

# The OkMRF Defined Contribution Program

## (OkMRF DC Program)

This plan type is designed to help participants accumulate a portable account balance in their name. The participants bear the risk/reward of choosing where their funds are invested by selecting from the diversified investment options offered by OkMRF. Gains and losses are credited directly to each participant's account, and upon retirement, termination, disability or death, the vested portion of this account is paid to the participant or their beneficiary. The benefit they receive is based on the accumulation of employee and employer contributions, interest earnings/losses and forfeitures, if applicable. Eligibility to participate is determined by the employer, with many alternatives available within the DC program structure.

### Choose from a variety of options to customize your plan design

DC plans are funded by employee and employer contributions. In designing the plan, the employer may select from the following list of contribution options:

- Mandatory pre-tax employee contributions
- Voluntary after-tax employee contributions
- Fixed rate employer contributions which are stated upfront by the employer
- Variable rate employer contributions which are determined each year during your budget process
- Matching employer contributions which are based on voluntary employee contributions

### Vesting

Vesting is defined as how much of the employer contributions the participant owns. The participant always owns 100% of their own contributions, but may become vested in the employer portion based on length of service, death, disability or turning age 65. Vesting may begin immediately or after several years of service. Most vesting schedules are based on 7 or 10 years of service.

### Forfeitures

Upon termination of a participant's employment, the portion of employer contributions which is non-vested is "forfeited" and credited to the accounts of active participants or used to reduce future employer contributions.

### Loans

If offered, loans must follow IRS and plan rules and can be requested on-line or by phone. Loan proceeds can be direct deposited to the participant's checking account.

### Withdrawals

Upon termination, withdrawals can be requested on-line or by phone and can be direct deposited to the participant's checking account. Participants can choose to cash in, rollover or annuitize the balance. Remember, an individual can always leave funds invested with OkMRF. This could be appealing.

### Investments

Participants may select a combination of investments that best meet individual objectives. The OkMRF Trustees simplify this process and offer the following investment options:

- Guaranteed fixed interest option that never pays less than a floor rate of interest\*
- Multiple white-labeled funds with complimentary underlying investment manager styles which help streamline participant decision making
- Stock and bond index funds give broad market exposure for low investment management fees

\* Guarantees are based on the claims-paying ability of Voya Retirement Insurance and Annuity Company.



- Target retirement portfolios provide broad diversification and professional asset allocation based on a participant's year of birth to simplify choices. Generally speaking, Target Date funds target a certain date range for retirement, or the date the investor plans to start withdrawing money. Investors can select the fund that corresponds to their target date. They are designed to rebalance to a more conservative approach as the date nears. An investment in the Target Date fund is not guaranteed at any time, including on or after the target date.
- Self-Directed Brokerage provides access to investments not available in OkMRF's core lineup of investment options
- Automatic account rebalancing is offered on a quarterly, semiannual and annual basis.

## Planning Tools

Your participants have access to myOrangeMoney®, personal financial dashboard, on-line educational materials free of charge or professional investment advice with a tiered fee schedule.

## Adjustment and revaluation

Each day, participant accounts are updated. Participants can view their information on-line or on the mobile app. They can also call the 24/7 interactive voice response system.

## Statements

Printed statements are mailed annually to your employee's home address. Participants can view their quarterly statements or generate a statement for any given time-period on-line or simply call the OkMRF offices for reproduction.

## Personal data changes

Your participants have the ability to change beneficiary elections and addresses on-line or by phone.

Plan administrative services are provided by Voya Institutional Plan Services, LLC (VIPS). VIPS is a member of the Voya® family of companies and is not affiliated with the Oklahoma Municipal Retirement Fund.

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