

The Oregon Savings Growth Plan (OSGP) allows you to consolidate your retirement savings dollars in one place – to make navigating your financial world easier. You may transfer or roll all of your pre-tax dollars into your OSGP account from a:

- 457 deferred compensation plan or investment provider
- 401(a) pension plan
- 401(k) or 403(b) account established with a previous employer; or
- traditional pre-tax IRA (Individual Retirement Account)

TRANSFERRING OR ROLLING IN

What is the difference between a transfer and a rollover ?

A transfer involves the movement of money from one 457 deferred compensation plan to another or from one investment provider within a local government plan to another. A *rollover* occurs when money moves between a 457 plan and a 401(a), 401(k), 403(b) plan, or an IRA. Transfers and rollovers allow tax-deferred dollars to maintain their tax-deferred status, delaying the payment of taxes until a later date, and allowing all of the money in the account to work for you until then.

Why should I consider a transfer or rollover into the OSGP ?

There are several good reasons:

- You can keep all your retirement dollars in one place, making it easier to manage your money.
- You are able to invest in a wide range of easy-to-understand investments that are monitored by the Oregon Investment Council.
- You benefit from some of the lowest plan fees in the country.
- You pay no transaction fees for making investment changes.
- When you retire or end your employment, you have the same flexible payout options that are available with an IRA.

Are there restrictions I should know about ?

Yes, there are a few restrictions:

- The Oregon Savings Growth Plan can accept assets only from pre-tax accounts. Roth IRA or other accounts that contain any contributions made on an after-tax basis are not eligible to be rolled over to the OSGP.
- If the assets being rolled over are in a 457 account, the signature of your previous employer will be required and some other plans may require employer or investment provider authorization.
- If your rollover assets are in a 401(a) plan such as the PERS pension, or in a 401(k), 403(b), or IRA, the assets must be eligible for rollover. Typically, this means that you no longer are employed by the Plan Sponsor. Contact your Plan Sponsor or provider to determine if your 401(a), 401(k), 403(b), or IRA qualifies for a rollover

Do you charge a fee for a transfer or rollover ?

No. It is possible, however, that your previous provider may impose fees or penalties for the transfer or rollover. If so, you may want to compare the short-term cost of the transfer against the long-term advantages of the consolidation.

How will my transfer/rollover dollars be invested?

- **When you transfer assets from a 457 account**, your assets will be added to the money in your Oregon Savings Growth Plan account. You may choose a separate asset allocation for your rollover assets, or your assets can be deposited into your account according to the asset allocation you have established for your monthly contributions.
- **If you are rolling money in from another type of plan—such as 401(a), 401(k), 403(b), or IRA**,—a separate account will be established for tax purposes, but your rolled-over money will be put into investments according to the asset allocation you have already selected or you may choose a different allocation on the Transfer/Rollover **IN** form. If you make transfers from one investment to another within the Plan after your rollover is complete, the transfer will occur in both accounts simultaneously. (For investment purposes, your retirement assets will be treated as a single account, but for tax reporting purposes, separate accounting must be maintained.)

Will my OSGP 457 account still be available without the 10 percent tax penalty when I end my employment ?

Yes. The 10 percent tax penalty that is assessed against certain payments made from a tax-deferred account and received before age 59½ *does not apply* to payments made from the 457 portion of your OSGP account. But be careful: If you take payments before age 59½ from that portion of your account which was rolled from a 401(a), 401(k), 403(b), or IRA, the 10 percent tax penalty will be applied to that portion of your payments. Basically, for tax treatment, the 457 portion of your account is subject to the 457 laws and the money that came into your account from other types of plans is subject to the laws governing the original plan type.

Sounds like a great idea! How do I take advantage of this opportunity?

1. Check with your previous investment provider to ensure that your assets are eligible for rollover.
2. Ask the provider for the forms you need to complete.
3. Complete your previous investment provider's form and the attached Transfer/Rollover **IN** form.
4. Mail all required forms to:

Oregon Savings Growth Plan
800 Summer Street NE Suite 200
Salem, OR 97301

Our staff will work with your previous provider to complete the transaction. Most transfers or rollovers will result in a check being mailed directly to our recordkeeper and deposited directly to your account. **If a provider sends a check to you instead, please forward it to us immediately** to maintain the tax-deferred status of your retirement dollars. You will be notified when the deposit to your account has occurred.

If you have additional questions, go to osgp.ingplans.com or call our toll-free Information Line at 800-365-8494.

