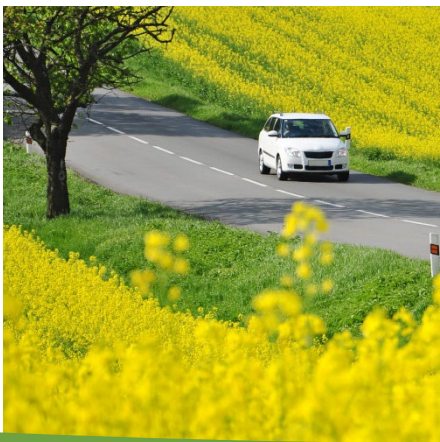


# Roadways TO RETIREMENT

## Company Name 401(k) Plan



- **The Basics of Saving for Retirement**
- **Tax Advantages of a 401(k) Plan**
- **Your Plan Highlights**
- **Plan Investment Options**
- **BPAS University – Accessing Your Account**
- **Q&A**

# Saving for Retirement



# What is a 401(k) Plan?

A savings vehicle for retirement

A retirement plan sponsored by your employer

Accepts contributions from both you and your Employer (if applicable)

Has tax advantages for saving for retirement

Can supplement other retirement savings and Social Security benefits you may receive

Is an easy and affordable way to save for retirement

# How it Works

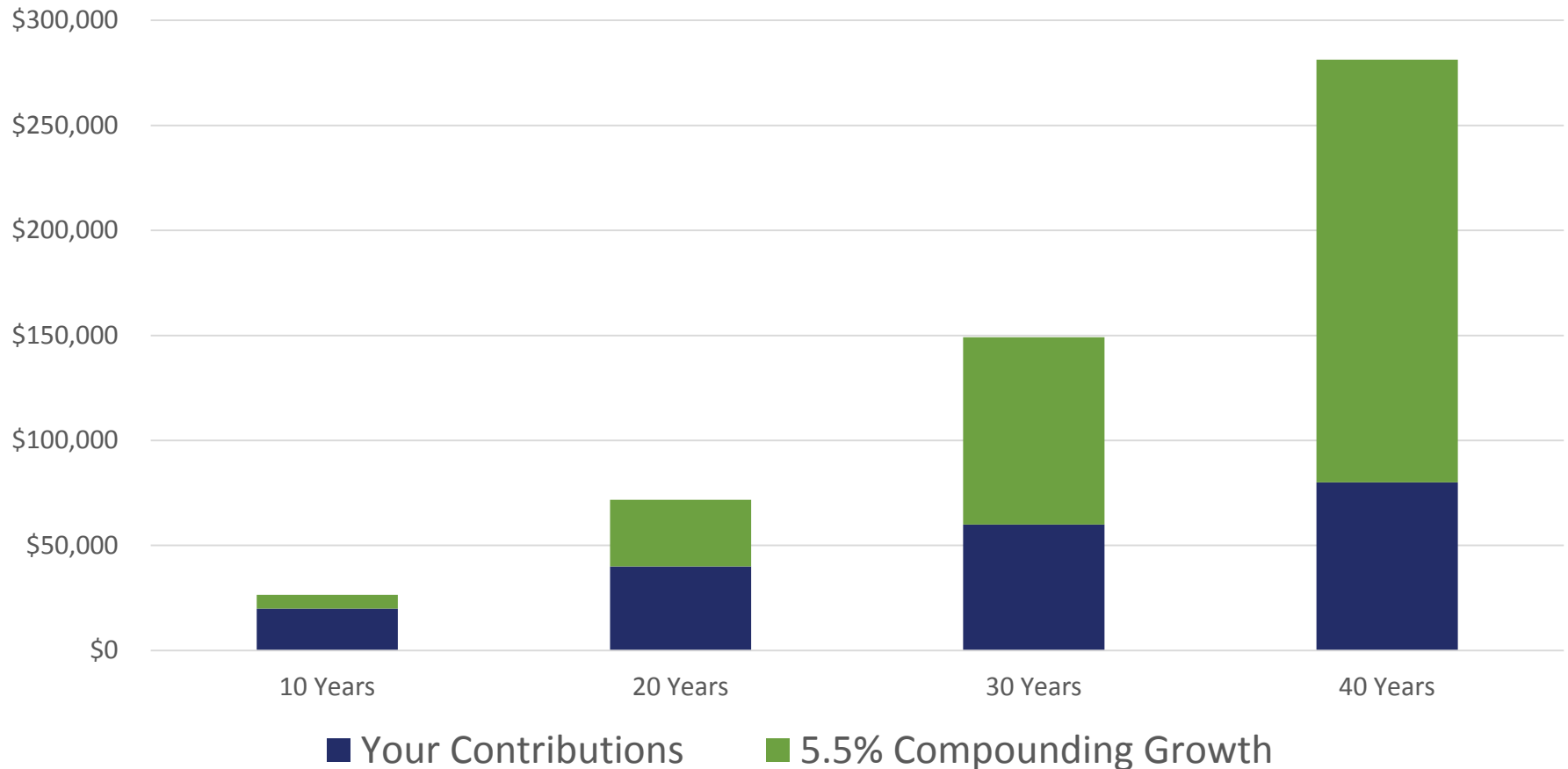


- You can contribute a percentage or dollar amount of your salary up to the IRS limit.
- The amount you elect to contribute is automatically deducted from your paycheck.
- You can change the amount you are contributing at any time!

