A Plan for Your Future

New York State Deferred Compensation Plan

A Plan for Your Future
Your Education Workbook

The New York State Deferred Compensation Plan (the “Plan”) is a State sponsored voluntary retirement savings plan that is offered to State employees and employees of over 1,700 local government jurisdictions that have adopted the Plan. Its mission is to help State and local public employees achieve their retirement savings goals by providing high-quality, cost-effective investment products, investment education programs and related services. The Plan is overseen by the New York State Deferred Compensation Board (the “Board”) and managed by professional staff.

The New York State Deferred Compensation Plan is a State-sponsored employee benefit for State employees and employees of participating employers.

Table of Contents

6 Why You Need to Invest for Retirement
6 Why Joining the Plan May Be a Sound Decision
8 How You Can Find the Money to Save
12 Choosing Your Investment Options
13 Your Personal Investment Strategy
17 All About Your Deferred Compensation Plan
19 Contributions, Investment Options, Special Circumstances
22 Receiving Your Benefits and Plan Loan Provisions
25 Enrolling in the Plan
27 Plan Services
28 Need More Information?

Pocket Enrollment Materials
The Plan provides educational programs, a diverse array of investment options, and online investment guidance. These features and dedicated customer service teams make the Plan an attractive way for you to invest. Here’s what you can expect as a Plan participant:

**Simplicity** — Contributions are deducted directly from your salary each pay period. You may change the amount you contribute at any time, subject to timing restrictions.

**Lower costs** — The Plan leverages its size to drive down expenses. As a result, more of what you contribute can go directly into investments.

**A wide array of investment options** — Our menu of core options cover each major asset class. Because market gains and losses usually do not affect all classes equally, you can diversify your investments through your Plan account and spread the risk of market losses around. We also offer a series of Retirement Date Trusts that allow you to select a trust geared for the year you plan to retire. These trusts reallocate equity exposure to a higher percentage of fixed investments over time. As a result, the trusts become more conservative over time.

Investing involves market risk, including possible loss of principal. It’s important to remember that no strategy — including the use of asset allocation and diversification or investing in Retirement Date Trusts — can assure a profit or prevent a loss in a declining market.

**Choice of tax treatment** — You may elect to have contributions to your account to be:

- **Traditional** — Made with pre-tax income: Earnings credited to your account also would not be subject to current federal or New York State income taxes. Your contributions and earnings, if any, would be subject to these taxes when you receive them. The up-front tax benefit may make it easier to save more, and your account could potentially grow faster. Earnings, if any, are reinvested in your plan account.

- **Roth** — Made with after-tax income: If certain criteria are met, earnings credited to your account will not be subject to current federal or New York State income taxes.

- **Both** — Made with both pre- and after-tax income: You split your contributions between pre- and after-tax. Doing this could reduce the impact of income taxation now, and in retirement.

Before you make decisions about contributions with pre- or after-tax dollars, please consult your tax or legal professional. Neither the Plan nor any of its representatives offer tax or legal advice.

**A wealth of online resources** — The Plan Web site, www.nysdcp.com, offers a variety of educational materials, interactive calculators and eWorkshops to help you get the most out of participation in the Plan.

**People to help you** — The Plan offers a team of highly trained professionals, ready and able to assist you as you decide which features of the Plan make the most sense for you.

We value your participation and believe that the Plan is better positioned than ever to serve you. If you have questions about the Plan, please call the HELPLINE (1-800-422-8463) or visit the Plan Web site, www.nysdcp.com.

---

**Welcome**

We’d like to invite you to join the New York State Deferred Compensation Plan (the Plan). While you may expect your future pension and Social Security benefits to provide for a comfortable retirement, it makes sense to take advantage of an opportunity to invest for retirement for several important reasons.

- Inflation eats fixed income
- Health care costs happen
- Pension and Social Security income combined tend to cover just the basics
- No one else is saving for your retirement
- Having financial options is a good thing

As an employee of New York State or a local participating employer, you can add to your future pension and Social Security benefits by participating in the Plan, which is recognized as a leader in retirement plans for public employees. Since 1985, the Plan has helped more than 220,000 New York State public employees accumulate sizable retirement assets.
You Owe It to Yourself

Some folks spend a lot of time taking care of others. But sometimes, you have to put yourself first, especially when it comes to investing for your retirement. You owe it to yourself! Need more reasons why it’s important to invest for retirement? Take a look at the next page.
Why You Need to Invest for Retirement

- People are living longer, healthier lives
- You want work to be a choice when you’re retired
- Inflation means things will cost more

Another important reason to invest for retirement is that you could be income-deficient. Most industry professionals agree you may need from 75% to 90% of your current income at retirement. What happens if you come up short? Pension plans are a good start, but they only go so far. Any Social Security benefit and personal savings outside the Plan can help fill in the gap. Do you want a better chance at a healthy retirement? Start supplementing your retirement income today.

How much might your pension replace?

<table>
<thead>
<tr>
<th>Years of employment</th>
<th>25 years</th>
<th>30 years</th>
<th>35 years</th>
</tr>
</thead>
<tbody>
<tr>
<td>Amount of income replaced</td>
<td>30%</td>
<td>60%</td>
<td>70%</td>
</tr>
<tr>
<td>80% Sample Retirement Goal</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Savings and other sources</td>
<td>50%</td>
<td>60%</td>
<td>70%</td>
</tr>
<tr>
<td>Pension</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Source: New York State Deferred Compensation Plan

Why Joining the Plan May be a Sound Decision

- Payroll deductions help make contributing hassle-free
- Lower costs means more of what you contribute can go directly into investments
- Long-term compounding can help power potential growth of your investments

And if you have other retirement assets, you may be able to roll money from that account into your Plan account. Qualified retirement plans, deferred compensation plans and individual retirement accounts are all different, including fees and when you can access options. Assets rolled over from your account(s) may be subject to surrender charges, other fees and/or an additional 10% early withdrawal tax if withdrawn before age 59½. Neither NYSDCP nor any of its representatives give legal or tax advice.

Investing involves market risk, including possible loss of principal.
Build From a Solid Foundation

Whether it’s a skyscraper or a tree house, buildings that meet their purpose start with a solid foundation. You use the right tools to construct something that’s going to last.

To lay a solid foundation for working toward your retirement dreams, you start by figuring out what’s really important to you — now, in a few years, and over a lifetime. Then, you use the tools that can help you put it together. To nail your priorities, read on.
How You Can Find the Money to Save

- Become aware of your spending
- Spend consciously

Saving a little can make a big difference

Maybe you feel like every dollar you make is spoken for; that you can’t afford to save for retirement. Yet even investing as little as 5% of your pay can make a big difference at retirement! You’d be surprised where you could find that money. The chart below has a few ideas to get you started.

Small sacrifices go a long way

<table>
<thead>
<tr>
<th>Small sacrifice</th>
<th>Big savings</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 coffee shop coffee per day</td>
<td>$913 a year</td>
</tr>
<tr>
<td>1 movie per week</td>
<td>$442 a year</td>
</tr>
<tr>
<td>1 magazine per week</td>
<td>$205 a year</td>
</tr>
</tbody>
</table>

View your plan as a savings bargain. The money that goes into your Plan account can come out of your paycheck before federal and New York State taxes. Because your gross salary is reduced by the amount of your contribution, your taxable income is lowered. By putting the power of tax-deferred investing to work for you, more goes into your Plan account than would come out of your net paycheck. To get a better idea of how this works, take a look at the chart below.

