		
What's the minimum I may contribute?	\$5 per biweekly pay		
What's the maximum I may contribute?	\$16,500 in Calendar Year 2011 (may be adjusted in future years for inflation)		
May I "catch-up" in a later year?	Age 50 or older bonus: \$5,500 in Calendar Year 2011. Special 457(b) Catch-up provision available within 3 years of retirement. These two provisions may not be used in the same year.	Age 50 or older bonus: \$5,500 deferral in Calendar Year 2011	
May I contribute to more than one Plan at the same time?	Yes - but with the following limitations:	<ul style="list-style-type: none"> <li>• \$16,500 457(b) and/or Roth 457 (b) + \$16,500 401(k) and/or Roth 401(k) = \$33,000/yr</li> <li>• \$16,500 457(b) and/or Roth 457 (b) + \$16,500 403(b) = \$33,000/yr</li> <li>• \$16,500 457(b) and/or Roth 457 (b) + combination of 403(b) &amp; 401(k)/Roth 401(k) not to exceed \$16,500= \$33,000/yr</li> </ul>	
How often may I change my contribution amount?	Unlimited		
What are the costs to participate?	0.19% of your account value a year, no more than \$2,000, and 50 cents per month per account.*		
What are the current investment options?	Investment Contract Pool Mutual Funds Targeted Retirement Funds (lifecyle funds)		Vanguard Money Market Mutual Funds Targeted Retirement Funds (lifecyle funds)
May I roll over money from other retirement accounts into my Maryland Supplemental Retirement account?***	Yes - from a governmental 457(b), 401(k), 403(b), thrift savings plan or IRA into your supplemental retirement account		
May I roll over my supplemental retirement account to another type of retirement account, like an IRA?	Yes - to a 457(b), 403(b), 401(k) or IRA, upon leaving State service	Yes - to a 457(b), 403(b), 401(k) or IRA, upon leaving State service or obtaining age 59½	
May I withdraw money from my account while employed?	Yes, but only at age 70½ or older, or qualify for an unforeseeable emergency withdrawal	Yes, but only at age 59½ or older, or qualify for a hardship withdrawal	
When may I begin withdrawals from my account without a penalty?****	When you leave State employment, regardless of age	If you leave State employment at age 55 or older, or age 59½ regardless of employment. Other exceptions may apply. Consult your tax or legal advisor for more information	
May I change my withdrawal option, amount or frequency once I start payout?	Yes, excluding purchased annuities		
Must I elect my payout date when I leave State employment?	No - payouts not required until 70½ and separated from service		
Is there a loan provision and a hardship/emergency provision?	Yes/Yes		



# After-tax Plans comparison chart

	Roth 457(b) Deferred Compensation Plan	Roth 401(k) Investment Plan
Who's eligible to participate?	All regular and contractual State employees	
Who's eligible for the State match?	All State employees in the State Employees' Alternate Contributory Pension Plan	
Are payroll deductions pre-tax?	No	
What's the minimum I may contribute?	\$5 per biweekly pay	
What's the maximum I may contribute?	\$16,500 in Calendar Year 2011 (may be adjusted in future years for inflation)	
May I "catch-up" in a later year?	Age 50 or older bonus: \$5,500 in Calendar Year 2011. Special 457(b) Catch-up provision available within 3 years of retirement. These two provisions may not be used in the same year.	Age 50 or older bonus: \$5,500 deferral in Calendar Year 2011
May I contribute to more than one Plan at the same time?	<ul style="list-style-type: none"> <li>• \$16,500 457(b) and/or Roth 457 (b) + \$16,500 401(k) and/or Roth 401(k) = \$33,000/yr</li> <li>• \$16,500 457(b) and/or Roth 457 (b) + \$16,500 403(b) = \$33,000/yr</li> <li>• \$16,500 457(b) and/or Roth 457 (b) + combination of 403(b) &amp; 401(k)/Roth 401(k) not to exceed \$16,500= \$33,000/yr</li> </ul>	
How often may I change my contribution amount?	Unlimited	
What are the costs to participate?	0.19% of your account value a year, no more than \$2,000, and 50 cents per month per account.*	
What are the current investment options?	Investment Contract Pool Mutual Funds Targeted Retirement Funds (lifecycle funds)	
May I roll over money to or from other retirement accounts into my Maryland Supplemental Retirement account?***	Yes - but only a direct rollover from another Roth 457(b) account.	Yes - but only a direct rollover from another Roth 401(k) account.
May I withdraw money from my account while employed?	Qualified distributions are not subject to federal income tax. If not a qualified distribution, investment earnings are subject to ordinary income tax and possibly a 10% early withdrawal penalty.***	
When may I begin withdrawals from my account without a penalty?***	When you leave State employment, regardless of age	If you leave State employment at age 55 or older, or age 59½ regardless of employment. Other exceptions may apply. Consult your tax or legal advisor for more information
May I change my withdrawal option, amount or frequency once I start my payout?	Yes, excluding purchased annuities	
Must I elect my payout date when I leave State employment?	No - payouts not required until 70½ and separated from service	
Is there a loan provision and a hardship/emergency provision?	Yes/Yes	