# It's YOUR Money!

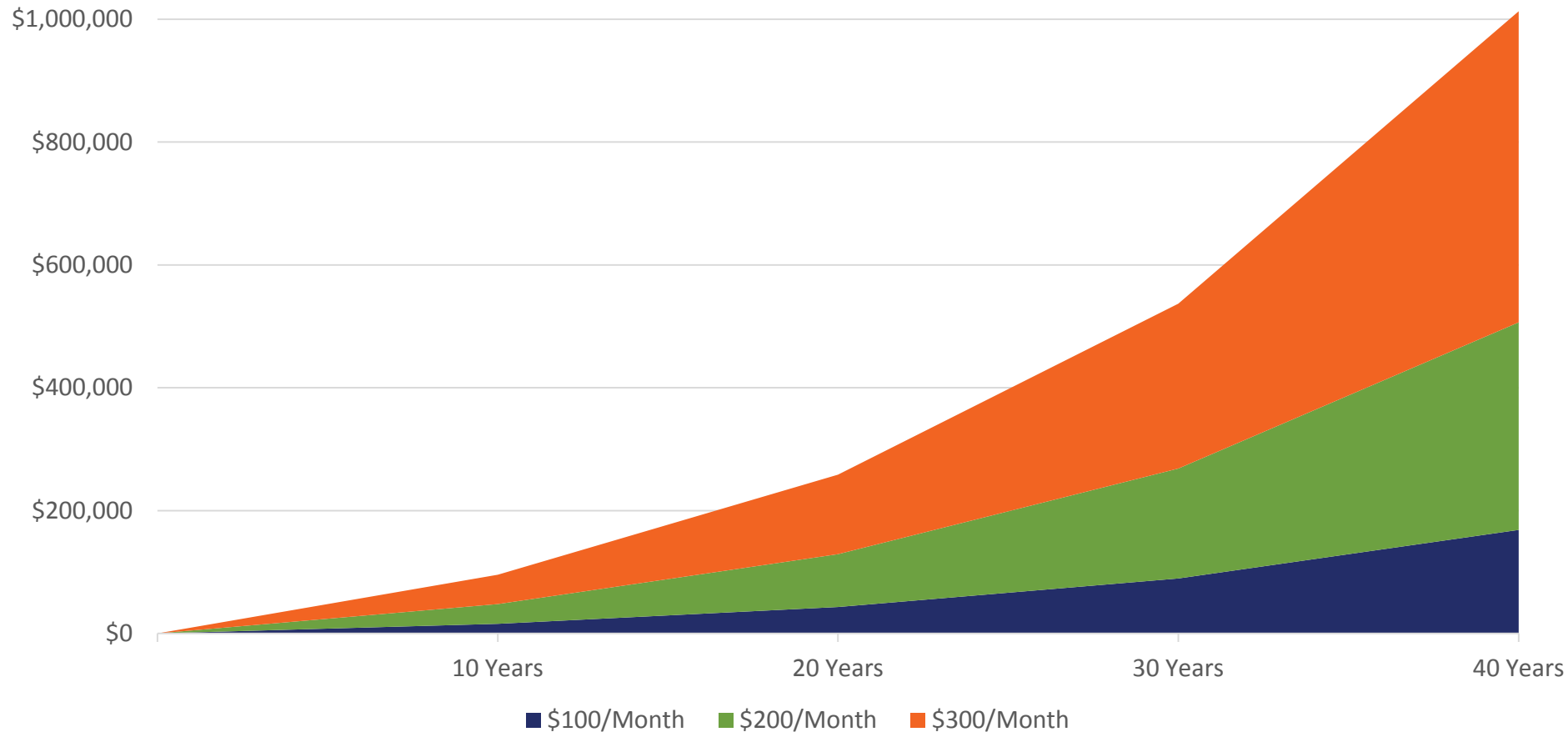


# Investing Lets Your Money Grow Over Time!



All examples are hypothetical and for illustrations purposes only. These calculations were done using the 403(b)/457/401(k) Savings Calculator, located on BPAS University at [u.bpas.com](http://u.bpas.com). Assumptions: \$40,000 salary contributing 5%. No annual increases. Annual rate of return of 5.5%

# The Power of Investing Over Time



Calculated using the 403(b)/457/401(k) savings calculator on [u.bpas.com](http://u.bpas.com). Assumption 5.5% returns each year. For illustrative purposes only.



# Contribution Amount

Salary	5%	10%	15%
\$20,000	\$38	\$77	\$115
\$30,000	\$58	\$116	\$173
\$40,000	\$77	\$154	\$230
\$50,000	\$96	\$192	\$288
\$60,000	\$115	\$231	\$345
\$70,000	\$134	\$269	\$403

**\*Per pay-check amount assuming 26 pays per year (bi-weekly).**



# Pre-Tax and Roth

- There are two ways that you can contribute to your 401(k) account – both with different Tax Advantages.
- Pre-Tax (also called traditional) allows you to defer taxes on your contributions until a Qualified Withdrawal.
- Roth (also called after-tax) allows you to pay taxes on your contributions now, but take tax-free Qualifying Withdrawals.

	<b>Traditional (Pre-Tax)</b>	<b>Roth (After-Tax)</b>
<b>Contribution</b>	<b>Tax-Deferred</b>	<b>Taxable</b>
<b>Investment Earnings</b>	<b>Tax-Deferred</b>	<b>Tax-Free*</b>
<b>Qualified Withdrawal</b>	<b>Taxable as Ordinary Income</b>	<b>Tax-Free*</b>