More money goes into your account than comes out of your pay

<table>
<thead>
<tr>
<th>When you contribute:</th>
<th>It equals this dollar amount:</th>
<th>Your net pay is reduced by:</th>
<th>But you get the earning potential of:</th>
</tr>
</thead>
<tbody>
<tr>
<td>1%</td>
<td>$15</td>
<td>$11</td>
<td>$15</td>
</tr>
<tr>
<td>2%</td>
<td>$29</td>
<td>$22</td>
<td>$29</td>
</tr>
<tr>
<td>5%</td>
<td>$73</td>
<td>$55</td>
<td>$73</td>
</tr>
<tr>
<td>8%</td>
<td>$117</td>
<td>$88</td>
<td>$117</td>
</tr>
</tbody>
</table>

Example of pre-tax savings for someone making $38,000 a year.

NOTE: If you elect to contribute to the Plan’s Roth 457(b) option, you will be using after-tax dollars. So, the amount that your net pay is reduced by would equal the amount of your contribution. To learn more about the Roth 457(b) option, turn to the next page.
How You Can Invest for Tax-Free Retirement Income

You have the opportunity to designate all or part of your contributions to your New York State Deferred Compensation Plan account as after-tax Roth 457(b) contributions.

When you contribute to a Roth 457(b) account, you pay taxes on the portion of your salary that goes into the plan; but withdrawals of contributions and earnings can be tax-free during retirement if certain conditions are met.

If you wish, you can even split your contributions between traditional pre-tax 457(b) contributions and Roth 457(b) contributions.

<table>
<thead>
<tr>
<th>Let’s compare</th>
<th>Pre-Tax 457(b) contributions</th>
<th>After-Tax Roth 457(b) contributions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pre-tax income</td>
<td>$60,000</td>
<td>$60,000</td>
</tr>
<tr>
<td>Amount contributed</td>
<td>$8,000 pre-tax</td>
<td>$6,000 after-tax¹</td>
</tr>
<tr>
<td>Net Income after contributions</td>
<td>$52,000</td>
<td>$52,000²</td>
</tr>
</tbody>
</table>

Hypothetical after tax account value in 20 years assuming a 7% annual return

- **Tax rate remains the same (25%) at time of distribution**: $23,218³ $23,218
- **Tax rate decreases to 15% at time of distribution**: $26,314⁴ $23,218
- **Tax rate increases to 28% at time of distribution**: $22,289⁵ $23,218

¹ Equivalent to $8,000 after taxes, assuming 25% tax bracket
² Net amount after $2,000 paid in taxes for Roth after-tax contribution
³ Net amount after taxes paid (25% bracket), assuming the distribution is a qualified distribution
⁴ Net amount after taxes paid (15% bracket), assuming the distribution is a qualified distribution
⁵ Net amount after taxes paid (28% bracket), assuming the distribution is a qualified distribution

This example is for illustration purposes only. It compares a 15%, 25%, or 28% tax bracket at the time of distribution and an average total rate of return of 7% compounded annually. Applicable tax rates may be significantly different from when the contribution is made compared to the time of distribution. The Roth account assumes the distribution is a qualified distribution.
Is a Roth 457(b) right for you?

You may want to consider making Roth 457(b) contributions if you:

- Believe that tax rates will rise before you retire and you want to take advantage of the potential tax-free withdrawals provided for with a Roth 457(b) account
- Expect to be in a higher tax bracket during retirement
- Are younger, with many working years ahead of you
- Are unable to contribute to a Roth IRA because of your income
- Are looking for an estate-planning tool to leave assets tax-free to heirs

<table>
<thead>
<tr>
<th>What’s the difference?</th>
<th>Traditional (pre-tax) 457(b)</th>
<th>Roth 457(b)¹</th>
<th>Roth IRA²</th>
</tr>
</thead>
<tbody>
<tr>
<td>Contribution limit</td>
<td>Combined $19,500</td>
<td>$6,000</td>
<td></td>
</tr>
<tr>
<td>Catch-up contribution limit — for those age 50 and older</td>
<td>Combined $6,500</td>
<td>$1,000</td>
<td></td>
</tr>
<tr>
<td>Contribution taxable in year contributed</td>
<td>No</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>Contribution taxable in year distributed</td>
<td>Yes</td>
<td>No</td>
<td>No</td>
</tr>
<tr>
<td>Contribution earnings taxable in year distributed</td>
<td>Yes</td>
<td>No¹</td>
<td>No¹</td>
</tr>
<tr>
<td>Your income determines your contribution amount</td>
<td>No</td>
<td>No</td>
<td>Yes</td>
</tr>
</tbody>
</table>

¹ Contributions and earnings distributed from a Roth 457(b) account are not taxable if the distribution is made five years or more after January 1 of the year the first contribution was made to the Plan’s Roth 457(b) account and the distribution is made after age 59½, or because of death, or disability.

² Contributions and earnings from a Roth IRA are not taxable if the distribution is made five years or more after the January 1 of the year since the first Roth IRA contribution was made to any Roth IRA and the distribution is made after age 59½, or because of death, disability or a qualified first time home purchase. The first-time home purchase requirement applies to Roth IRAs, not to Roth 457(b) accounts.

Neither the Plan nor its representatives may offer tax or legal advice. Consult with your own counsel before making any decisions about contributing or converting your Plan assets to Roth 457(b).
The Strategy Can Make the Grade

A good lesson plan includes a variety of teaching techniques. Different students learn in different ways, so you try to balance your techniques to give every student a chance at success with the material. Different investment types tend to react to market conditions in different ways. By balancing them through a strategy known as asset allocation, you can combine investments in ways that work for you. To find the balance that may be best for you, follow the steps on the next few pages.

The use of diversification and asset allocation as part of an overall investment strategy does not assure a profit or protect against loss in a declining market.
Choosing Your Investment Options

Your Personal Asset Allocation Strategy

When you spread your money out among options with different types of investment strategies, you potentially lessen the portfolio’s risk. That’s called asset allocation — it’s just another way of saying that the money in your Plan account should be invested in different types of investments since markets can be unpredictable.

Think of asset allocation like driving a car with four-wheel drive. If one wheel slips, you have three more opportunities for traction. Remember, even though asset allocation can’t guarantee returns or insulate you from potential losses in a declining market, it can help you manage risk and maybe keep you on the road to your vision of retirement.

Three factors determine how your Plan account could grow if given the opportunity:

- **How much you contribute** — dependent on your personal budget and IRS limitations.
- **Your investment returns** — dependent on the performance of the markets and your individual investment options.
- **How your investments are diversified** — dependent on your asset allocation strategy.

While HELPLINE representatives and your Account Executive can help you understand how to make decisions about asset allocation, many participants do not feel comfortable making initial and ongoing asset allocation decisions. These participants may be considered Do It For Me investors; while those who prefer to create their own asset allocation may be considered Do It Yourself investors.

The Plan’s Investment Structure

The Plan offers three ways to invest to help make using an asset allocation strategy less complicated and to meet the needs of Plan participants who want varying levels of involvement in investment decision-making.

