



Plan Features and Highlights

Picture your financial future.

As a new appointee, you may choose between the Optional Retirement Plan for Political Appointees (ORPPA), a defined contribution plan, and VRS, a defined benefit plan. Before making your decision, read the comparative information provided to you. Information is also available [at www.varetire.org](http://www.varetire.org); select *Optional Retirement Plan for Political Appointees* under the *Defined Contribution Plans* tab. You may also call the Plan Information Line toll-free **1-VRS-DC-PLAN1 (1-877-327-5261)**.

Optional Retirement Plan for Political Appointees

Who is eligible to enroll?

Employees who are employed in an eligible position as described in Subdivision 3, 4 or 20 of Section 2.2-2905 of the *Code of Virginia* or an officer or employee appointed by the Attorney General or Lieutenant Governor to a position of deputy, counsel or director.

Who contributes?

Your employer.

How do I enroll?

Once VRS is notified by your employer that you are eligible for the Optional Retirement Plan, VRS will send you plan information on your option to choose between the ORPPA and the VRS Defined Benefit Plan. You have 30 days from the date on the correspondence to make your election. Contact your benefits administrator or VRS Member Services for more information on enrolling in the plan.

What is the contribution amount?

Your employer will contribute 10.4% of your creditable compensation each year. You are immediately vested in the Plan, which means the full account is available to you when you terminate employment.

What are my investment option choices?

The Plan offers a variety of investment options across different asset classes. You may be eligible to participate in the Self-Directed Brokerage Account option for an additional fee. Only publicly-traded mutual funds are offered through the brokerage option.

For more information about the Plan's investment options, go to www.varetire.org and select *Optional Retirement Plan for Political Appointees* under the *Defined Contribution Plans* tab or call the Plan Information Line at **1-VRS-DC-PLAN1 (1-877-327-5261)**.

*Please consider the investment objectives, risks, fees and expenses carefully before investing. For more information, including a fund prospectus and/or fund fact sheet, go to www.varetire.org and select a plan under the Defined Contribution Plans tab or call **1-VRS-DC-PLAN1 (1-877-327-5261)**.*

*For information about the Self-Directed Brokerage, contact TD Ameritrade at **1-866-766-4015**. Read the fund information carefully before investing.*

How do I make investment option changes?

Use your Personal Identification Number (PIN) and Social Security number to access the Plan Web site at www.varetire.org or Plan Information Line at **1-VRS-DC-PLAN1 (1-877-327-5261)** to:

- Move all or a portion of your existing balances between investment options (subject to Plan rules)
- Change how your future contributions are invested

How do I keep track of my account?

You will receive a quarterly account statement showing your account balance and activity. You can also check your account balance online at www.varetire.org under the *Defined Contributions Plans* tab or by calling the toll-free Plan Information Line at **1-VRS-DC-PLAN1 (1-877-327-5261)**.

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Are there fees to participate in the Plans?

Yes. An annual recordkeeping and communication services fee of 19 basis points (0.19%), capped at a combined balance of \$130,000 in your VRS-sponsored plans, will be deducted from your account on a quarterly basis (0.0475% per quarter). In addition, each investment option has investment management fees that vary by investment option. You can find your Plan's core investment options' fees and performance on the Plan Web site, by calling the Plan Information Line or within the *Investment Option Performance* report included with your quarterly statement. For more information on fees associated with the Self-Directed Brokerage Account option, refer to the fact sheet online or call the Plan Information Line.

When can I withdraw from my account?

You may withdraw only when you:

- Retire
- Terminate employment
- Die (your beneficiary receives your benefits)

An IRS penalty for withdrawals prior to age 59½ may apply. Withdrawals from all plans are subject to state and federal income tax. You must begin taking required minimum distributions by April 1 of the calendar year following the later of: (1) the calendar year in which you reach 70½ or (2) the calendar year in which you retire from the employer sponsoring your Plan.

What are my distribution options?

- Keep your money in the Plan until a future date (subject to required minimum distribution rules)
- Receive:
 - A partial or total lump sum
 - Periodic payments
 - Annuity payments
 - Partial lump sum with remainder paid as a periodic payment or annuity
- Roll over into an eligible retirement plan such as a 401(a)/(k), 403(b), governmental 457(b) or IRA that accepts such rollovers.

** If you continue employment with the State in a position not eligible for the ORPPA, you may use your account balance to purchase VRS service credit.*

Once I receive payments, can I change my payment amount?

Yes. Except for the purchase of an annuity, you may change your distribution option for the balance remaining in your Plan. Contact ING at **1-VRS-DC-PLAN1 (1-877-327-5261)** or go to **www.varetire.org** and select *Optional Retirement Plan for Political Appointees* under the *Defined Contribution Plans* tab.

May I transfer or roll over my account from my former employer's plan into this Plan?

Yes. Balances from an eligible retirement plan such as a 401(a)/(k), 403(b), 457(b), IRA or Federal Employees Thrift Savings Plan may be rolled over into the ORPPA. Eligible after-tax rollovers will be accepted. You may take a distribution from your rollover account while you are employed by the Commonwealth or a participating employer.

May I transfer or roll over my account if I leave my current employer?

If you leave employment with your employer, you may roll over your account balance into an eligible retirement plan such as a 401(a)/(k), 403(b), 457(b) or IRA. However, an IRS penalty for withdrawals from these plans prior to age 59½ may apply. Note: Check with the plan that you are rolling into to ensure the plan accepts the rolled over monies.

If you change positions within the State with no break in service and move to a position not eligible for the ORPPA, you may use your account balance to purchase VRS service credit.

Have questions?

Visit the Web site: www.varetire.org.

Select *Optional Retirement Plan for Political Appointees* under the *Defined Contribution Plans* tab.

Call toll-free 1-VRS-DC-PLAN1 (1-877-327-5261)

- Press **1** to speak with a Participant Service Representative, weekdays 8 a.m. to 8 p.m.
- Press **2** to speak with a local registered representative, weekdays 8:30 a.m. to 5 p.m.

Visit the local Service Center:

919 E. Main Street (SunTrust Building)
Richmond, Virginia 23219

Monday - Friday, 8:30 a.m. to 5 p.m.
Eastern Time