\*Roth deferrals are not taxed at distribution, however, earnings may be subject to taxation if the account has not been in existence for at least 5 years and taken prior to attainment of age 59 ½, death or disability.



# Pre-Tax Contributions Help Make Saving for Retirement Affordable

When you contribute	It equals this dollar amount	Your bi-weekly net pay is reduced by
3%	\$58	\$45
6%	\$115	\$90
8%	\$154	\$120
10%	\$192	\$150
15%	\$288	\$225

Pre-Tax Contributions are **not taxed** in the year in which they are contributed.

This allows you to **save more** for retirement by upping your contributions now.

You will have savings that would have otherwise been paid towards taxes.

You will **defer paying those taxes** until you start taking qualified withdrawals.

All examples are hypothetical and for illustrations purposes only. Calculations were completed using the Planning Calculators located on BPAS University at: [u.bpas.com](http://u.bpas.com). These calculations were completed using the Retirement Contribution Effects on Your Paycheck calculator and assumes a \$50,000 annual income (paid bi-weekly) and a single filing status with 0 exemptions..



# Roth Contributions Help Reduce Taxes Paid in the Future

Roth Contributions are taxable in the year in which they are contributed.

Provided you meet certain conditions, Roth withdrawals are **Tax Free**

Those Conditions Are:

- Have the account at least **5 years**  
**AND**
- Be at least **59 ½** years old
  - Or distribution due to **death**
  - Or distribution due to **disability**

Failure to meet these conditions prior to withdrawing from your Roth account will subject the earnings in the account to taxation.

