Maryland
Teachers and State Employees
Supplemental Retirement Plans

The Basics

457(b) • 401(k) • 403(b) • 401(a) match plan

Tax-deferred (pre-tax) and Roth (post-tax) accounts

MSRP

Getting started is easy once you've made these four decisions:

1. Choose the plan(s) that will work best for you. See the *Plans comparison charts* on pages 10 and 11 to help you decide.
2. Decide to contribute before or after taxes. Understand the differences between the two by reviewing some facts about taxes on pages 8 and 9, and by consulting the *Plans comparison charts* on pages 10 and 11.
3. Decide how much to contribute per pay.
4. Choose your investment options. Refer to page 5 for an overview of MSRP's investment options.

Once your decisions are made, simply record them on the *Participation Agreement* form included inside this booklet.

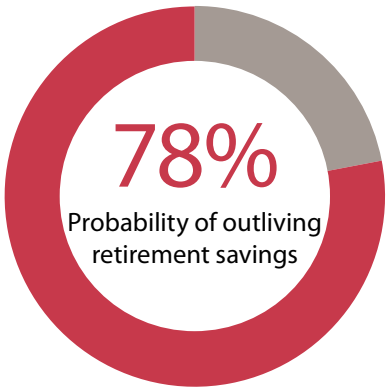
You can also enroll online on **MarylandDC.com** or by calling Team MSRP at **800-545-4730**.

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
2. The 401(k) Savings and Investment Plan
   – pre-tax (tax-deferred) option
   – after-tax Roth option
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.



Retirees in the state of MD

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

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.

457(b) 401(k) 403(b) 401(a) match plan

Plans with you in mind

The MSRP includes three supplemental retirement plans[1] — the 457(b), 401(k), 403(b) and 401(a) Match Plan. 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
- People who help you — Team MSRP Retirement Specialists during employment and 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.

[1] Refer to the Plans comparison charts on pages 10-11 for details about each plan.

The 401(a) match plan

The State of Maryland provides a match to most employee contributions to MSRP accounts. To be eligible, you must be a full-or part-time State employee and a member of the State Employees' Alternate Contributory Pension Plan.

If you qualify, the State will contribute a dollar to match each dollar you contribute to your MSRP account, up to a maximum of $600 per fiscal year. That's only $24 per pay period! The match will automatically begin as soon as you enroll in MSRP, and a new $600 maximum limit starts with each fiscal year (July 1 to June 30).

NOTE: 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 6/30/2014.

Simplify life with a single retirement account

You may be able to transfer assets from outside retirement accounts into your MSRP account.

- Doing so may make managing retirement assets easier, especially when it comes to investment and tax diversification as well as paperwork, user names and passwords, and other aspects of account management.
- MSRP doesn't charge sales commissions, so there aren't any up-front fees to transfer your funds.
- Use the *State of Maryland — MSRP Direct Rollover / Transfer Request* form included in the center of this booklet to get started.

We want you to know that 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. However, because MSRP offers so many plan types, it may be easier to transfer outside assets into your MSRP account without triggering concerns about mixing asset types — e.g., rolling outside 401(k) funds into a 457(b) account.

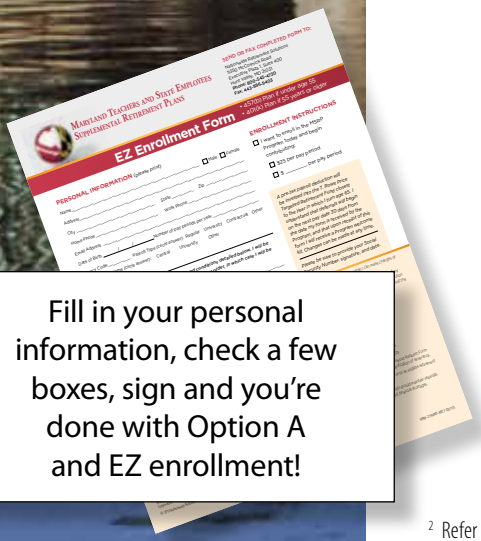
Please keep in mind that MSRP participation involves investing, and investing involves market risk, including possible loss of principal. No investment strategy, including asset allocation and diversification, can avoid loss, especially in a down market. Nationwide Retirement Specialists and Personal Retirement Consultants cannot offer investment, tax or legal advice. For these services, you should consult your own advisor. We can help you understand market risk and other risks you may face, and strategies that may help you deal with them through participation in MSRP.