Do It For Me with T. Rowe Price Retirement Date Trusts

It’s estimated that the majority of retirement investors don’t have the time or desire to select and track their investments. Retirement Date Trusts are designed to help those investors.

Each Retirement Trust is made up of a number of other T. Rowe Price collective investment trusts. The allocations to these underlying trusts will depend on the target asset allocation for the particular Retirement Date Trust and is designed to cover multiple asset classes and investment styles all in one trust. Although the investor will pay a proportionate share of each underlying trust’s expense ratio, there is no additional charge for the asset allocation services.

To the right is a table to help you select the appropriate Retirement Trust for your account.

You may decide to select a Retirement Trust that differs from the nearby chart if you expect to retire at an age different than 65, wish to adjust for other anticipated retirement assets or income, or any other reason you may have.

<table>
<thead>
<tr>
<th>If you were born…</th>
<th>This option may be right for you…</th>
</tr>
</thead>
<tbody>
<tr>
<td>In 1993 or after</td>
<td>Retirement 2060</td>
</tr>
<tr>
<td>1988-1992</td>
<td>Retirement 2055</td>
</tr>
<tr>
<td>1983-1987</td>
<td>Retirement 2050</td>
</tr>
<tr>
<td>1978-1982</td>
<td>Retirement 2045</td>
</tr>
<tr>
<td>1973-1977</td>
<td>Retirement 2040</td>
</tr>
<tr>
<td>1968-1972</td>
<td>Retirement 2035</td>
</tr>
<tr>
<td>1963-1967</td>
<td>Retirement 2030</td>
</tr>
<tr>
<td>1958-1962</td>
<td>Retirement 2025</td>
</tr>
<tr>
<td>1953-1957</td>
<td>Retirement 2020</td>
</tr>
<tr>
<td>1948-1952</td>
<td>Retirement 2015</td>
</tr>
<tr>
<td>1943-1947</td>
<td>Retirement 2010</td>
</tr>
</tbody>
</table>
In general, the later the retirement date selected, the higher the initial allocation will be to stock market investments and the lower allocation to fixed income investments. Stock market investments have historically provided higher long-term returns than fixed income investments but have also been more volatile (risky).

Retirement Date Trusts are designed to re-allocate assets from stock market investments to less risky fixed income and cash investments as you approach retirement. Typically, a younger investor can withstand more volatility in their investments and would benefit from the higher returns that stock market investments have provided over the longer term. This is also a period when regular contributions are being made and the volatility is somewhat mitigated by dollar-cost averaging — buying shares at varying prices over time.

As you approach and reach retirement, you are generally more concerned with preserving principal but also need to consider some growth as a hedge against inflation. Therefore, the glide path continues even into retirement and maintains some allocation to stock market investments.

Although designed to be a stand-alone investment, participants may use more than one Retirement Date Trust and may be used in conjunction with other available investment options.

Target Retirement Date Trusts are designed for people who plan to withdraw assets during or near a specific year. These trusts use a strategy that reallocates equity exposure to a higher percentage of fixed investments over time. Like other options, Target Date Trusts are subject to market risk and loss. Loss of principal can occur at any time, including before, at or after the target date. There is no guarantee that Target Date Trusts will provide enough income for retirement.

Do It Yourself by actively or passively managing your investments

Participants may choose to create their own asset allocation using the menu of individual investment options under the Plan. Some investors may choose an asset allocation that is customized to their particular needs which is not available using Retirement Date Trusts. Other investors prefer to use multiple investment management firms or prefer to create a portfolio of other index trusts and mutual fund options. Index mutual funds do not use active management and generally have lower expenses than actively managed options.

The Plan strives to offer sound investment options in each major investment category. Investment options are chosen based on a number of factors including: long-term performance, management stability, style consistency, and lower-than-industry-average expenses. Although changes to the lineup may be infrequent, all investment options are reviewed on a regular basis.

Specialty Options

This category highlights investment options that offer unique investment objectives, such as environmental, social and governance.

In addition, participants who are advanced investors and wish to invest in mutual funds or exchange-traded funds (ETFs) have the option of opening a Schwab Personal Choice Retirement Account(r) (PCRA). Participants should review PCRA restrictions and additional costs before moving any money to the PCRA.

Investments placed through the Schwab PCRA are not monitored by the NYSDCP Board or staff. Schwab Personal Choice Retirement Account(r) (PCRA) is offered through Charles Schwab & Co., Inc., a registered broker-dealer not affiliated with NYSDCP or the Plan Administrator.
Interactive Guide to Asset Allocation

Asset allocation is a rational strategy for investment selection. Simply put, it is the process of diversifying your investment dollars across different asset classes. It helps you to maximize your return potential while reducing your risk. How your investments are diversified depends on your willingness to handle risk. In general, the greater the risk, the greater the potential return. By diversifying a portfolio, you can pursue attractive performance potential while simultaneously spreading your investment risk.

Questionnaire

1. Your current age is:
   1. Over 70 (1 point)
   2. 60-70 (4 points)
   3. 50-59 (8 points)
   4. 35-49 (12 points)
   5. 34 or younger (16 points)

2. When do you anticipate taking regular cash distributions from your account?
   1. Less than 5 years (2 points)
   2. 5 – 9 years (5 points)
   3. 10 – 15 years (7 points)
   4. More than 15 years, or I do not anticipate taking cash distributions (10 points)

3. In addition to your current employer-sponsored retirement plan, do you have other retirement plan benefits such as a defined benefit pension or defined contribution profit sharing plan?
   1. No (0 points)
   2. Yes (20 points)

4. If $100,000 was invested at the beginning of the year, which example best describes your tolerance for risk?
   1. Portfolio A ($95,000-$115,000) 1 point
   2. Portfolio B ($90,000-$125,000) 4 points
   3. Portfolio C ($85,000-$140,000) 7 points
   4. Portfolio D ($80,000-$150,000) 10 points
5. While riskier than bond investments, stock investments offer the potential of higher long-term investment returns. What is your feeling about investing a portion of your money in stock investments?

1. I am concerned that stock investments are too risky and would prefer a higher allocation to bonds (1 point)
2. I understand there is additional risk with stock investments and would consider a more balanced allocation to stocks and bonds (5 points)
3. I understand there may be some additional risks in stock investing, but the opportunity to achieve long-term growth with a higher allocation to equities is worth serious consideration (9 points)
4. I understand the risks, but recognize there are growth opportunities in stock markets, and would like to maximize those opportunities (12 points)

6. Given the volatility of the capital markets, your account value will fluctuate over time. The three choices below show potential account value ranges after a three year investment period. If you were to invest $50,000, which portfolio would you select?

1. Account value range of $48,000 - $53,000 (2 points)
2. Account value range of $45,000 - $58,000 (6 points)
3. Account value range of $40,000 - $60,000 (10 points)

Total points: __________________________
Take your total points from the questionnaire and look for the profile that best describes you.

