

# PLAN HIGHLIGHTS

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## Arlington Public Schools 457(b) Deferred Compensation Plan

Your employer-sponsored retirement plan is a powerful way to save for the future. Learn more about the benefits of your plan, and get the answers to any questions you may have.

### Am I eligible to be in the plan?

- Your employer will offer enrollment to employees who are eligible to participate in the plan upon their date of hire.

### How can I contribute to my retirement plan?

#### **You may control your contributions in the following ways:**

- You are eligible to make pretax and/or Roth contributions to the plan. Pretax deferrals are combined with Roth deferrals for the purpose of the contribution limits.
- You may increase or decrease your contribution rate at any time.
- Age 50 catch-up contributions may be permitted under the plan if you will attain age 50 during the calendar year. Please contact your retirement coordinator or benefits manager for more information.
- If you are or will be age 60-63 during the calendar year, you may take advantage of a higher-catch up contribution amount. Please contact your retirement coordinator or benefits manager for more information.
- You may discontinue contributions to your retirement savings plan at any time. The effective date of the changes occurs as soon as administratively possible.
- NOTE: The mutual funds in this program contain operating expenses just like all mutual funds (please see fund prospectuses). In addition, you will be assessed an annual fee of 0.18% of assets per year to help offset the administrative costs of the plan. This fee will be prorated and deducted from your account quarterly.

### When am I fully vested in my retirement plan?

#### **Fully vested means you have 100% ownership of the amounts in the plan.**

- You have 100% ownership of any amount you contribute to the plan, including any earnings and/or amounts consolidated from another retirement plan.

### What are my investment options?

#### **You can choose from a wide variety of investment options to meet your retirement savings goal.**

- **MAKE AN ALL-IN-ONE CHOICE** if you want one diversified portfolio managed for you.
- **MANAGE IT YOURSELF** and select your own portfolio of investments.
- **STILL UNDECIDED?** If you participate in the plan without selecting investment options, your money will be directed to the **Default Investment Alternative** (DIA) selected by your employer.

## WELCOME

### Can I consolidate accounts from my previous retirement plans?

**You may consolidate assets from a previous retirement plan (or plans) to create an integrated savings strategy. With this option, you have the ability to:**

- Get a single, consolidated quarterly statement.
- Access account information with a single, toll-free number or a single website.
- Get a potentially broader array of investment choices and account types.
- Get help and educational assistance for all of your accounts.

Contact your financial professional for assistance in determining the course of action appropriate to your situation.

### When can I access my retirement account balances?

Your retirement plan will have the greatest potential to grow if you stay invested for the long term, rather than withdrawing money from it. For that reason, the IRS limits what you can do with your account prior to retirement by imposing certain limitations for early distributions. However, you do have access to your savings under certain circumstances.

#### Loans

You may take a loan from certain available account balances. Please refer to your plan's loan policy for details on the availability of loans under your plan.

Check with your financial professional for information about loan fees, repayment, and the pros and cons of borrowing from your retirement plan.

#### Withdrawals of pretax balances

You may take a distribution from **certain available accounts** upon:

- Severance from employment
- Attainment of age 70½
- Unforeseeable emergency
- Death

#### Withdrawals of Roth balances

If you have a Roth account, your distribution will be a qualified distribution (tax-free) if your Roth deferral or Roth rollover account has been in place for five (5) taxable years (from the year the first Roth contribution or the Roth rollover was made to the plan, whichever was first) and the distribution is made after one of the following:

- Attainment of age 59 ½
- Disability
- Death

If the distribution conditions above are not met, the earnings may be taxable.

Please consult with your tax advisor before withdrawing any money from your account. You may wish to confirm with your plan sponsor which types of distributions are available under your plan. Additional transaction fees may apply.

### How can I access my account?

**You can access and manage your deferred compensation plan any time:**

**LincolnFinancial.com/Retirement**  
800-234-3500

This enrollment kit highlights certain provisions of your retirement plan. Every effort has been made to ensure that plan highlights described in the enrollment kit are as thorough and accurate as possible. However, there are other legal documents, laws, and regulations that govern the operation of the plan. In the event of any conflict, the terms of the plan document and applicable laws and regulations will govern.

As of **March 13, 2025**, these highlights are a brief overview of the Arlington Public Schools 457(b) Deferred Compensation Plan and are not a legally binding document. Please read these materials carefully and contact your Human Resources department if you have further questions. ***For any investment option in the plan, including an option that is part of an asset allocation portfolio, you may obtain a prospectus or similar document by requesting one from your employer, visiting your plan's website, or calling a Lincoln Financial representative at 800-234-3500.***