Get started

Choose the plan(s) that will work best for you[2] — 457(b), 401(k), or (only for educational institution employees) 403(b).

Decide whether to contribute before taxes (pre-tax) or after taxes (Roth)[2] or a combination of both.

Decide how many dollars per pay to contribute.



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

[2] Refer to the Plans comparison charts on pages 10-11 to help make your selection(s).

Enrolling is easy once you've made these four decisions:

Choose your investment options. You can invest in a Targeted Retirement Fund (Option A) — and/or choose your own individual funds (Option B). It all depends on how involved you want to be as an investor.

This page offers a brief overview of the investment options available through MSRP. Our *Spectrum of Investment Options* details these options, and is available online at **MarylandDC.com**, from your Retirement Specialist, or by calling Team MSRP at **800-545-4730**.

Remember, you're not on your own. Retirement Specialists can answer questions, explain how investing works and implement your informed decisions.

Option A: Targeted Retirement Funds

—and/or—

Targeted Retirement Funds offered by T. Rowe Price, also known as target date funds, are asset allocation funds that are based on the date an investor plans to begin withdrawing 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.

See the *Spectrum of Investment Options* for details about these funds.

Targeted Retirement Funds are managed by T. Rowe Price and are composed of other T. Rowe Price mutual funds.

There are many considerations when planning for retirement. Your retirement needs, expenses, sources of income, and available assets are some important factors for you to consider in addition to the Retirement Funds. Before investing in one of these funds, also be sure to weigh your objectives, time horizon, and risk tolerance. All funds are subject to market risk, including the possible loss of principal.

Option B: Traditional investment approach

Choose your own asset allocation 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 have managers choose investments to attempt to achieve a goal, like outperforming an index or balancing risks with returns. Because of the management activity, these funds tend to have higher costs than passively managed funds. **Passively managed** funds normally carry lower-than-average fees and track the markets per their selected indices to create a diversified portfolio.

We can help you automatically rebalance your asset allocation quarterly when you call or go online to sign up for automatic re-balancing.

The use of asset allocation does not guarantee returns or insulate you from potential losses. Asset allocation is a rational strategy for investment selection. Simply put, it is the process of diversifying your investment dollars across different asset classes. It helps you maximize your return potential while helping to reduce your risk.

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 800-545-4730. Read the prospectus carefully before investing.

It's never too late to start but ...

... the sooner you begin investing, the better opportunity you have to grow your MSRP account to help meet your needs for additional retirement income. Will you have enough money in retirement to live the life you want?

Consider how long you'll need income

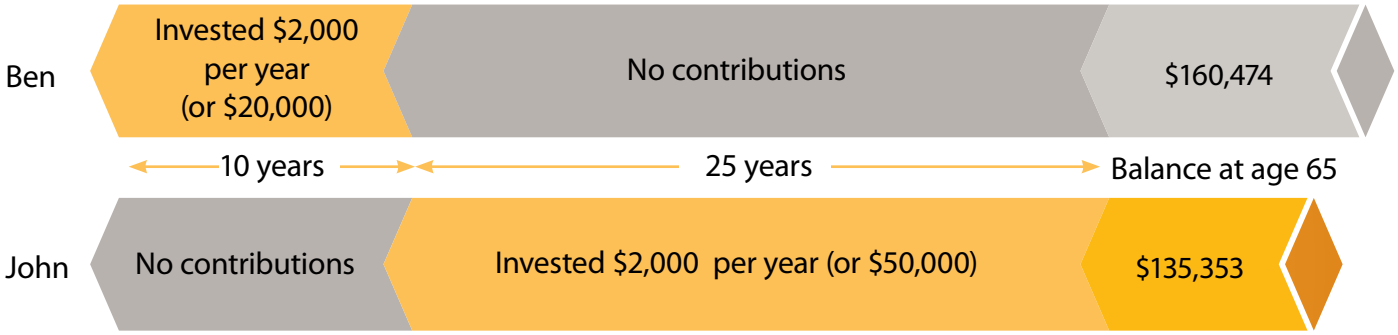
Today's 65 year old can expect to live another 20 years. But the average retirement age for public workers is 60; for a public school teacher, 59. Police and firefighters often retire at even earlier ages.[3] The point is: You need to financially prepare for a retirement that may last 30 years or more.