<table>
<thead>
<tr>
<th></th>
<th>Conservative</th>
<th>Moderately Conservative</th>
<th>Moderate</th>
<th>Moderately Aggressive</th>
<th>Aggressive</th>
</tr>
</thead>
<tbody>
<tr>
<td>Capital preservation</td>
<td>30%</td>
<td>17%</td>
<td>12%</td>
<td>7%</td>
<td>3%</td>
</tr>
<tr>
<td>Bonds</td>
<td>40%</td>
<td>38%</td>
<td>28%</td>
<td>18%</td>
<td>7%</td>
</tr>
<tr>
<td>Large-cap</td>
<td>16%</td>
<td>23%</td>
<td>30%</td>
<td>37%</td>
<td>44%</td>
</tr>
<tr>
<td>Small/Mid-cap</td>
<td>5%</td>
<td>8%</td>
<td>11%</td>
<td>14%</td>
<td>16%</td>
</tr>
<tr>
<td>International</td>
<td>9%</td>
<td>14%</td>
<td>19%</td>
<td>24%</td>
<td>30%</td>
</tr>
</tbody>
</table>

Note: In the Asset Allocation Tool on NYSDCP.com, Small-Cap and Mid-Cap are listed separately.

Take your total points from the questionnaire and look for the profile that best describes you.

- **0 – 16 = Conservative**
  - Designed for an investor with a low risk tolerance and/or a short time horizon. It is targeted toward the investor seeking stability and whose main objective is to preserve capital while providing income. Fluctuations in the value of these portfolios are minor.

- **17 – 26 = Moderately Conservative**
  - Appropriate for an investor who seeks both modest investment value increases and income from his/her portfolio. This investor will have either a moderate time horizon or a slightly higher risk tolerance than someone who chooses a Conservative profile.

- **27 – 39 = Moderate**
  - Best suits an investor who seeks relatively stable growth and a low level of income. The investor will have a higher tolerance for risk and/or a longer time horizon than a conservative or moderately conservative investor. The main objective is to limit fluctuations to less than those of the overall stock market.

- **40 – 57 = Moderately Aggressive**
  - Designed for an investor with a high tolerance for risk and a longer time horizon. This investor has little need for current income and seeks above-average growth from his/her investable assets.

- **58 – 78 = Aggressive**
  - Appropriate for an investor with both a high tolerance for risk and a long time horizon. The main objective of this portfolio is to provide high growth without providing current income.

The Asset Allocation Tool presented is available through a license agreement between Wilshire Associates and Nationwide. Its sole purpose is to assist you in determining your general attitudes towards investment risk. This questionnaire does not consider all factors necessary in making an investment decision (e.g., personal and financial information and investment objective). In no way should this questionnaire be viewed as investment advice or establishing any kind of advisory relationship with Wilshire Associates. Wilshire Associates does not endorse and/or recommend any specific financial product that may be used in conjunction with the asset allocation models that are presented. Please consult with your financial professional and obtain the financial product’s prospectus (or its equivalent) and read it carefully prior to investing.
Find Answers About the New York State Deferred Compensation Plan

These Plan highlights are designed to answer questions you may have about the Plan.

About Your Deferred Compensation Plan

What is the Deferred Compensation Plan?

The New York State Deferred Compensation Plan is a tax-advantaged voluntary retirement savings program, created by federal and state law, that permits government employees to defer up to 100% of compensation after any required salary deductions (such as retirement system contributions, Social Security and Medicare taxes, health plan premiums, union dues, etc.), but not more than $19,500. The amount saved is not subject to current federal or New York State income taxes and earnings accumulate tax-deferred until the amounts are distributed, generally during retirement.

You may choose to make pre-tax contributions, after-tax Roth contributions, or a combination of both. The advantages and disadvantages of making pre-tax and after-tax contributions is discussed in the next few paragraphs and over the following pages.

How does Plan participation work?

As a participant of the New York State Deferred Compensation Plan, you can contribute a portion of your salary through payroll deduction before federal and New York State income taxes are calculated. That gives you less taxable income and, therefore, lower current income taxes and more dollars for you. At the same time, you are building retirement savings for your future. Here is a comparison of how “Before-Tax Deferrals” works:

Suppose you earn $1,600 per pay period. And, let us assume you would like to contribute 3% per pay period ($48) to the DCP. Instead of withholding taxes based on $1,600, your employer would calculate your income tax withholding based on $1,552 because your $48 contribution to the Deferred Compensation Plan is not subject to current federal or New York State income tax withholding. Thus, at the end of the year, your IRS Form W-2 will reflect $40,352 of taxable wages, rather than $41,600.

<table>
<thead>
<tr>
<th></th>
<th>After-Tax Savings</th>
<th>Before-Tax Deferrals</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gross Bi-Weekly Salary</td>
<td>$ 1,600</td>
<td>$ 1,600</td>
</tr>
<tr>
<td>DCP Contribution</td>
<td>$ 0</td>
<td>$ 48</td>
</tr>
<tr>
<td>Taxable Income</td>
<td>$ 1,600</td>
<td>$ 1,552</td>
</tr>
<tr>
<td>Social Security</td>
<td>$ 123</td>
<td>$ 123</td>
</tr>
<tr>
<td>Federal Income Tax</td>
<td>$ 208</td>
<td>$ 193</td>
</tr>
<tr>
<td>N. Y. State Income Tax</td>
<td>$ 73</td>
<td>$ 70</td>
</tr>
<tr>
<td>Regular Savings</td>
<td>$ 30</td>
<td>$ 0</td>
</tr>
<tr>
<td>Take-Home Pay</td>
<td>$ 1,166</td>
<td>$ 1,166</td>
</tr>
</tbody>
</table>

This illustration assumes 2012 FICA, federal, and New York State income tax withholding for a single person who claims one withholding allowance.
### How does Plan participation work? (Continued)

Some investors prefer the benefits of electing the Roth 457(b) option, which allow after-tax contributions now in exchange for tax-free withdrawals in retirement. If you designate all deferrals as Roth 457(b) contributions, the effect to your paycheck would be the same as in the "After-Tax Savings" column on the previous page.

### How does Roth 457(b) work?

When you designate deferrals as Roth 457(b) contributions, you pay taxes on each contribution, but withdrawals of contributions and earnings can be tax-free if the distribution is made:

- after five years or more after the January 1 of the first year a contribution was made to the Plans' Roth 457(b) account; and
- after age 59½, or because of death, or disability.

If you wish, you can split your deferrals between pre-tax 457(b) contributions and Roth 457(b) contributions.

### Am I still eligible for a traditional Individual Retirement Account deduction?

Participation in the Deferred Compensation Plan does not affect your eligibility for a traditional IRA deduction. However, if either you or your spouse is an active participant in a tax-qualified retirement plan, including the New York State Employees’ Retirement System, you are eligible for a full IRA deduction only if your adjusted gross income is less than an amount described in federal law.

### Does making pre-tax or after-tax contributions to the New York State Deferred Compensation Plan affect my eligibility for a Roth IRA?

No, participation in the Plan does not limit your eligibility for a Roth IRA. Roth IRA contributions are not deductible for federal income tax purposes.