When you contribute	It equals this dollar amount	Your bi-weekly net pay is reduced by
3%	\$58	\$58
6%	\$115	\$115
8%	\$154	\$154
10%	\$192	\$192
15%	\$288	\$288

All examples are hypothetical and for illustrations purposes only. Calculations were completed using the Planning Calculators located on BPAS University at: [u.bpas.com](http://u.bpas.com). Assumes a salary of \$50,000





# Getting Started

Eligibility

Entry Dates

How Do I  
Enroll?

Online at  
[u.bpas.com](http://u.bpas.com)

# Automatic Enrollment

- If you do not elect to participate in the plan after meeting the initial eligibility requirements, you will be automatically enrolled in the plan.
- You will be auto-enrolled with a salary deferral of       %, and set up in the        **Fund**, based upon your date of birth.
- If you do not respond to the notification, your automatic enrollment will place you in the default investment option that matches your age.
- You can change your deferral percentage and/or your investment options at any time by accessing your account at [u.bpas.com](https://u.bpas.com).



## You can contribute:

1%-100% of your compensation

Additional catch-up contributions if you are 50 or over

Pre-Tax and/or Roth Deferrals

Rollover contributions, if applicable

Your contributions are always 100% immediately vested.

## Non-Discretionary Contributions

Your employer will make a Non-Elective Safe Harbor contribution of 3% to your 401k plan.

These contributions are 100% vested immediately

You need to be actively employed on the last day of the plan year and have worked 1,000 hours or more that year.

## Discretionary Contributions

Your employer may elect to make additional discretionary matching or profit sharing contributions

6 Year Graded Vesting Schedule for discretionary contributions

You need to be actively employed on the last day of the plan year and have worked 1,000 hours or more that year.

**Your Contributions:** 100% Immediately Vested

**Employer Discretionary Contributions:** 6 Year Graded Schedule, as listed below. Based on your date of hire.

Years of Service	Vested Percentage
Less than 2	0%
2 years	20%
3 years	40%
4 years	60%
5 years	80%
6 or more years	100%

BPAS keeps track of your vested balance and displays it online and on your statements. For example:

Total Account Balance
\$23,230.73
Total Vested Balance
\$21,828.54

# Loans & Distributions

As a 401(k) is an account for retirement savings, you cannot withdraw assets from it at any time. You may withdraw only due to one of the following circumstances:

While still working  
with this employer

In-Service  
Distributions  
(Age 59 ½ or over)