The cost of living will probably increase considerably. Your other resources may not meet all your needs for retirement income. That's where investing through MSRP can help.

Consider how much waiting can cost

Meet Ben and John, two State employees.

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. Imagine what he'd have if he'd continued his contributions until retirement! Start early. Start now!



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.

[3] *How old is old? Is 80 the new 65?* Weldon Cooper Center for Public Service, http://statchatva.org/2012/04/12/how-old-is-old-is-80-the-new-65/, accessed 02/07/2013; *Average retirement age for public workers: 60,* Orange County Register, May 11, 2011, http://taxdollars.ocregister.com/2011/05/11/average-retirement-age-for-public-workers-60/82705/, accessed 02/07/2013.

State of Maryland – MSRP Direct Rollover/Transfer Request

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 1 – Suite 400
Hunt Valley, MD 21031

or fax to 443-886-9403

PERFORATION LINE

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 1 – Suite 400
Hunt Valley, MD 21031

SECTION I: Participant Information

Name Last First Middle **Social Security Number** _ _

Current Address Number and Street Apt./Suite **Home Phone Number** (Include Area Code) ( )

City State Zip Code **Work Phone Number** (Include Area Code) ( )

State Agency: **Work Location:** **E-mail Address:**

SECTION II: Rollover/Transfer Funds From:

Plan Type: ☐ 457 plan ☐ 401(k) plan ☐ 403(b) plan ☐ 401(a) plan ☐ Traditional IRA ☐ Other_____

Money Source: ☐ Salary Reduction (Pre-Tax) ☐ Roth

Amount to Rollover/Transfer: ☐ Total account balance ☐ Partial dollar amount $_____

Carrier/Custodian Name **Account Number**

Address Number and Street **Contact Name**

City State Zip Code **Telephone Number**

SECTION III: Rollover/Transfer Funds To:

Plan Type: ☐ 457 plan ☐ 401(k) plan ☐ 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 1 – Suite 400, Hunt Valley, MD 21031

***NOTE:** For Roth contributions provide the date of the first contribution and cost basis amount.*

SECTION IV: Investment Direction

☐ Credit my rollover/transfer according to the current allocation on file -OR- ☐ Credit my rollover/transfer as listed below (must total 100%):

FIXED INCOME OPTION

_____% Investment Contract Pool (457(b) & 401(k) only)
_____% Vanguard Prime Money Market Fund (403(b) only)

BONDS

_____% PIMCO Total Return Fund (Institutional Shares)
_____% Vanguard Total Bond Market Index Fund (Institutional Shares)

BALANCED

_____% Fidelity Puritan Fund

LARGE CAP

_____% American Century Equity Growth Fund (Institutional Shares)
_____% American Funds – The Growth Fund of America (R6 Shares)
_____% Goldman Sachs Large Cap Value Fund (Institutional Class)
_____% Parnassus Equity Income Fund (Institutional Shares)
_____% Vanguard Institutional Index Fund
_____% Vanguard Value Index Fund (Institutional Shares)

MID CAP

_____% T. Rowe Price Mid-Cap Value Fund
_____% Morgan Stanley Institutional Fund Trust – Mid Cap Growth Portfolio - (Class I)
_____% Vanguard Mid Cap Index Fund (Institutional Plus Shares)

SMALL CAP

_____% T. Rowe Price Small Cap. Stock Fund
_____% Vanguard Small Cap Growth Index
_____% Vanguard Small Cap Value Index (Institutional Shares)

INTERNATIONAL

_____% American Funds – EuroPacific Growth Fund (R6 Shares)
_____% Vanguard Total International Index Fund (Class A)

TARGETED RETIREMENT FUNDS

_____% Retirement Income Fund (for those born in 1937 or before)
_____% Retirement 2005 Fund (designed for those born between1938-1942)
_____% Retirement 2010 Fund (designed for those born between1943-1947)
_____% Retirement 2015 Fund (designed for those born between1948-1952)
_____% Retirement 2020 Fund (designed for those born between1953-1957)
_____% Retirement 2025 Fund (designed for those born between1958-1962)
_____% Retirement 2030 Fund (designed for those born between1963-1967)
_____% Retirement 2035 Fund (designed for those born between1968-1972)
_____% Retirement 2040 Fund (designed for those born between1973-1977)
_____% Retirement 2045 Fund (designed for those born between1978-1982)
_____% Retirement 2050 Fund (designed for those born between1983-1987)
_____% 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 59½ 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.