### Do deferrals affect my Social Security taxes or pension contributions?

No, your Social Security taxes and pension contributions, if any, will be calculated on the basis of your gross wages, before any contributions you may make to the Plan.
## Contributions, Investing Contributions, and Special Circumstances

<table>
<thead>
<tr>
<th>Question</th>
<th>Answer</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>How much may I contribute from my paycheck?</strong></td>
<td>You may contribute from 1% of your compensation (but not less than $10 per pay period) up to 100% of your includible compensation after any required salary deductions (such as retirement system contributions, Social Security and Medicare taxes, health plan premiums, union dues, etc.), but not more than $19,500.</td>
</tr>
<tr>
<td><strong>May I change the amount I contribute to the Plan?</strong></td>
<td>Yes. You may increase, decrease, or suspend your contributions by calling the HELPLINE at 1-800-422-8463 or through the Account Access section of the Plan’s Web site (<a href="http://www.nysdcp.com">www.nysdcp.com</a>) and selecting Deferral Change, or by completing a Deferral Change form. All changes will be implemented as quickly as administratively possible. However, because of payroll timeframes, your deferral change may not occur for up to two payrolls.</td>
</tr>
<tr>
<td><strong>What if I start contributing to the Plan in the middle of the year at a rate designed to result in a maximum contribution by year-end, but which if made for a full year would result in excess contributions?</strong></td>
<td>Your deferral rate will not be changed until you inform the Plan. If you want your deferrals taken more evenly throughout the year, you should adjust your deferral percentage. This can be done by calling the HELPLINE at 1-800-422-8463 or by accessing <a href="http://www.nysdcp.com">www.nysdcp.com</a>. Otherwise, your deferral rate will remain the same and payroll reductions will be automatically stopped when you reach your maximum contribution level. However, it is your responsibility to monitor the total contribution.</td>
</tr>
<tr>
<td><strong>What if I have not contributed to the Plan for a while and have decided not to contribute in the future?</strong></td>
<td>You may keep your contributions in the Plan and continue to build savings for retirement. However, you may withdraw all or a part of your Plan account balance if your account balance is less than $5,000, exclusive of any assets you may have in a rollover account, AND you have not contributed to the Plan in the last two years AND have not used this Plan provision before.</td>
</tr>
<tr>
<td><strong>Are there situations that let me contribute more under the Plan?</strong></td>
<td>Yes, there are three ways you can contribute more to the Plan than the regular contribution limits would allow.</td>
</tr>
<tr>
<td><strong>Age 50 and Over.</strong></td>
<td>You are eligible to contribute an additional $6,500 in the year you attain age 50 and every year thereafter, except the years in which you are making Retirement Catch-Up contributions. However, if the maximum deferral permitted under the Age 50 and Over Catch-Up provision is greater than your Retirement Catch-Up amount discussed in the next paragraph, you may make deferrals up to the Age 50 and Over Catch-Up maximum deferral.</td>
</tr>
<tr>
<td><strong>Retirement Catch-up.</strong></td>
<td>You may make &quot;catch-up&quot; contributions during the three consecutive years prior to the year you reach your Retirement Catch-up Age — an age you choose that is no earlier than the year in which you may retire without a reduction in benefits under your employer’s retirement plan and no later than the year in which you reach age 70½. If you are a police officer or a firefighter, your Retirement Catch-Up Age may be no earlier than age 40. The amount you may contribute through the Retirement Catch-Up provision is the difference between the amounts you were eligible to contribute while an employee of the State or a participating employer and your actual contributions to the Plan. Assistance may be required to determine the exact amount you are permitted to contribute under this special Retirement Catch-Up rule.</td>
</tr>
<tr>
<td><strong>Military on Active Duty.</strong></td>
<td>If you return to your employer after a period of qualified military service, you will have a limited right to make up contributions to the Plan that you could have made if you had been working for your regular employer.</td>
</tr>
</tbody>
</table>
When do I pay income taxes on my pre-tax contributions and their earnings (if any)?

When you receive your benefit payments from the Plan, your benefit payments will be subject to federal income taxes as ordinary income. The payment of state income taxes will depend on your state of residence when you are receiving benefits from your Plan account. New York State residents who are at least age 59½ are eligible for a state income tax deduction of up to $20,000 annually on benefit payments received from the Plan.

Are Plan benefit payments taxable to New York State residents?

The payment of state income tax will depend on your state of residence when you are receiving benefits from your Plan account. New York State residents who are at least age 59½ and take payments over at least two calendar years are eligible for a state income tax deduction of up to $20,000 each calendar year on distributions received from the Plan. This exemption includes benefit payments from the Plan after January 1, 2002 and is applied to the total amount of pension and annuity benefits received by the individual.

What is the federal income tax saver’s credit and who is eligible to receive it?

Low and moderate income savers who defer part of their salary to the Plan may be eligible for an income tax credit against their federal income tax. Tax credits are valuable since they reduce your tax liability dollar for dollar. This credit is claimed on the Participant’s federal income tax return and applies to the first $2,000 that is deferred. For more information about how the Saver’s Credit may apply to your situation, please call the HELPLINE at 1-800-422-8463.

What happens to the money that is withheld from my paycheck?

When you become a participant in the Plan, you will select how you want your contributions to be invested. More complete information can be found in the inserts which are included with this Enrollment Kit. You should carefully read any prospectus and other relevant investment information before you select your Plan investment options.

May I split my contributions among the different investment options?

Yes. You may allocate your contributions in whole percentages among the various Plan investment options.

How do I exchange or reallocate amounts from one investment option to another?

You may exchange existing balances from one Plan investment option to another, depending on restrictions imposed by the Plan. All exchange requests received prior to the close of the NYSE (normally 4 p.m. ET) will be processed at that day’s closing price. Exchanges may be initiated by calling the HELPLINE at 1-800-422-8463 and accessing the VRU or by speaking to a HELPLINE Representative, or through the Account Access section of www.nysdcp.com.

What happens to my Plan account if I am married and at some point get divorced?

If under a court’s decision or agreement, your former spouse has an interest in some or all of your Plan account, a Qualified Domestic Relations Order (QDRO) will need to be filed with the Plan. The QDRO will allow a segregated account to be set up for your former spouse. He or she may elect a lump sum distribution of these options as soon as practicable after the account is established, or defer distribution until the participant separates from service or becomes age 50, whichever is earlier.
What if I take a job with another employer?

If you leave state employment or your position with a participating employer, you have several options:

- You may receive payment of your Plan account through any of the payment options that are explained in the Benefit Distribution Request Form.
- You may continue to maintain your account with the Plan. Doing so will allow you to enjoy all the benefits of Plan participation including numerous investment options, tax-deferred growth of assets, and low fees.
- You may transfer all or a portion of your Plan account balance to your new employer’s Section 457(b) eligible deferred compensation plan (if available), as long as the plan will accept the transfer.
- You may roll all or a portion of your Plan account balance to your new employer’s 401(k) or 403(b) plan, as long as the plan will accept the transfer. Please note, the tax consequences, distribution options, investment options, and participation costs in a 403(b) or 401(k) plan may differ from the New York State Deferred Compensation Plan. You are encouraged to examine the requirements and limitations of any plan to which you may contemplate rolling over your Plan account balance.
- You may transfer your Plan account balance to an Individual Retirement Account. Again, you are encouraged to examine the tax consequences, distribution options, investment options, and participation costs associated with this option prior to transferring your Plan account balance.

Can I roll assets from another retirement plan to my NYSDCP account(s)?

