



Dear Participants,

What matters most...

Of course, our health and family are most likely the things that matter most. But what about growing your Plan account?

We may spend lots of time choosing our Plan investments, whether to make pre-tax or Roth contributions or any number of other decisions. However, it could be said that the most important factor in building your Plan account balance is how much and how early you contribute. That's not to say that having an appropriate asset allocation isn't important — it is — but the returns generated mean less if they are applied to smaller-than-desired account balances.

Many of us are contributing all that we can reasonably afford and should be proud that we are making good financial decisions for our future. In light of the new year just beginning a few weeks ago, we can ask ourselves how many of our resolutions we are working on. If you can afford to increase your contributions, it isn't too late to make another resolution that you can act on right now. Have questions on how to do this? Call the HELPLINE or your Account Executive at 1-800-422-8463.



Increased contribution limits for 2020

Read more about what it means for you in this newsletter.



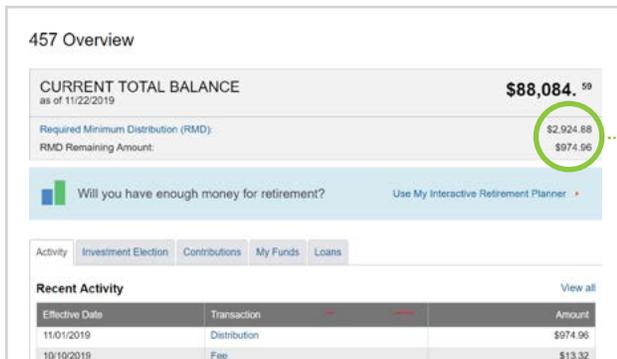
Diana Jones Ritter

Blake G. Washington

David J. Natoli

Based on your feedback, we've introduced two enhancements

1 For our participants who must take a required minimum distribution (RMD) each year, the Plan's website now provides the RMD amount and any amount remaining to satisfy the requirement. This information is displayed on your homepage after you log in to your Plan account.



2 The Plan now sends an email when a distribution request is received and a second email when the distribution has been processed. The confirmations are sent to the email addresses on file with the Plan's recordkeeper.

Participants can discontinue the emails or change their email address on file by contacting the HELPLINE at 1-800-422-8463.

Your RMD with remaining amounts will be displayed on the main page when you access your account.

Other enhancement coming soon: Account Lock

One of the fastest-growing areas of crime involves fraudulent attempts to obtain retirement distributions. Within the financial industry, there are ten new fraud attempts every second.¹ In fact, fraud cost individuals nearly \$1.48 billion in 2019.²

The Plan employs state-of-the-art technology, people and processes to catch and combat fraud, but participants can play an important role, too.

Account Lock is an optional service designed to stop unauthorized distributions before they start. When you request this extra level of account security, your Plan account will not allow distributions unless and until you unlock it. You will receive a notification every time a distribution is requested so that you can alert other financial institutions that a threat has been detected.

¹ "Life Annuities and Retirement Services: New Targets for Account Takeover," LexisNexis ThreatMetrix (March 2018).

² "Consumer Sentinel Network Data Book 2018," Federal Trade Commission (February 28, 2019).



Account Lock will become available in early 2020.

For more information, contact your Account Executive or call the HELPLINE at 1-800-422-8463.



Revisit your goals and investment strategy annually



Bluebird, what are you writing?

I'm making my New Year's resolutions.

Good idea, Bluebird. I hope you put retirement planning on that list.

What do you mean?

A new year offers the opportunity to review whether you're on track to achieve your goals and to explore how you can make the most of your Plan participation.

A great way to start is to ask your Account Executive for an annual review.

Way ahead of you, Owl. I've already called the HELPLINE to schedule an appointment.

To request an account review, contact your Account Executive or call the HELPLINE at 1-800-422-8463.

Investing involves market risk, including possible loss of principal. No investment strategy or program can guarantee to make a profit or avoid loss. Actual results will vary depending on your investment and market experience. Account Executives cannot offer investment, tax or legal advice. You should consult your own counsel before making retirement plan decisions.

Now may be a good time to refresh your retirement account

The beginning of a new year can be a time for renewal, not only in life but also with retirement saving through the Plan. A good place to start may be account rebalancing.

Why account rebalancing may be important

Let's say you intend to maintain a mix of 60% stock funds, 30% bond funds and 10% short-term investments in your Plan account.³ Over time, market forces cause various investments to gain or lose value. However, it is rare that all funds in your account will gain or lose value at exactly the same pace. Thus, changes in fund values could cause your portfolio to get out of balance.

Over time, your portfolio may shift to something more like 75% stock funds, 20% bond funds and 5% short-term investments — a mixture that could include much more market risk than you want.

Account rebalancing is the process of selling certain funds and purchasing others to return to the mix you initially chose. Doing so regularly may help your account perform better in the long-term than if it is not rebalanced regularly.

This scenario is provided for illustrative purposes only.

How to request account rebalancing

Account rebalancing is one of the topics you and your Account Executive can discuss in an annual review. In addition to account rebalancing, you and your Account Executive can discuss:

- When you'd like to retire
- What your retirement budget might look like
- How you might add to your retirement income
- Asset allocation and diversification
- Planning tools available on our website
- Ideas for achieving your goals through the Plan
- Reviewing and updating your beneficiary designations

Investing time in an annual review is a great way to take a fresh look at your retirement account and, in particular, at how you might be able to make the most of your Plan participation. Let's plan a review for you today.



Request your annual review today

Contact your Account Executive or call the HELPLINE at 1-800-422-8463.



The Plan makes enrolling easier than ever

Tell a friend that they can enroll in just minutes online. Point them to nysdcp.com/enroll.