I understand that failure to complete this form accurately will result in processing delays. 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-3679-1212

PERFORATION LINE

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FROM

PERFORATION LINE

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How much can you invest?

You may contribute up to $17,500 to a 457(b) plan* and *$17,500 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 2013	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 …
457(b), Roth 457(b) plan	$17,500	$23,000	$35,000
401(k), Roth 401(k) 403(b) plan[4]	$17,500	$23,000	$23,000 (use Age 50 Catch Up)
TOTAL	**$35,000**	**$46,000**	**$58,000**

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.

The Uniformed Service Employment & Reemployment Rights Act (USERRA)

USERRA 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 law.

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 contribute up to double the maximum deferral limit in effect for each year affected.

This provision assumes you have deferred less than the maximum amount to the 457(b) plan in previous years. Let Team MSRP help. Call your Personal Retirement Consultant toll-free at **800-966-6355**.

[4] Individuals participating in both the 401(k) and 403(b) plans, combined annual contributions to the plans may not exceed $17,500.

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)
2013 contribution limit	Combined $17,500	
2013 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[5]

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.

[5] 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.

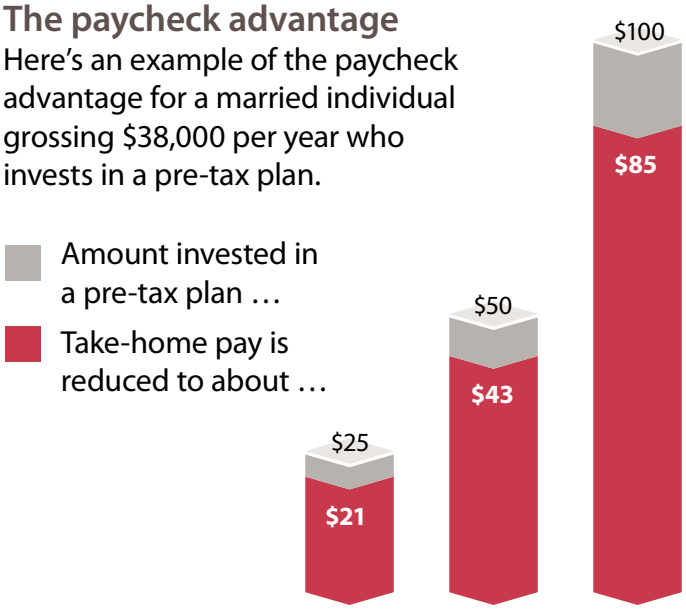
Pre-tax Plan features

As shown in the example below, you get a jump start on your traditional 401(k), 403(b) or 457(b) investment through payroll deduction versus investing after income taxes are taken.

- 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.