Yes, you can. Assets that you have in another qualified retirement plan, such as a 401(k) or 403(b) plan, an Individual Retirement Account, or another deferred compensation plan may be rolled over to the New York State Deferred Compensation Plan. The direct rollover of assets from another qualified retirement plan to the Plan is not an action that will result in the imposition of federal or state income taxes at the time of the transfer. Assets will be subject to federal and state income taxes upon distribution. Assets rolled to the Plan from another qualified retirement plan will be invested in the Plan’s investment options that you designate.

Are assets that are rolled into the Plan available to me prior to separation from service with my public employer?

Yes. Assets rolled into the Plan from another qualified retirement plan, other than assets rolled in from another deferred compensation plan, are separately accounted and, therefore, may be paid to you prior to your separation from public employment. Qualified retirement plans, deferred compensation plans, and individual retirement accounts are all different, including fees and when you can access options. Assets rolled over from your account(s) may be subject to surrender charges, other fees and/or an additional 10% early withdrawal tax if withdrawn before age 59½. Neither NYSDCP nor any of its representatives give legal or tax advice.
Receiving Your Benefits and Plan Loan Provisions

**When may benefit payments be made from the Plan?**

You are eligible to receive the distributions from your Plan account under the following circumstances.

1. Separation from service, including regular retirement.
2. Attainment of age 72, even if you continue to work.
3. An unforeseeable financial emergency.
4. Small Inactive Account provision. If your Plan account balance is no more than $5,000, excluding any assets that you may have in a rollover account, AND you have not contributed to the Plan in the last two years AND you have not received a distribution under this provision before, then a Small Inactive Account withdrawal is allowed but limited to $5,000 and may be used only once.
5. Death.
6. Employees who are absent from employment for qualifying active military service. No deferrals are allowed until six months after the most recent distribution.

To initiate a benefit payout for any of the reasons above, call the HELPLINE at 1-800-422-8463, so that a Representative can assist you.

**When may I receive my benefits after I retire or separate from service?**

Once you have a severance from employment and the Plan receives a termination of employment notice, you will be permitted to take a distribution immediately after leaving employment as long as a balance of $500 remains in the account for 45 days after a severance from employment.

Withdrawals for an unforeseeable financial emergency, from a Small Inactive Account, or to a participant absent from employment for qualifying military service are paid in a single lump sum payment.

**How may I receive my benefits?**

You may receive benefits under the other eligible circumstances in numerous ways. You may take a one-time full withdrawal of your Plan account; establish a regular periodic payment of benefits to be paid monthly, quarterly, semi-annually or annually; take a partial withdrawal of your Plan account followed by monthly, quarterly, semi-annual or annual payments; or defer receiving your benefits to a later date. As long as there is a balance in your account, you may change your benefit payment option. You also have the ability each year to take up to 12 partial lump sum payments of at least $100 per payment throughout your payment period when you need additional funds.

Periodic benefit payments may be paid to you as a fixed dollar amount or over a fixed period of time. If you elect to receive your benefits over a fixed period of time, the amount of each installment payment will take into account the investment performance of the option or options in which your Plan account was invested, and, therefore, may change with each payment. The amount remaining in your Plan account will remain invested in the option or options you select. You continue to have the same rights to exchange assets (transfer) among Plan investment options. You may elect to receive your installment or partial lump sum payments in the form of a check or an automatic electronic transfer to your bank account. The minimum periodic payment is $100.
How are distributions paid from my account?

Distributions are taken pro-rata from all the investments in your Plan account. However, you may direct the Plan to take distributions only from your assets in the Stable Income Fund.

When must I choose my distribution option?

You are not required to make a decision when you leave employment, however, and may defer receiving benefit payments until you are age 72. If you choose to defer payments, you will continue to have the opportunity to accumulate tax-deferred earnings until benefits are paid to you.

Is there a time when I must withdraw money from my NYSDCP account(s)?

If you have separated from service with New York State or a participating employer, you must begin receiving payments from your account no later than April 1 following the close of the calendar year in which you attain age 72. Of course, you may begin receiving payments sooner, if you wish, as long as you have terminated employment. While the “72 rule” does not apply to Roth IRAs, it does apply to Roth 457(b) accounts.

What happens if I am still employed at age 72?

If you remain employed with New York State or a participating employer after you are age 72, you may elect to receive your Plan benefits while you are employed or continue to defer benefit payments until you retire. You may continue to defer benefit payments only from the plan maintained by your current employer. If you decide to receive your Plan benefits, you may elect any of the distribution options previously discussed.

What happens if I die after I begin receiving benefit payments?

If your account has not been fully paid to you prior to your death, the amount remaining will be paid to your named beneficiary. If you do not name a beneficiary, the amount remaining will be paid to your spouse. If you do not have a surviving spouse, the amount will be paid to your estate. The date when a beneficiary may or must begin to receive benefit payments and the maximum period over which benefit payments may be made depends on several factors. Beneficiaries should contact the HELPLINE at 1-800-422-8463 for help in determining the benefit options available to them.

Do deferred compensation benefits reduce Social Security benefits?

No. Your Social Security benefits will not be reduced because of your participation in or your benefits from the Deferred Compensation Plan.

What is “separation from service”?

Separation from service occurs because of your voluntary or involuntary termination from employment, retirement, or death. A leave of absence or suspension from employment is not a separation from service. You will be deemed to have separated from service during any period you perform service in the uniformed services.
**What is an “unforeseeable financial emergency”?**

Federal regulations define an unforeseeable financial emergency as a severe financial hardship resulting from either illness, accident, or property loss to you, your dependents, or designated beneficiary resulting from circumstances beyond your control. Payments can only be made to the extent that the hardship expenses are not covered by insurance or money available from other sources. It is recommended that you speak to a HELPLINE Representative who can assist you to determine whether your situation is likely to qualify for an Unforeseeable Emergency Withdrawal. The process prescribed by law to qualify for an Emergency Withdrawal request is as follows:

**Step One:** You must complete the Unforeseeable Emergency Withdrawal form which is available on the Plan’s Web site or may be requested through the HELPLINE at 1-800-422-8463.

**Step Two:** You must prove that you have used other available savings and liquid assets and any insurance to satisfy the emergency.

**Step Three:** You must submit proof that you have incurred this immediate and heavy financial need which was unforeseeable.

**Step Four:** The Plan’s Administrative Service Agency will determine whether each request complies with the unforeseeable emergency withdrawal guidelines.

**Step Five:** Your request may be approved for up to the amount necessary to satisfy the financial emergency. Since upon distribution you must pay the applicable income taxes, the amount withdrawn to cover the emergency will be a sum that, when reduced by an estimate of such taxes, will leave you with the dollars needed to pay for the emergency.

Usually, a decision on the approval/denial of your Unforeseeable Emergency Withdrawal request will be made within one week of your submission of all the required paperwork, although the Plan allows for up to 60 days. If approved, the amount requested is normally sent to you within two business days, but the Plan allows for up to 30 days for a distribution.

**Can I take a loan against my Plan account balance?**

Yes, the Plan permits loans to participants who are currently employed by the State or a participating employer or who are on an approved leave of absence. The loan cannot exceed the lesser of 50% of your Plan account balance or $50,000 (coordinated with other employer plan loans). A participant may only have one (1) loan outstanding at any time.