Financial Hardship

Loan

If no longer  
employed by this  
employer

Death

Termination of  
Employment

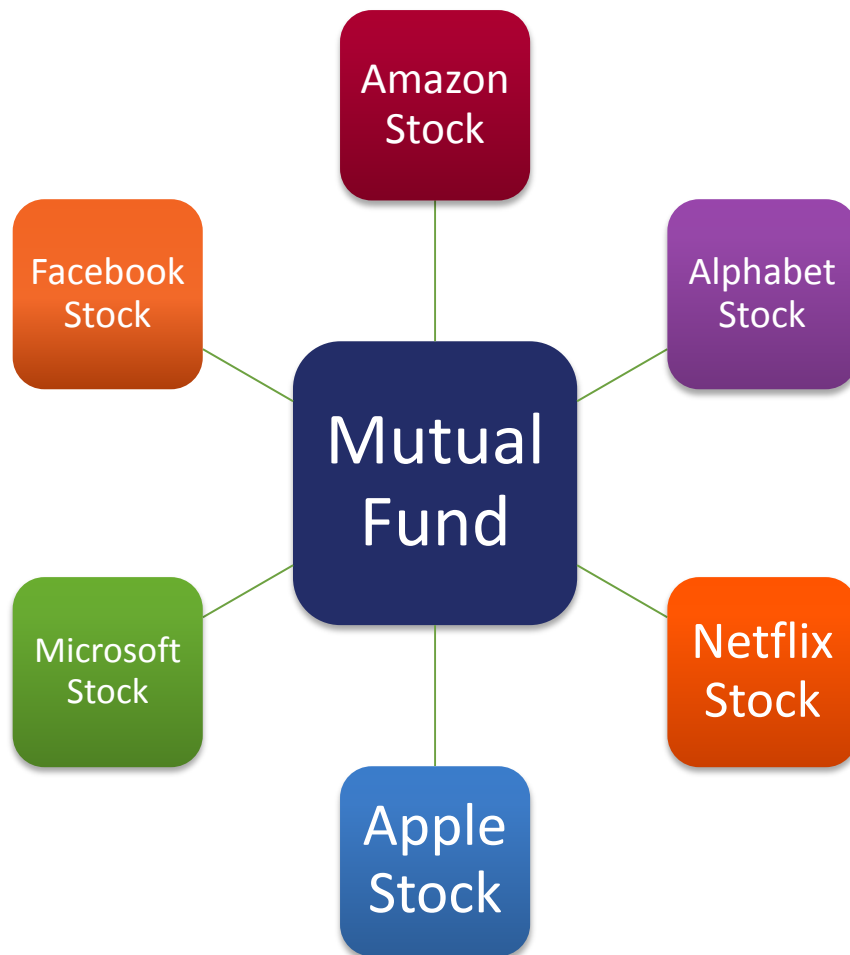
Retirement

**Early withdrawals before a qualifying event is subject to a 10% IRS Penalty**



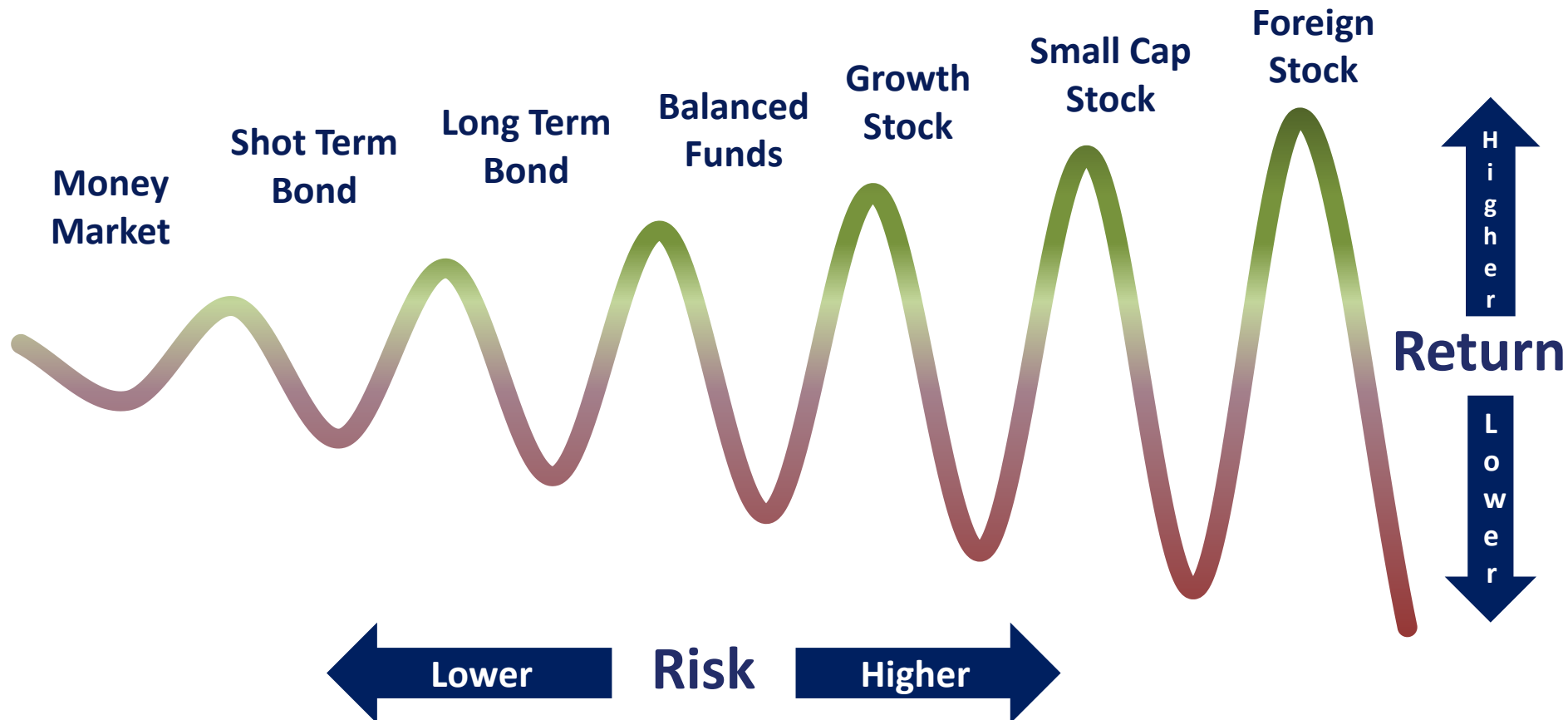
# What is a Mutual Fund?