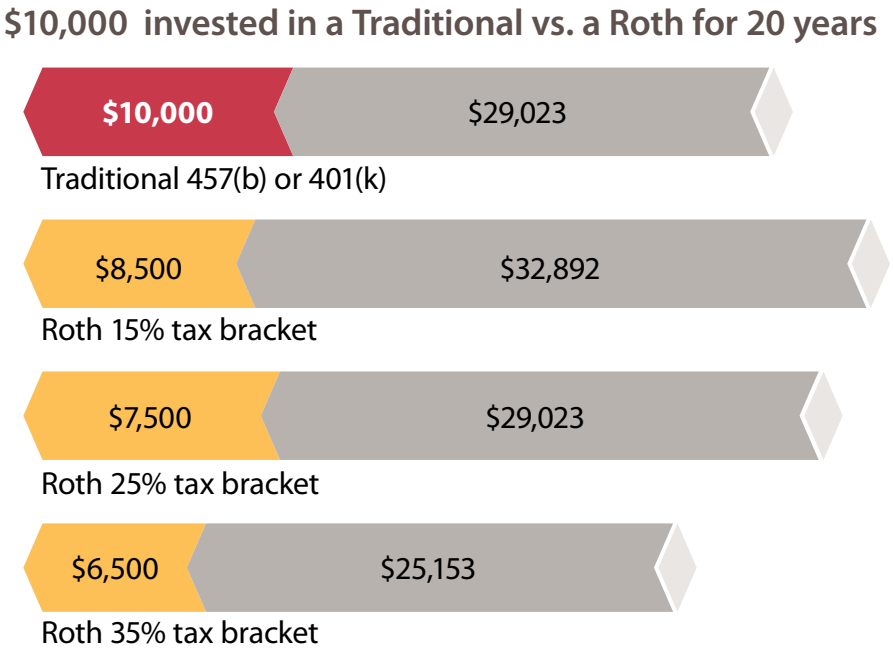


Example assumes a tax bracket of 15% and biweekly pay periods. Take-home figures are rounded for reporting purposes.

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



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 7% 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.

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 (after FICA deduction)		
What's the minimum I may contribute?	$5 per biweekly pay		
What's the maximum I may contribute?	$17,500 effective Calendar Year 2013 (may be adjusted in future years for inflation)[4]		
May I "catch-up" in a later year?	Age 50 or older bonus: $5,500 effective Calendar Year 2013. Special 457(b) Catch-up provision available within 3 years of retirement. These two provisions may not be used in the same year.[6]	Age 50 or older bonus: $5,500 deferral effective Calendar Year 2013	
May I contribute to more than one Plan at the same time?	Yes – but with the following limitations:	• $17,500 457(b) and/or Roth 457 (b) + $17,500 401(k) and/or Roth 401(k) = $35,000/yr[6] • $17,500 457(b) and/or Roth 457 (b) + $17,500 403(b) = $35,000/yr[6] • $17,500 457(b) and/or Roth 457 (b) + combination of 403(b) & 401(k)/Roth 401(k) not to exceed $17,500= $35,000/yr[6]	
How often may I change my contribution amount?	Unlimited		
What are the costs to participate?	0.14% of your account value a year, no more than $2,000, and 50 cents per month per account.[7]		
What are the current investment options?	Investment Contract Pool Mutual Funds Targeted Retirement Funds		Vanguard Money Market Mutual Funds Targeted Retirement Funds
May I roll over money from other retirement accounts into my Maryland Supplemental Retirement account?[8]	Yes – from a 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?[9]	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		

Money market funds: Investment in the fund is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other federal government agency. Although the fund seeks to preserve the value of your investment at $1.00 per share, it is possible to lose money by investing in the fund.

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.

[6] Source: IRS Announces Pension Plan Limits for 2013, www.irs.gov.

[7] 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.

[8] 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.

[9] Withdrawals are taxed as ordinary income.

After-tax Plans comparison chart

	Roth 457(b) Deferred Compensation Plan	Roth 401(k) Savings & 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?	$17,500 effective Calendar Year 2013 (may be adjusted in future years for inflation)[6]	
May I "catch-up" in a later year?	Age 50 or older bonus: $5,500 effective Calendar Year 2013. Special 457(b) Catch-up provision available within 3 years of retirement. These two provisions may not be used in the same year.[6]	Age 50 or older bonus: $5,500 deferral effective Calendar Year 2013
May I contribute to more than one Plan at the same time?	Yes – but with the following limitations: • $17,500 457(b) and/or Roth 457 (b) + $17,500 401(k) and/or Roth 401(k) = $35,000/yr[6] • $17,500 457(b) and/or Roth 457 (b) + $17,500 403(b) = $35,000/yr[6] • $17,500 457(b) and/or Roth 457 (b) + combination of 403(b) & 401(k)/Roth 401(k) not to exceed $17,500= $35,000/yr[6]	
How often may I change my contribution amount?	Unlimited	
What are the costs to participate?	0.14% of your account value a year, no more than $2,000, and 50 cents per month per account.[7]	
What are the current investment options?	Investment Contract Pool Mutual Funds Targeted Retirement Funds	
May I roll over money to or from other retirement accounts into my Maryland Supplemental Retirement account?[8]	Yes – but only a direct rollover from another Roth 457(b) account.	Yes – but only a direct rollover from another Roth 401(k) account.
Will my distributions be taxed?	Qualified distributions are not subject to federal or Maryland income tax. If not a qualified distribution, investment earnings are subject to ordinary income tax and possibly a 10% early withdrawal penalty.[10]	
When may I begin withdrawals from my account without a penalty?[9]	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	

Fund prospectuses can be obtained by calling 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.