³ Through the Plan, you invest in mutual funds and Collective Investment Trusts (CITs), options that are similar to mutual funds but specially priced for Plan participants. To simplify the concepts discussed in this article, we refer to all options available through the Plan as "funds."

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Get Plan information at the speed of light

When you use the Plan's paperless eDelivery service, there's no waiting for the mail. No clutter to clean up. No filing to do. You get the same Plan information as always — it just gets to you faster.

In fact, when you use our eDelivery service, you could save one tree for every 6 reams of paper the Plan does not use to produce statements, transaction confirmations, newsletters and other routine communications.

Sign up today:

[Enroll right now](#)



Think of what that could mean.⁴

- A tree can absorb as much as 48 pounds of carbon dioxide per year.
- On average, one tree produces 260 pounds of oxygen per year.
- One large tree can release up to 100 gallons of water into the air each day.
- One person consumes the equivalent of a 100-foot tree, 18 inches in diameter, per year.
- Depending on the variety, a tree takes anywhere from 10 to 30 years to mature.

Imagine how much you could do to help the world breathe easier, just by enrolling in the Plan's paperless eDelivery service.

Contribution limits have been increased for 2020

Effective January 1, 2020, contribution limits increased as follows:

Contribution category	Annual amount ⁵	Per-pay rounded down (Annual amount/26 pays)
Regular Deferral Limit	\$19,500	\$750
Age 50-Plus Deferral Limit	\$26,000	\$1,000
Special 457(b) Retirement Catch-up	up to \$39,000	\$1,500

We recognize that not everyone can afford to contribute the maximum amount. However, if you bump up contributions, even just a little bit each year, the outcome over the long term could be significantly better. Take a look at how an account could potentially grow over time.

Growth Period			Ending Balance			Chart assumptions: 25% tax rate for paycheck impact. 6% annual rate of return. This hypothetical illustration is not intended to predict or project investment results or the performance of your deferred compensation account. It does not assume taxes, fees or account withdrawals during accumulation; if it did, results would be lower.
Deferral Per Pay	Paycheck Impact	Annual Pay Reduction	Accumulation 10 Years	Accumulation 20 Years	Accumulation 30 Years	
\$25	\$18.75	\$650	\$8,812	\$24,593	\$52,855	
\$50	\$37.50	\$1,300	\$17,624	\$49,187	\$105,710	
\$75	\$56.25	\$1,950	\$26,436	\$73,780	\$158,566	
\$100	\$75.00	\$2,600	\$35,249	\$98,374	\$211,421	
\$150	\$112.50	\$3,900	\$52,873	\$147,560	\$317,131	
\$200	\$150.00	\$5,200	\$70,497	\$196,747	\$422,842	

As you review these tables, consider how you could do more for your retirement saving. Even a little bit more could have you crossing the finish line in better financial condition for retirement. For help as you consider how much more you may be able to contribute to your Plan account, contact your Account Executive or call the HELPLINE at 1-800-422-8463.

⁴ Tree Facts, North Carolina State University College of Agriculture & Life Sciences (May 2016); "How Much Oxygen Does One Tree Produce?" emaze.com (May 2016)

⁵ "401(k) contribution limit increases to \$19,500 for 2020; catch-up limit rises to \$6,500," Issue Number IR-2019-179, Internal Revenue Service (November 6, 2019).

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Welcome new participating employers

Blodgett Memorial Library

Cortland County

Miller Place Fire District

North Tonawanda City SD

Town of Brookfield

Town of Chemung

Town of Fleming

Town of Holland

Town of Kiantone

Town of Madison

Town of Norwich

Town of Ossian

Town of Smyrna

Town of Tully

Town of Wilson

Town of Wright

Village of Dresden

Village of Millport

Village of Phelps

Village of Wurtsboro

Wantagh UFSD

Current fund developments

Effective January 1, 2020, Paul Greene will become associate portfolio manager for the T. Rowe Price U.S. Large-Cap Core Growth Equity Strategy (including the Blue Chip Growth Fund), working with Larry Puglia, the lead portfolio manager.

Before investing, you should carefully consider the option's investment objectives, risks, charges and expenses. This and other information is contained in mutual fund prospectuses and in CIT and custom-option fact sheets, which are available by calling 1-800-422-8463. Read carefully before you invest.

This newsletter provides information that is intended to help participants understand what investment alternatives are available to them under the Plan. If you need investment, tax or legal advice, please ask your accountant or lawyer. While we are pleased to help keep you up to date on your retirement savings, nothing in this newsletter can change the terms of the Plan or any investment contract.

Participants in the New York State Deferred Compensation Plan will be charged administrative fees for the Plan Year beginning April 1, 2019, and ending March 31, 2020. Each participant account is charged a \$20 annual fee, assessed in two \$10 semiannual installments in April and October. In addition, an asset-based fee determined by the Board will be assessed to participants with a balance greater than \$20,000. The asset-based fee will not be assessed on assets in excess of \$200,000. The semiannual asset-based fee assessed in October 2019 was 0.015%. It is anticipated the semi-annual fee to be assessed in April 2020 will be 0.015%.

Each of the mutual funds offered by the Plan has fund expenses that are netted directly from the mutual fund's daily price. These will vary based upon the investment fund selected.

Information provided by Account Executives is for educational purposes only and is not intended as investment advice. Neither the Administrative Service Agency nor any of its representatives offer investment, legal or tax advice. For such guidance, you should consult your own investment, legal or tax advisor.

Account Executives are registered representatives of Nationwide Investment Services Corporation, member FINRA, Columbus, Ohio.

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