

# Build a more secure retirement by *supplementing your pension*



## Kentucky Deferred Comp 401(k) Option

Since 1985, employees of Kentucky state government, schools and universities, and local governments have used KDC's 401(k) Plan to help build an extra resource to supplement their pension income.



### Consider these benefits

- **Systematic savings** — build a supplemental source of retirement income
- **Easy contributing** — automatic payroll deduction or, in certain cases, direct pay
- **Tax advantages** — pay no federal or state income taxes on:
  - Pretax contributions and any investment earnings until the money is paid to you
  - Withdrawals from Roth accounts, subject to certain conditions<sup>1</sup>
- **Tax diversification** — divide your contributions between Traditional pre-tax and Roth after-tax 401(k) accounts
- **Age 50 Catch-up** — increases IRS maximum limit after age 50
- **Low cost**
  - Enroll for as little as \$30 per month
  - Minimal administrative costs
  - Lower-than-retail investment costs
- **Beneficiaries** — you control who receives your assets, should you pass unexpectedly
- **Personal service** — by toll-free phone or in person
- **Easy enrollment** — in just minutes, you can be working toward a more financially secure retirement



### Flexible distribution options

Qualify for distributions at any of the following events:

- Severance from employment (not working for any participating employer)
- Potential early (10%) withdrawal penalty on payouts prior to age 59½
- No early withdrawal penalty if:
  - Separated from service and you elect a lifetime distribution
  - Retired or separated from your participating employer during or after the calendar year you attain age 55
- Age 59½ or more, regardless of employment status
- Age 70½<sup>2</sup>
- Death or Disability
- Financial hardship distribution

The Plan makes it easy to structure your retirement income:

- Total lump-sum distribution
- Partial lump-sum distribution
- Installment payments for a fixed period or over your life expectancy
- Fixed dollar payments
- Keep your assets invested for potential growth to be paid out at a later date<sup>2</sup>



**Enroll today. Let us help.**

1.800.542.2667 or 502.573.7925 | [www.kentuckydcp.com](http://www.kentuckydcp.com)



## Resources and people at your service

### Make informed decisions every step of the way.

- Robust content and resources online at [kentuckydcp.com](http://kentuckydcp.com)
- KDC Retirement Specialists dedicated to responsively serving your needs



## Enrollment is easy

In just minutes, you can be building a retirement account to supplement your pension income that can help you reach a more financially secure retirement, and KDC is here to help you every step of the way.



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**Nationwide<sup>®</sup>**  
is on your side

<sup>1</sup>Roth 401(k) account distribution is a qualified distribution and not subject to federal income tax if:

- the Roth 401(k) account has been in existence for a five-year period beginning Jan. 1 of the year a participant first makes a Roth contribution into the plan, and
- a participant is age 59½, or has died or becomes disabled under IRC Section 72(m)(7).

<sup>2</sup>By IRS regulation, distributions from 401(k) plans must begin no later than April 1 of the calendar year following the calendar year the participant reaches age 70½.

This material is not a recommendation to buy, sell, hold or rollover any asset, adopt an investment strategy, retain a specific investment manager or use a particular account type. It does not take into account the specific investment objectives, tax and financial condition, or particular needs of any specific person. Investors should work with their financial professional to discuss their specific situation.

Investing involves market risk, including possible loss of principal. No investment strategy or program can guarantee a profit or avoid loss. Actual results will vary depending on your investment and market experience.

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NRM-15117M2-KY (07/18)