- A mutual fund is an investment that consists of a number of different company stocks, bonds, or other assets.
- A mutual fund is valued and traded at the end of each trading day.
- A fund can be **actively managed** (a fund manager picks the underlying stocks), or **passively managed** (the fund follows an index like the S&P 500).



Visual for illustrative purposes only

# Investment Categories



\* For Illustrative purposes. General observations only. Volatility for any given time period can vary from the above.



- The concept of **spreading your investments across multiple asset classes and investment categories**.
- **Helps minimize risk** by combining different risk objectives while increasing your opportunity for reward.
- **Disciplined approach to investing** – focuses on the big picture & provides a framework for making investment decisions.
- **Changes over time** to reflect your evolving risk tolerance and life stage.
- A **well diversified portfolio** combined with a time horizon of 3 to 5 years can **weather most storms**.





# Your Plan's Investment Menu

	Value	Blend	Growth
Large Cap			
Mid Cap			
Small Cap			



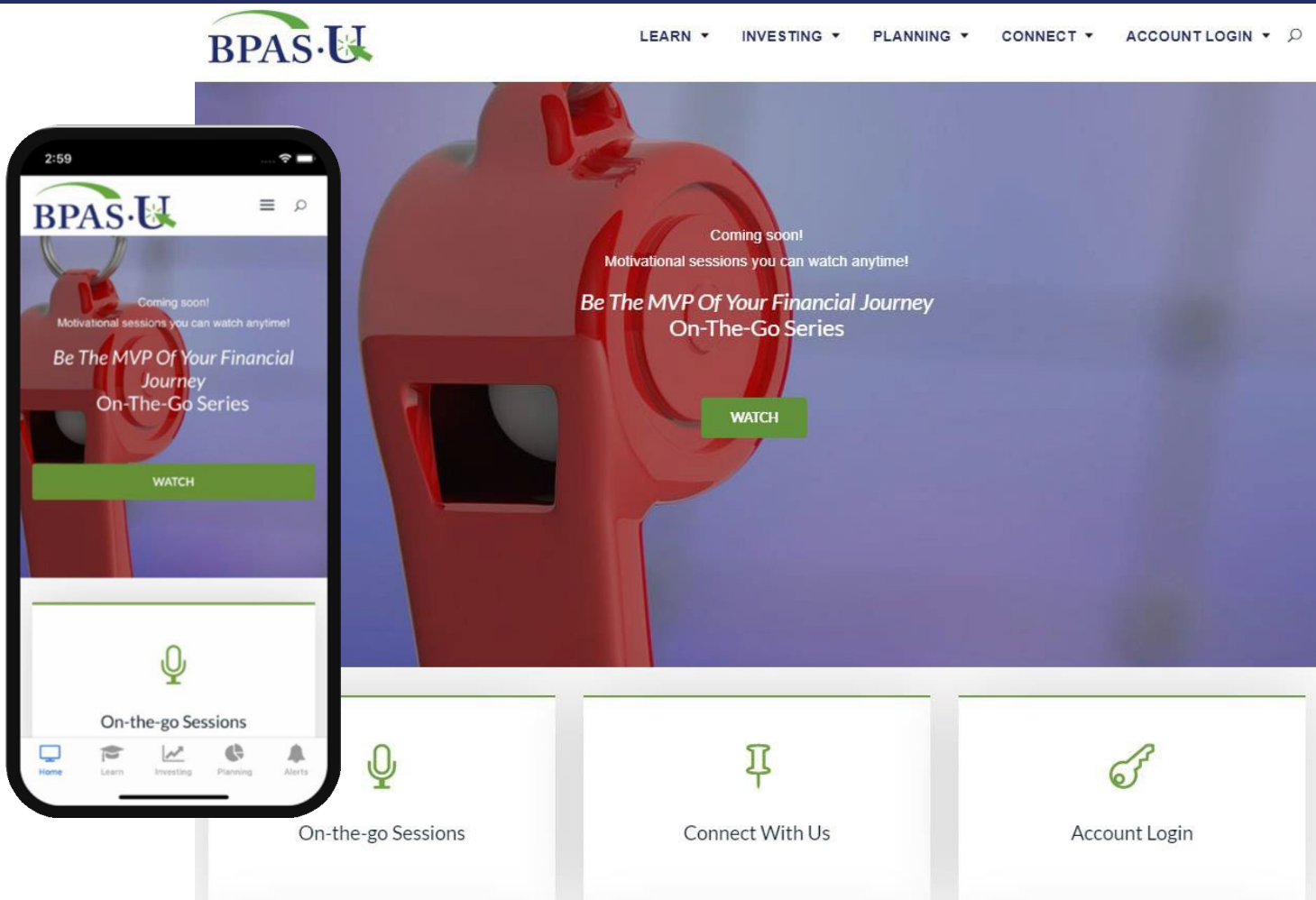
# Accessing Your Account



Visit BPAS  
University at  
[u.bpas.com](http://u.bpas.com)

or

Download  
the Mobile  
App





# New Participants BPAS Welcome Letter



6 Rhoads Drive, Suite 7 | Utica, NY 13502

866.401.5272 | 315.292.6900 | [bpas.com](http://bpas.com)

Aug 19, 2019

123456  
JOHN DOE  
1234 SOMEWHERE LN  
RAINBOW, NY 54321

## AN IMPORTANT MESSAGE REGARDING YOUR RETIREMENT PLAN

Plan Code: **SAMPLA5432**

Plan Name: **Sample 401(k) Retirement Plan**

You are eligible to enroll on Date provided you satisfy eligibility requirements per the Summary Plan Description.

