

# Plan Highlights

This is a brief summary of the State Optional Retirement Plan (State ORP). If there are any discrepancies between this Plan Highlights and the plan document, which is available at <http://www.peba.sc.gov/sorp.html>, the plan document will govern.

## Eligibility and Enrollment

### **Who is eligible to join the plan?**

All newly hired state, public school, and public higher education employees, as well as individuals newly elected to the South Carolina General Assembly at or after the general election in November 2012, are eligible to choose the State ORP. This includes all permanent full-time employees, temporary and part-time employees, and political appointees. You must select one of the two retirement plans, the South Carolina Retirement System (SCRS) or State ORP, unless your position is exempted by state law. Your employer can tell you whether your position is exempt from mandatory participation/membership.

### **When will I join the plan?**

You only have 30 days from your date of hire to select your retirement plan. If you are a newly elected General Assembly member, you have 30 days after your term of office begins to make your decision. Terms of office begin on the Monday following the election. If you do not make a selection within that time period, you will automatically become a member of SCRS. To make your selection, you must complete the online enrollment process through the South Carolina Public Employee Authority (PEBA) Electronic Enrollment Services (EES) system or complete an enrollment election form (Form 1100) regardless of the plan you select. To complete the online enrollment process, you will need to provide a valid email address to your employer who will initiate the enrollment process through EES.

## Making Contributions

### **What is my compensation under the plan?**

The State ORP plan document contains a definition of earnable compensation for calculating contribution amounts. Your employer may use different definitions of compensation for other purposes. To learn more about what types of compensation are used by the plan, refer to the State ORP plan document.

### **How much am I required to contribute to the plan?**

You are required to contribute a tax-deferred percentage of your earnable compensation into your State ORP account. The employee contribution rate for fiscal year 2018, which is July 1, 2017, through June 30, 2018, is 9 percent. Your employer contributes 5 percent of your earnable compensation to your chosen service provider for allocation to your State ORP

account. More information on contribution requirements can be found in Title 9, Chapter 20 of the South Carolina Code of Laws.

### ***Rollover Contributions***

You may be able to roll over your existing retirement savings into your State ORP account. Consolidating your retirement savings can help you continue benefiting from tax-deferred growth - despite any disruptions that may occur during your working life. Maintaining one retirement account also makes it easy for you to track your retirement savings. To learn more about making Rollover contributions to this plan, call 888.526.6905 and a Retirement Specialist will assist you.

## Investment Options

When completing the enrollment process with your chosen service provider, you provide investment directions for your account by choosing from the investment options available through that service provider.

Until you select your investment options, all of the contributions to your account will be invested in a target date fund, which is a retirement date based investment option determined by your date of birth and a projected retirement age of 65, as this is the default investment option for the State ORP. You may change your investment selections daily. You may transfer your existing balance to other investment options daily subject to certain restrictions.

To make choosing your investment options easier, your contributions are placed in one or more groups as follows: All Contributions – Employer Contribution, Employee Mandatory Contribution, Rollover. If you call 800.743.5274 or access our participant website at [www.massmutual.com/scorp](http://www.massmutual.com/scorp), these group names are referenced.

## Vesting

A Participant's interest in his State ORP Account shall immediately become and shall at all times remain fully vested and non-forfeitable.

## Distributions

There is no minimum years of service required to receive your benefit. You become eligible to receive distributions when you terminate employment with a covered employer or reach age 59 ½. You may leave your balance on deposit to accumulate earnings tax-deferred until you elect to receive the funds or until you are required by the IRS to begin receiving annual required minimum distributions.

You may be required by the IRS to pay an additional tax if you take a distribution prior to age 59 ½. You may want to contact a tax consultant or a financial advisor for more information.



## What happens to my account if I die?

When completing the enrollment process with your chosen service provider, you should designate a beneficiary for your State ORP account. Your account balance can be claimed by your designated beneficiary upon your passing.

If you fail to designate a beneficiary (including a failure because your beneficiary designation is invalid or ineffective) or no beneficiary designated by you is living or exists when the distribution otherwise becomes payable, your estate is the beneficiary to the extent of the failure or invalid or ineffective designation.

## Loans

Loans from participant accounts are not available under the State ORP.

---

### Accessing your PLAN

---

#### Manage your retirement account

You will receive a personal statement quarterly. You may also use your Personal Identification Number (PIN) to access your account by calling our Participant Information Center at 800.743.5274, Monday-Friday, 8:00 a.m. - 8:00 p.m. ET, or by visiting MassMutual's RetireSMART website at [www.massmutual.com/scorp](http://www.massmutual.com/scorp). You can check your account balance, obtain investment performance information, make investment changes, or request additional information about the plan.





The information contained in this document is not intended or written as specific legal or tax advice and may not be relied on for purposes of avoiding any federal tax penalties. Neither MassMutual nor any of its employees or representatives are authorized to give legal or tax advice. You must rely on the advice of your own independent tax counsel.

Investnet Retirement Solutions, LLC (ERS) is a federally registered investment adviser and is the investment manager for Managed Path. ERS is a subsidiary of its parent company Investnet, Inc. (NYSE:ENV). ERS and Investnet, Inc. are not affiliated with MassMutual or any of its subsidiaries. An annual fee equal to 50 basis points (0.50%) deducted on a monthly basis from your participant account, if you elect the managed account service from Investnet Retirement Solutions.

© 2018 Massachusetts Mutual Life Insurance Company (MassMutual), Springfield, MA 01111-0001. All rights reserved.  
[www.massmutual.com](http://www.massmutual.com).