**NOTE: 401(a) Match Plan:** The withdrawal rules are the same for the 401(a) and 401(k) plans except that in the 401(a) plan, distributions are not permitted until separation from State service.

\*Accounts less than \$500 are not charged the 50 cents per month fee. In addition, each of the mutual funds offered by the plan has fund expenses that are netted directly from the mutual fund's daily price. These will vary based upon the mutual fund selected. Also, some mutual funds may impose a short-term trade fee. Please read the underlying prospectuses carefully. NOTE: some mutual funds pay reimbursements that offset fees, see our "Mutual Fund Savings" pamphlet and your account statement for more information.

\*\* As you make decisions about rolling over assets especially qualified retirement plans and IRAs, keep in mind that each type of account has different rules about fees, when you can access your funds, surrender charges and tax penalties.

\*\*\*Withdrawals are taxed as ordinary income. Generally, a Roth 401(k) account distribution is a qualified distribution if 1) the Roth 401(k) account has been in existence for a five-year period (the five-year period begins January 1 of the year a participant first makes a Roth contribution into the plan, and 2) a participant is age 59½, or has died or become disabled under IRC section 72(m)(7)(distributions made prior to these requirements being met are non-qualified distributions, and earnings could be taxable.

**Fund prospectuses can be obtained by calling 1-800-545-4730. Before investing, carefully consider the fund's investment objectives, risks, and charges and expenses. The fund prospectus contains this and other important information. Read prospectuses carefully before investing.**

This information is of a general and informational nature and is NOT INTENDED TO CONSTITUTE LEGAL OR INVESTMENT ADVICE. Nationwide Retirement Solutions and Nationwide Life Insurance Company (collectively "Nationwide") have endorsement relationships with the National Association of Counties, The United States Conference of Mayors, and the International Association of Fire Fighters-Financial Corporation. More information about the endorsement relationships may be found online at [www.nrsforu.com](http://www.nrsforu.com).



800-545-4730



enroll online

marylandDC.com

# Enrolling is easy

Complete the enclosed *EZ Enrollment OR Participation Agreement* form or call Team MSRP at **1-800-545-4730**.

**Option A only**

Be sure to include your Social Security number and contact information.

Your deferral amount goes here.

Select the funds to invest in here. For example, enter 100 next to the Targeted Retirement Date fund and your done, and/or enter percentages that add up to 100 next to your Option B choices.

**Option B**

**Option A**



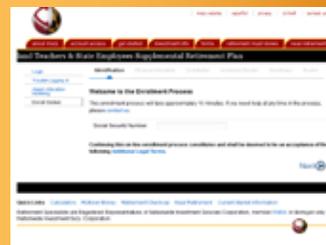
Enroll online at [MarylandDC.com](http://MarylandDC.com)



Click the enroll online link



Click the enroll online link



Follow the onscreen prompts. Have your paystub handy to enter your agency code.

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**1-800-543-5605**  
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## Easy access to your account

... seven days a week,  
24 hours a day.

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Immediate, personalized account access for enrollment, exchanges, allocation changes or changes to deferral amount. Plus, up-to-date information about funds, policies and benefits is always featured.

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### Individual Customer Service at 1-800-545-4730

Customer service representatives available to assist you Monday through Friday 8 a.m. to 11 p.m.

### News and Education

Team MSRP provides participants with quarterly educational account statements, investment option booklets, information kits, consolidated account statements, workshops and one-on-one education at or near your place of work.

*Nationwide Retirement Solutions, Inc. (NRS) is the administrator for MSRP. Registered representatives of NISC (Nationwide Investment Services Corporation, member FINRA), an affiliate of NRS, provide educational and enrollment services on behalf of MSRP. Financial Integrity Resources Management, LLC (the FIRM) may provide education and marketing support services on behalf of NRS. Its Retirement Consultants are registered representatives of FSC Securities Corporation (FSC), member FINRA, SIPC. FSC and the FIRM are not affiliated with MSRP, NRS or NISC.*

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