Your retirement account is a vital part of your total financial picture. We're here to help you get started, guide you along the journey, and help you achieve a successful retirement. We realize it may be years away, but by some careful planning now, you'll be able to enjoy a secure and happy financial future. It's never too early.

This letter contains important information about your retirement plan, online account, and PIN. We recommend that you save it in your files for future reference.

### Let's Start With Your Online Account

From a security perspective, it's essential that you set up your account, access it frequently, and keep your contact and email information up to date. We'll send you an email verification any time there's activity in your account to help keep it secure. Setting up your online account is fast and easy.

1. Go to **BPAS.com**
2. In the **Sign Into Your Account** box, choose "I am a **Participant**" and select "**Retirement Plan**" for your account type
3. You'll be directed to the BPAS Participant Education Center ([pec.bpas.com](http://pec.bpas.com)). We encourage you to spend a few minutes exploring some of the great tools and links in the PEC to learn more about saving for your financial future
4. When you're ready, choose "**Set up Your Online Account**" from the menu in the PEC. You'll be prompted to enter your 10-character Plan Code, which is **SAMPLA5432**
5. The system will prompt you to create a User ID, Password, and a Challenge Question/Answer

Keep an eye out for your BPAS Welcome Letter.

This is the sign you are eligible for your retirement plan.

The welcome letter will have your **10 digit Plan Code.**

You will need this plan code to register for your online account.

