

## THE GWINNETT COUNTY BOARD OF EDUCATION'S 403(B) PLAN

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### ELIGIBLE AUTOMATIC CONTRIBUTION ARRANGEMENT/DEFAULT INVESTMENT NOTICE EFFECTIVE MARCH 16, 2021

**To: Plan Participants of The Gwinnett County Board of Education's 403(b) Plan (the "Plan")**

**From: Gwinnett County Board of Education**

**Re: Notice of Rights under Automatic Contribution Arrangement and/or Notice of Default Investments under the Plan.**

**The provisions checked below apply to the Plan effective March 16, 2021.**

**ELIGIBLE AUTOMATIC CONTRIBUTION ARRANGEMENT AS OF JULY 1, 2011**

**Automatic contributions (deferrals).** This notice advises you of certain rights and obligations you have under the Plan. The Plan includes an Eligible Automatic Contribution Arrangement ("EACA"). Under the EACA provisions of the Plan, the Employer will automatically contribute **2.5%** of your eligible pay to the Plan each pay period (the "Automatic Deferral Percentage"), and will transmit the withheld amount to the Plan as your elective deferrals. Besides contributing the amounts taken from your pay, no other contributions will be made to your Plan account.

If you wish to defer the Automatic Deferral Percentage, no further action is required by you.

If you wish to defer a percentage of your pay that is different from (i.e., either more or less than) the Automatic Deferral Percentage, visit the AIG Retirement Services website at [www.aig.com/RetirementServices](http://www.aig.com/RetirementServices) before the first automatic deferral to which this notice applies and complete the applicable information in AIG Retirement Services to defer a different percentage (the "Contrary Election") of your compensation (including \$0). Your Contrary Election will be effective as soon as the Plan Administrator can reasonably implement your election after receipt. Your Contrary Election will remain in effect unless and until you change it.

**Limited right to withdraw automatic deferrals.** Within the time period described in this paragraph, you may elect to have the Plan distribute to you all of your prior automatic deferrals and allocable earnings on the deferrals. You may make this election on the Permissive Distribution Form the Plan Administrator will provide to you upon request. You must make this election **no later than 90 days after the first automatic deferral is taken from your pay.** If you elect to withdraw all of your prior automatic deferrals, you will pay income tax on the distributed amount, but you will not be subject to the 10% premature distribution penalty tax, even if you receive the distribution prior to age 59½.

**Eligibility for receiving contributions.** If you are an employee who was hired, rehired, or transferred into a covered position prior to July 1, 2011, the Plan's automatic enrollment feature does not apply to you. In addition, the Plan's automatic enrollment feature will not apply to you if you already made an election (by visiting the AIG Retirement Services website at [www.aig.com/RetirementServices](http://www.aig.com/RetirementServices)) to make contributions to the Plan or to not contribute. If you made such an election, your contribution level will neither change nor be affected by the automatic enrollment feature. However, you can always change your contribution level by making a new election.

If you are an Employee who was hired, rehired, or transferred into a covered position on or after July 1, 2011, and you have not made a Contrary Election to change your contribution level, you will be (or were already) automatically enrolled in the Plan. This means that money will be automatically withheld from your pay and contributed to your Plan account.

If you are normally scheduled to work less than 20 hours per week, or if you are a seasonal, temporary, or student employee, the automatic enrollment feature will **not** apply to you.

**Vesting and withdrawal provisions for contributions.** You will always be fully vested in your contributions to the Plan. To be fully vested in Plan contributions means that the contributions (together with any investment gain or loss) will always belong to you, and you will not lose them when you leave your job. Even if you are vested in your Plan account, there are limits on when you may withdraw your funds. These limits may be important to you in deciding how much, if any, to contribute to the Plan. Generally, you may only withdraw vested money after you leave your job, reach age 59½ or become disabled. Also, there is generally an extra 10% tax on distributions before age 59½. Your beneficiary can get any vested amount remaining in your account when you die.

You can also borrow certain amounts from your vested Plan account and may be able to take out certain vested money if you have a hardship. Hardship distributions are limited to the dollar amount of your contributions. Hardship distributions may not be taken from earnings and must be for a specified reason (e.g., for qualifying medical expenses, costs of purchasing your principal residence, preventing eviction from or foreclosure on your principal residence, repairing qualifying damages to your principal residence, qualifying post-secondary education expenses, or qualifying burial or funeral expenses). Before you take a hardship distribution, you must have taken other permitted withdrawals and loans from qualifying plans sponsored by the Gwinnett County Board of Education (the “Board”).

You can learn more about the Plan’s hardship withdrawal and loan rules by visiting [www.gepsk12.org/grs](http://www.gepsk12.org/grs) and going to the 403(b) Retirement Savings Plans link under the Planning section at the bottom of the screen; or by calling (678) 301-6286. You can also learn more about the extra 10% tax in IRS Publication 575, Pension and Annuity Income.