Loans for general purposes must be repaid, with interest, within five years. The repayment schedule may be extended to up to 15 years if the loan is for the purchase of a primary residence. The interest rate is the prime rate, as published in the Wall Street Journal, plus 1%. Loan repayments are automatically deducted from your checking or savings account and deposited in your Plan account according to your most recent investment allocation.

You should carefully examine your financial options and/or consult with a financial planner or tax advisor before taking a loan against your Plan account. Please contact the HELPLINE for additional information about the loan program, including the loan origination fee, and insufficient fund and default fee.

Loans that are not repaid in accordance with the repayment schedule will be considered in default and treated as a deemed distribution which will be subject to federal and state income taxes. For more information regarding treatment of defaulted Plan loans, see the Loan Program Highlights brochure or call the HELPLINE.
Can I withdraw my Plan account if I stop contributing?

You may be able to take advantage of a one-time Small Inactive Account provision to withdraw your Plan account balance if you meet the following requirements:

• You are still working for your employer.
• You have a Plan account balance of less than $5,000 excluding any assets you may have in a rollover account; AND
• You have not contributed at any time in the last two years; AND
• You have not used this provision before.

Special Provisions For Military Personnel

Participants who are absent from employment due to qualified active duty military service and receive differential wage payments are treated as active employees for the purpose of participation in the Plan. This means that differential wage payments are treated as compensation that is eligible for deferral to the Plan.

Participants who are absent from employment for qualified active duty military service are treated as having separated from service for the purpose of being allowed to take a distribution(s) from their Plan account. It is important to note that a participant who elects to receive such a distribution may not make any additional deferrals to the Plan for a period of six months after the most recent distribution.

Enrolling in the Plan

How do I enroll in the Plan?

Enrolling in the Deferred Compensation Plan is one of the most important decisions you can make while working for New York State or a participating employer. An Enrollment Form is included in this Enrollment Kit. You may receive enrollment assistance by calling the HELPLINE at 1-800-422-8463 or meeting with an Account Executive.

Once you’ve completed the forms, just mail them to:

New York State Deferred Compensation Plan
Administrative Service Agency
PO Box 182797
Columbus, OH 43218-2797

Your enrollment application will be processed by the Administrative Service Agency upon receipt. Payroll deductions will be implemented as quickly as administratively possible. Because of payroll timeframes, your deferral change may not occur for up to two payroll periods.

When will my payroll deductions start?

What is the payment of Mutual Fund Reimbursements to Participants?

All administrative mutual fund reimbursements paid to the Plan will be credited to the participants who are invested in the mutual fund that pays the reimbursement on the day the reimbursement is received, and credited to their accounts as soon as administratively feasible. The Plan cautions participants to select their investment options for reasons other than the availability of reimbursements. Funds that do not pay administrative reimbursements generally have lower expenses. A chart of the anticipated reimbursement rates is available in the enclosed Guide to Investment Options, Fees and Exchange Provisions.
**What is the administrative fee associated with the Plan?**

Every participant receives many Plan services that are paid from Plan revenues including participant administrative fees and interest on Plan trust accounts. The Plan does not receive financial support from the State or any of the local governments that participate in the Plan. Transparency and uniformity are the two essential elements of the fee structure. Uniformity requires that participants with similar asset balances pay the same fee for the Plan services provided. Transparency means that it is easy for a participant to see and understand the fees they are paying. The Board has always insisted that Plan participants have easy access to fee information and that there be no “hidden” fees.

The administrative fee is a combination of a $20 participant account annual fee, paid in two $10 semiannual installments, and an asset-based fee calculated on a percentage (expressed in basis points) of the participant’s account balance. A basis point is equal to one one-hundredth of one percent. The asset-based fee will be charged only on accounts with balances in excess of $20,000. Account assets subject to the asset-based fee are capped at $200,000. These fees are subject to change. Please refer to the Plan Web site or the HELPLINE for updated fee information. These fees are deducted from participant’s accounts in April and October of each year. Fees are deducted prorata from each of the participant’s investment options. Although included in the calculation of total fees, deductions will not be taken from outstanding loan balances or the Schwab PCRA Self Directed Investment Account.

The administrative costs for participating in the Plan are low when compared to other public employer-sponsored deferred compensation plans throughout the country. The Board has and will continue to control Plan expenses and maximize value to participants.

You pay no sales charges on the investment options. However, each of the options offered by the Plan charges an operating expense that is deducted directly from the option’s daily price. These fees vary based on the option selected. For a more complete description, please refer to the particular prospectus, fact sheet or the Guide to Investment Options, Fees and Exchange Provisions.

**How do I keep track of my Plan Account?**

There are a few choices for you to track your account information. Once enrolled you will begin receiving email notifications when your quarterly account statements are available online, including your account balances and investment options performance information. Or, you may choose to receive printed statements mailed to your address of record.

Second, you may call the Plan’s HELPLINE to obtain Plan account information through the automated Voice Response Unit (VRU). Frequently requested Plan account information is available directly from the VRU 24 hours per day. All you need is your Social Security number and Personal Identification Number (PIN) to access the VRU.

You can also access your account information through the Web site. Your Social Security number and birth date are all you need to set-up online account access. You may change your User Name on the Web site after you have created your online account access.
Plan Services

The New York State Deferred Compensation Plan has developed a comprehensive range of services to meet your needs. Here are some of the services provided:

**Toll-Free HELPLINE**

Personalized assistance is available when enrolling in the Plan and on an ongoing basis for answers to questions about your Plan account, making changes to your Plan account, and understanding your distribution options upon separation from service.

**Automated Voice Response Unit (VRU)**

The VRU is available 24 hours a day, 365 days a year, and allows you to obtain basic account information, make changes to your Plan account, and much more.

**Quarterly Plan Account Statement**

Each quarter you will receive a statement detailing your Plan account balance and all transactions that took place during the quarter.

**Quarterly Plan Newsletter**

Along with your quarterly Plan account statement, you will receive a newsletter that will inform you of recent Plan changes or enhancements, provide you with articles on planning for retirement, and much more.

**eDelivery Notifications of Quarterly Statement and Newsletter**

You may now elect to discontinue receiving paper statements in the mail and access your statements through the Plan Web site. When you “go paperless”, you receive an email reminder when your quarterly statement is available. Electing paperless statements offers the following benefits:

- Quick and easy setup
- Electronic availability of everything you currently receive by mail
- Reduced clutter
- Ability to help the environment in an easy way
- The ability to switch back to paper statements at any time

**Internet Access to Your Plan Account**

The Plan Web site, www.nysdcp.com, is designed to provide you with information about the Plan and your Plan account. You can access basic account information, information about Plan investment options, forms, calculators, and more.

**Statewide Account Executives**

The Plan has Account Executives who serve participants throughout the state. They are available to provide seminars and answer any questions you may have about the Plan.

**Statewide Seminars**

The Plan’s Account Executives offer seminars explaining the Plan throughout the state on an ongoing basis.

If you have any questions about the Plan, please call the toll-free HELPLINE at 1-800-422-8463.

While this kit is an overview of the Plan, the official Plan Document controls in the case of conflict or ambiguity. A copy of the official Plan document may be obtained from the Plan Web site or by calling the HELPLINE.

