



Plan Features and Highlights

Picture your financial future.

The Virginia Supplemental 401(a) Retirement Plan (the “Supplemental Plan”) is a 401(a) defined contribution plan that may be used by VRS participating employers. Employers make contributions to provide enhanced retirement benefits to designated employees. This benefit is in addition to the VRS defined benefit plan in which the employee is a member. Information is also available at www.varetire.org; select *Supplemental Retirement Plan* under the *Defined Contribution Plans* tab. You may also call the Plan Information Line toll-free at **1-VRS-DC-PLAN1 (1-877-327-5261)**.

The Virginia Supplemental 401(a) Retirement Plan

Who is eligible to enroll?	The Code of Virginia currently allows local school boards to use the Supplemental Plan to provide enhanced retirement benefits to Turnaround Specialists and the Middle School Teacher Corps. The Virginia Department of Education determines eligibility.
How does a school board make the Plan available?	Local school boards choosing to offer this benefit must pass a resolution to that effect and sign an adoption agreement with VRS. The resolution will provide the name and Social Security number of each employee who will be enrolled in the Supplemental Plan; the amount that will be paid into the employee’s account; the schedule on which it will be paid; and the beginning and end dates of the employee’s participation in the Plan. The Plan record keeper provides instructions to school board as to how to remit contributions.
Who contributes to the Supplemental Plan?	The school division makes contributions to the Supplemental Plan on behalf of eligible employees who are enrolled in the Plan.
What is the contribution amount?	Local school boards determine the amount that will be contributed for each participant. School boards do not receive additional state funding to participate. Possible sources of funding available to local school boards include federal funding, grants and private funding.
How do I enroll in the Plan?	You will be contacted by the Plan record keeper’s representative serving your area and provided with enrollment materials. The representative will explain the investments available, but cannot give investment advice.
What are my investment option choices?	<p>The Plan offers a variety of investment options across different asset classes available. You may be eligible to use the Self-Directed Brokerage Account, available for an additional fee. For more information about the Supplemental Plan’s investment options, go to www.varetire.org and select <i>Supplemental Retirement Plan</i> under the <i>Defined Contribution Plans</i> tab. You may also call the Plan Information Line toll-free at 1-VRS-DC-PLAN1 (1-877-327-5261).</p> <p><i>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 Supplemental Plan under the Defined Contribution Plans tab or call 1-VRS-DC-PLAN1 (1-877-327-5261).</i></p> <p><i>For information about the Self-Directed Brokerage, contact TD Ameritrade at 1-866-766-4015. Read the fund information carefully before investing.</i></p>
How do I make investment option changes?	<p>Shortly after your enrollment you will receive a Personal Identification Number (PIN) mailer in the mail. You will need your PIN to access your account information online or through the Plan Information Line. Use your 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:</p> <ul style="list-style-type: none"> • Move all or a portion of your existing balances between investment options (subject to Plan rules) • Change how your future contributions are invested

continued 

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 and select *Supplemental Retirement Plan* under the *Defined Contribution Plans* or by calling the toll-free Plan Information Line at **1-VRS-DC-PLAN1 (1-877-327-5261)**.

Are there fees to participate in the Supplemental Plan?

Yes. An annual recordkeeping and communication services fee of 19 basis points (0.19%), capped at a combined account 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. You can find the Supplemental Plan's core investment option fees 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 make a withdrawal from my account?

You may begin making withdrawals:

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

An IRS penalty for withdrawals prior to age 59½ may apply. Withdrawals 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 the Supplemental Plan.

What are my distribution options?

- Keep your money in the Supplemental 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), 401(k), 403(b), governmental 457(b) or IRA that accepts such rollovers.

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 Supplemental Plan account. Call a Participant Service Representative at **1-VRS-DC-PLAN1 (1-877-327-5261)** or go to www.varetire.org and select *Supplemental Retirement Plan* under the *Defined Contribution Plans* tab.

May I transfer or roll over my account from another plan to 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 Supplemental Plan. Eligible after-tax rollovers will be accepted. You may take a distribution from your rollover account at anytime, even 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), 401(k), 403(b), 457(b) or IRA. Note: Check with the plan that you are rolling into to ensure the plan accepts the rolled over monies.

Have questions?

Visit the Web site: www.varetire.org.

Select *Supplemental Retirement Plan* 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 (Sun Trust Building)
Richmond, Virginia 23219

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