## **DEFAULT INVESTMENT ALTERNATIVE**

**Right to direct investment.** This notice advises you that as a Participant (including a Beneficiary of a deceased Participant) in the Plan, you have the right to direct the investment of some, or all, of your Plan account assets. Specifically, under the Plan, you may direct the investment of:

- **All of your Plan accounts**

**Default investment.** You may invest your Plan account(s) specified above (your “directed account(s)”) in any of the investment choices offered under the Plan. If you do **not** make an election as to how the Plan Administrator should invest your Plan account(s), then the Plan Administrator will direct that your Plan account(s) be invested in the “default” investment that the Plan Administrator has selected. Currently, the default investment is **T. Rowe Price Retirement Target Date Fund**, which is based on age and which is more fully explained below.

**Description of default investment.** The T. Rowe Price Retirement Target Date Fund is designed to be used as a single-choice approach to diversification for your Plan account. The description of the default investments are as follows:

Participant Date of Birth	Target Fund	Net Expense Ratio	Ticker Symbol
After 1997	T. Rowe Price Retirement 2065 Ins	0.52%	TRFKX
From 1993 through 1997	T. Rowe Price Retirement 2060 Ins	0.52%	TRPLX
From 1988 through 1992	T. Rowe Price Retirement 2055 Ins	0.52%	TRPNX
From 1983 through 1987	T. Rowe Price Retirement 2050 Ins	0.52%	TRPMX
From 1978 through 1982	T. Rowe Price Retirement 2045 Ins	0.51%	TRPKX
From 1973 through 1977	T. Rowe Price Retirement 2040 Ins	0.51%	TRPDX
From 1968 through 1972	T. Rowe Price Retirement 2035 Ins	0.50%	TRPJX
From 1963 through 1967	T. Rowe Price Retirement 2030 Ins	0.49%	TRPCX
From 1958 through 1962	T. Rowe Price Retirement 2025 Ins	0.46%	TRPHX
From 1953 through 1957	T. Rowe Price Retirement 2020 Ins	0.42%	TRBRX
From 1948 through 1952	T. Rowe Price Retirement 2015 Ins	0.40%	TRFGX
Before 1948	T. Rowe Price Retirement 2010 Ins	0.37%	TRPAX

The principal value of the Retirement Funds is not guaranteed at any time, including at or after the target date, which is the approximate year an investor plans to retire (assumed to be age 65) and likely stop making new investments in the fund. If an investor plans to retire significantly earlier or later than age 65, the funds may not be an appropriate investment even if the investor is retiring on or near the target date. The funds' allocations among a broad range of underlying T. Rowe Price stock and bond funds will change over time. The funds maintain a substantial allocation to equities both prior to and after the target date, which can result in greater volatility over shorter time horizons.

**Investment Objective:** The investment series seeks current income and capital appreciation. The funds invest primarily in other mutual funds that represent a variety of asset classes and investment styles. The target asset mix is adjusted so that as the target year approaches, the allocation to stocks may decrease and the allocation to bonds and money market instruments may increase.

**Risk and Return Characteristics:** The risk/return profile of each target maturity fund is higher or more aggressive when the maturity date is further away, but will automatically rebalance to a more conservative or lower risk/return profile as the fund nears the maturity date and beyond.

**Right to alternative investment.** Even if the Plan invests some or all of your Plan account(s) in the default investment, you have the continuing right to direct the investment of your Plan account(s) in one or more of the other investment choices available to you as explained above. You may change your investments at least once within any 3-month period (or more frequently if the Plan's procedures so allow). You are entitled to invest in any of the alternative investment choices without incurring a financial penalty.

**Where to go for further investment information.** You can obtain further investment information about the Plan by contacting the GCPS Retirement Savings Plan Coordinator at (678) 301-6286 or by emailing [Retirement.Savings.Plans@gcpsk12.org](mailto:Retirement.Savings.Plans@gcpsk12.org). You can also get further investment information about the Plan's investment alternatives by contacting one of the local AIG Retirement Services Financial Advisors by telephone at (770) 395- 4717 or by e-mail listed below:

<b><u>Name</u></b>	<b><u>E-Mail</u></b>
Leslie Riley	<a href="mailto:Leslie.Riley@aig.com">Leslie.Riley@aig.com</a>
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Bob Lewis	<a href="mailto:Robert.Lewis1@aig.com">Robert.Lewis1@aig.com</a>
Crystal Brown	<a href="mailto:Crystal.Brown@aig.com">Crystal.Brown@aig.com</a>

Securities and investment advisory services offered through AIG Retirement Services Financial Advisors, Inc., member FINRA, SIPC and an SEC-registered investment advisor.

**Investors should carefully consider the investment objectives, risks, fees, charges and expenses before investing. This and other important information is contained in the prospectus, which can be obtained from your financial professional or visit [www.aig.com/RetirementServices](http://www.aig.com/RetirementServices) and click on DOCUMENTS & FORMS (E-PRINT) in the list at the bottom of the page. Enter your Group ID 01307001 in the Login field and click Continue. Click on Funds on right side of screen, and the funds available for your plan will be displayed. You can also request a copy by calling 1-800-428-2542. Read the prospectuses carefully before investing.**