This kit contains information about the Plan and should be retained along with your quarterly Plan account statements for future reference. This information explains the Plan and the federal and New York State laws and regulations as in effect when this material was prepared for printing. These laws and regulations may change. Neither the New York State Deferred Compensation Board nor the Plan’s Administrative Service Agency gives any legal or tax advice. If you need tax advice, consult your lawyer or accountant. If you need legal advice, consult your lawyer.
Accessing account information and getting help is easy

Take a look at the information below and then get started by taking the enrollment forms from the back pocket and fill them out.

**HELPLINE — Phone access 24 hours a day, 7 days a week!**

When you call the HELPLINE at 1-800-422-8463, you will be asked to enter your Account Number, followed by a four-digit Personal Identification Number (PIN). The first time you access the voice response system, enter your birth date as your temporary PIN (e.g., if your birth date is February 15, 1952 enter 02151952). Next you will be asked to enter a four-digit number that will become your PIN.

**Call 1-800-422-8463**

The following is a guide to the menu functions of the HELPLINE IVR:

1. For account information
   - For account balances
     - For a Breakdown by Investment Option
     - For Account Balance for a specific option
     - Optional – Breakdown by Money Source
   - Optional – SDO Balance
   - Optional – Loan Balance
   - Work with another account

2. For number of units or shares and prices of options in which you are invested
   - Current day values
   - Prior day values

3. To hear your current contribution and how it’s being directed

In addition, the following are special keys that will help you navigate through the HELPLINE and can be used at any time and anywhere within this system by pressing the following:

- * To return to the previous menu
- + To replay a prompt
- * To transfer to a HELPLINE Representative—available 8 a.m. until 11 p.m. Monday through Friday and 9 a.m. until 6 p.m. on Saturdays, except holidays
Easy Web Access—
24 hours a day, 7 days a week!

You can get more information about your account at www.nysdcp.com. To login to your account:

- Go to www.nysdcp.com
- Click the “Setup An Online Account” or “New User Setup” button and follow the easy steps (you may change your username after you have created your online access)

You can view and make changes to your account, make deferral/allocation changes, make option exchanges, view pricing and performance of your options, and make changes to your personal information and password. You can also access helpful planning tools such as a future value account estimator, a paycheck impact calculator, a retirement savings calculator, and an asset allocation tool.

Administrative Service Agency
Mailing Address
For more questions about your individual account or to send any completed forms, please write to:

New York State Deferred Compensation Plan
Administrative Service Agency
PO Box 182797
Columbus, OH 43218-2797

Phone
Toll Free 1-800-422-8463
Available 24 hours a day. Personal assistance is available 8 a.m. to 11 p.m. Monday through Friday and 9 a.m. to 6 p.m. on Saturdays, except holidays.

TTY/TDD services are available toll free 1-800-514-2447 — 24 hours a day.

Web Site
www.nysdcp.com

New York State Deferred Compensation Board
1450 Western Ave.
Suite 103
Albany, NY 12203

The New York State Deferred Compensation Plan does not discriminate on the basis of disability in the provision of service or employment. If you need this material interpreted in a different form or if you need assistance using it, contact us at 1-800-422-8463.

Investment Option Identification Numbers

When requesting transactions or specific investment option information through the HELPLINE, you will be requested to input a three or four digit number that has been assigned to each of the Plan investment options. These numbers are provided below.

<table>
<thead>
<tr>
<th>OPTION NAME</th>
<th>NUMBER</th>
</tr>
</thead>
<tbody>
<tr>
<td>Do It For Me T. Rowe Price Retirement Date Trusts</td>
<td></td>
</tr>
<tr>
<td>2010</td>
<td>2016</td>
</tr>
<tr>
<td>2015</td>
<td>2017</td>
</tr>
<tr>
<td>2020</td>
<td>2018</td>
</tr>
<tr>
<td>2025</td>
<td>2019</td>
</tr>
<tr>
<td>2030</td>
<td>2020</td>
</tr>
<tr>
<td>2035</td>
<td>2021</td>
</tr>
<tr>
<td>2040</td>
<td>2022</td>
</tr>
<tr>
<td>2045</td>
<td>2023</td>
</tr>
<tr>
<td>2050</td>
<td>2024</td>
</tr>
<tr>
<td>2055</td>
<td>2025</td>
</tr>
<tr>
<td>2060</td>
<td>2026</td>
</tr>
</tbody>
</table>

Do It Yourself Core Investment Options

<table>
<thead>
<tr>
<th>OPTION NAME</th>
<th>NUMBER</th>
</tr>
</thead>
<tbody>
<tr>
<td>Stable Income Fund</td>
<td>2756</td>
</tr>
<tr>
<td>NYSDCB U.S. Debt Index Unitized Account</td>
<td>1788</td>
</tr>
<tr>
<td>Voya Core Plus Trust Fund</td>
<td>1794</td>
</tr>
<tr>
<td>Vanguard Wellington - Admiral</td>
<td>8957</td>
</tr>
<tr>
<td>NYSDCB Equity Index Unitized Account</td>
<td>1789</td>
</tr>
<tr>
<td>Boston Partners Large-Cap Value Equity Fund</td>
<td>1787</td>
</tr>
<tr>
<td>T. Rowe Price Equity Income Trust</td>
<td>1791</td>
</tr>
<tr>
<td>Vanguard PRIMECAP Fund - Admiral</td>
<td>2765</td>
</tr>
<tr>
<td>T. Rowe Price Blue Chip Growth Trust</td>
<td>2015</td>
</tr>
<tr>
<td>NYSDCB Russell 2500 Index Unitized Account</td>
<td>1790</td>
</tr>
<tr>
<td>Vanguard Strategic Equity Fund Investor Shares</td>
<td>653</td>
</tr>
<tr>
<td>Delaware Small-Cap Value Fund - Institutional</td>
<td>1692</td>
</tr>
<tr>
<td>T Rowe Price QM U.S. Small-Cap Growth Equity Fund I Class</td>
<td>1793</td>
</tr>
<tr>
<td>International Equity Fund - Active Portfolio</td>
<td>5025</td>
</tr>
<tr>
<td>International Equity Fund - Index Portfolio</td>
<td>5030</td>
</tr>
<tr>
<td>MSIF Emerging Markets Portfolio - Institutional</td>
<td>1458</td>
</tr>
</tbody>
</table>

Specialty Options

<table>
<thead>
<tr>
<th>OPTION NAME</th>
<th>NUMBER</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pax Global Environmental Markets Fund - Institutional</td>
<td>1963</td>
</tr>
<tr>
<td>(Mutual Fund, PGINX)</td>
<td></td>
</tr>
<tr>
<td>Fidelity OTC - K Shares (Mutual Fund, FOCKX)</td>
<td>1974</td>
</tr>
</tbody>
</table>

Fund prospectuses can be obtained by calling 1-800-422-8463. Before investing, carefully consider the fund’s investment objectives, risks, and charges and expenses. The fund prospectus contains this and other important information. Read the prospectuses carefully before investing.

There is no prospectus for CITs and Custom Funds because these options are not mutual funds. You may obtain a fact sheet on each of these options from the HELPLINE at 1-800-422-8463 or our Web site at www.nysdcp.com.
Ready to Enroll?

- Enrollment Form
- Newsletter
- Investment Performance Report (IPR)
- Business Reply Envelope