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.

This information is of a general and informational nature and is NOT INTENDED TO CONSTITUTE LEGAL OR INVESTMENT ADVICE.

[6] Source: IRS Announces Pension Plan Limits for 2013, www.irs.gov

[7] 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.

[8] 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.

[9] Withdrawals are taxed as ordinary income.

[10] 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 nonqualified distributions, and earnings could be taxable.

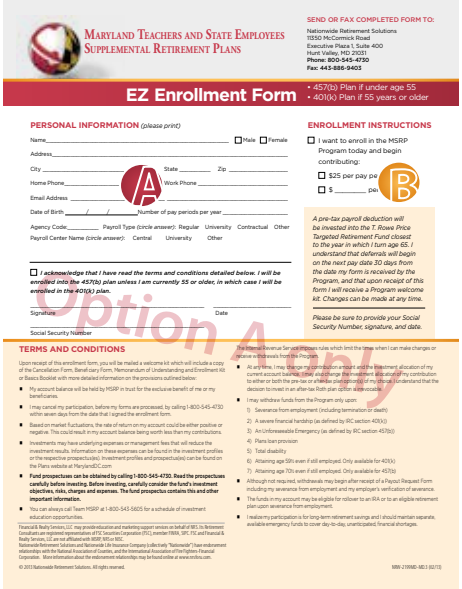
Enrolling is easy

Enroll in person or through the mail

Complete either the EZ Enrollment ***OR*** Participation Agreement *form (both included with this booklet) or call Team MSRP at* ***800-545-4730****.*

EZ Enrollment form

If you choose Targeted Retirement Funds (Option A from page 5), you can enroll using the *EZ Enrollment Form*.

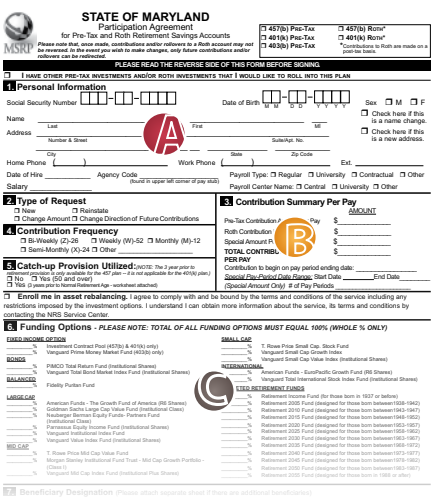


Be sure to include your Social Security number and contact information.

Your contribution amount goes here.

Participation Agreement form

If you choose to select individual investment options (Option B from page 5), you can enroll using the *Participation Agreement*.



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

Your contribution amount goes here.

Select your investment options here. For example, write 100 next to the Targeted Retirement Date (Option A) fund and you're done, and/or enter percentages that add up to 100 next to your Option B choices.

Enroll online

Visit **MarylandDC.com** *and click the Enroll* ***tab to enroll online.***

Click the ***Enroll*** tab

Click ***Start Online Enrollment Now***

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

Options available upon separation from service

- Leave assets to potentially grow in your MSRP account, minimum distributions are required
- Total distribution or partial distribution payment
- Installment payments for a fixed period
- Installment payments of a fixed amount paid monthly, quarterly, semiannually or annually
- Purchase a guaranteed income annuity with all or part of an MSRP account

You may begin withdrawals of assets in the 457(b) plan without penalty when you leave State employment. You may begin withdrawals of assets in the 401(k) and 403(b) plans without penalty after age 59½ or, if you have separated from State employment, at age 55 or older. Designated Roth assets must have been held in the plan for at least five years prior to any distributions.

Easy access to your account … 7 days a week, 24 hours a day.

MarylandDC.com

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.

Automated Voice Response Unit at 800-545-4730

24-hour account access for exchanges and allocation changes.

Professional financial services and resources

Individual Customer Service at 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, consolidated account statements, investment option booklets, information kits, workshops and one-on-one education at or near your place of work.

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Executive Plaza 1, Suite 400
Hunt Valley, MD 21031

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MarylandDC.com

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