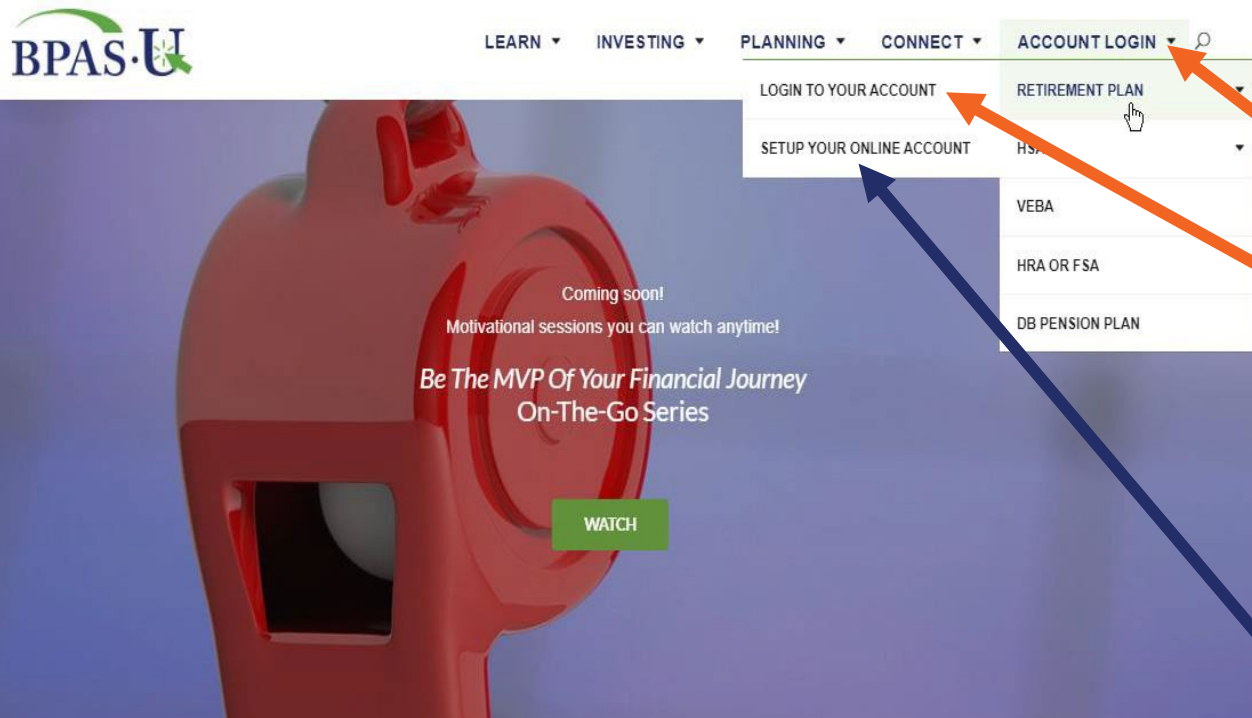
## To Access your Account:

Account Login >  
Retirement Plan >  
Login To Your Account

## First Time Access:

Account Login >  
Retirement Plan >  
Setup Your Online Account

to set up your online  
account and continue with  
the login process



If you need additional assistance, please contact  
**BPAS Participant Services at 1-866-401-5272.**





# Manage Your Account Online



**Enroll in the Plan**



**Update your deferral amount**



**Initiate Investment Transactions**



**Designate Beneficiaries**



**Review Quarterly Statements**

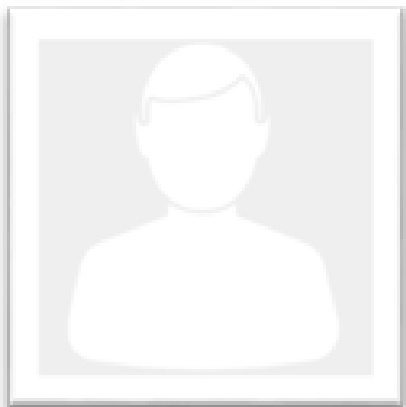


**Use the planning tools**

**u.bpas.com**  
**866-401-5272**



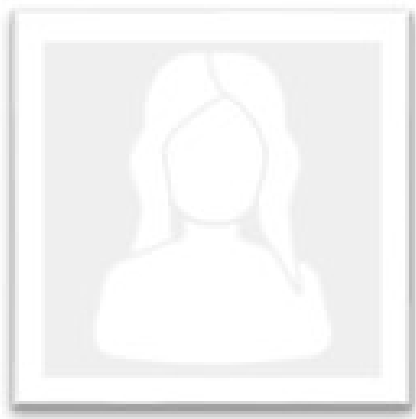




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