

# What you need to know about the East Bay Regional Park District retirement plans transitioning to Empower and Optum / BPAS in March 2024

## What is happening?

The East Bay retirement plans are moving to Empower and the Retiree Health Savings Plans to Optum/BPAS effective March 2024.

Plans moving to Empower:

- East Bay Regional Park District 457(b) Deferred Compensation Plan\*
- East Bay Regional Park District 401(a) Plan

The recordkeeping and administrative services of each plan will move to Empower. This move will happen automatically; you do not need to take any action for your account to transfer.

Plan moving to Optum / BPAS:

- East Bay Regional Park District Retiree Health Savings Plans

\*Due to IRS regulations, individual Roth IRA accounts are not transferring, and will remain at MissionSquare.

## Why are we moving from MissionSquare?

At East Bay Regional Park District, we are committed to providing a retirement plan that reflects industry best practices. After a comprehensive selection process and thorough evaluation of vendors, we chose Empower and Optum as the companies that offered the best fit for our plans. This change is designed to strengthen the plans, provide new plan enhancements, and help you pursue your retirement savings goals more effectively.

## Who is Empower?

Empower is the second-largest retirement recordkeeping services company in the United States<sup>1</sup> and a recognized leader in the retirement plan marketplace. Empower serves more than 18 million individuals and over 82,000 plans.<sup>2</sup> Its core operating principles are trust and integrity, and its sole focus is helping Americans achieve the future they imagine. They strive to meet the unique needs of each person they serve and embrace the opportunity to inspire them along their journey. Visit [empower.com](https://empower.com) to learn more about Empower.

## How do I learn more about the transition?

A transition notice will be mailed to you in late-January to your home address on file, and provide more details about the transition process, with key dates plus important information about investment options and how to access your new account

1 Pensions & Investments 2022 Defined Contribution Survey. Ranking measured by total number of participants as of December 2022.

2 As of March 31, 2023. Information refers to all retirement business of Empower Annuity Insurance Company of America (EAICA) and its subsidiaries, including Empower Retirement, LLC; Empower Life & Annuity Insurance Company of New York (ELAINY); and Empower Annuity Insurance Company (EAIC), marketed under the Empower brand.

with Empower.

### **Are there important dates I should know about?**

Yes! Your account assets and future elections will transfer from MissionSquare. The notice you receive in January will outline all the key dates and the blackout for the transition.

### **What's my account going to look like once the blackout is over?**

You'll soon receive a transition notice in the mail regarding important details of the transfer. One of the details outlined in the package of information is fund mapping. Your assets will be liquidated and transferred to Empower and invested in similar investments with similar investment objectives. If you would like your account to transfer differently, simply change your investment elections at MissionSquare by the blackout start date indicated in the materials you'll receive. Once the transfer is complete, you may transfer your assets to any of the plan's investment options by contacting Empower.

### **What is a blackout?**

To help ensure an accurate transfer of assets and records to Empower, there will be a blackout period during which you will not have access to your current account. This "blackout period" is a normal occurrence when a plan changes recordkeepers. Payroll deductions and any employer contributions will continue during the blackout period and will be reflected in your account when the blackout is complete.

### **What do I need to do to transfer my account to Empower?**

Nothing! The transfer to Empower will happen automatically. You don't need to do anything right now unless you want to change your account at MissionSquare. Such changes must be made prior to the blackout date.

### **Will I have to pay transfer fees to MissionSquare?**

No, there are no transfer fees.

### **Will I lose money by transferring to Empower, especially if the market is down on the day of the transfer?**

Your money will remain invested and is subject to gains and losses based on normal market fluctuations. Payroll deductions will continue during the blackout period and will be reflected in your account when the blackout is complete. Investing involves risk, including possible loss of principal. You should carefully consider the importance of a well-balanced and diversified investment portfolio, taking into account all your assets, income, and investments.

### **Can I keep my funds with MissionSquare? Do I have to transfer to Empower?**

With the exception of the individual Roth IRA accounts, since the East Bay retirement plans are employer-sponsored plans, all participant accounts will move to Empower and cannot remain at MissionSquare. The transition process will be automatic. No action is required on your part to transfer your account. See *Exception* below.

### **Will my investments be moved to a default plan with Empower or into similar funds like the ones I have today?**

As part of the transition to Empower, your balances and future elections will be either transferred in kind and remain invested in the same investment choices you had with MissionSquare Retirement or liquidated and invested in funds with similar objectives to your current investments. Refer to the transition notice being mailed to your address on file for additional detailed information on how your investments will transfer.

## Can I withdraw or roll over my accounts into a personal investment account?

These are employer-sponsored plans. With very few exceptions, IRS rules do not allow for transfers out of such plans during employment. See *Exception* below.

### Exception:

The MissionSquare Retirement IncomeAdvantage product will no longer be available in the plans at Empower. If you currently have assets invested in the MissionSquare Retirement IncomeAdvantage fund, regardless of whether you are an active employee or terminated participant, you have two options:

- Roll the assets in this fund over to an Individual Retirement Arrangement (IRA) offered by Empower. Taking this approach will maintain the guarantees of the MissionSquare Retirement IncomeAdvantage fund (Income Base and Lifetime Annual Withdrawal Amount).
- If no action is taken prior to the blackout start-date of the transition to Empower, your account balance in the MissionSquare Retirement IncomeAdvantage fund will be automatically mapped to a Vanguard Target Date Series fund based on your date of birth. This will result in a loss of the guaranteed payments under the product.

### Steps to initiate rollover:

If you wish to maintain your MissionSquare Retirement IncomeAdvantage benefits:

- Please allow sufficient time ahead of the transition for account setup and transfer.
- An IRA with Empower must be established.
  - To setup an IRA, Empower's customer service center can be reached at **888-244-6237**. Please note there is a \$30,000 rollover minimum.
- You must contact MissionSquare Investor Services at **800-669-7400** as soon as possible.
- Ask to speak to a member of the "Annuity Support Team" with MissionSquare.

## Will there be a managed account option at Empower?

Yes! My Total Retirement™ offered under Empower Advisory Services will be available for you to enroll in upon blackout release in March. The Empower Advisory Services suite of services is offered by Empower Advisory Group, LLC, a registered investment adviser. If you are currently enrolled in a managed account product at MissionSquare, you will be automatically enrolled in My Total Retirement with Empower.

## What if I have required minimum distribution (RMD) or periodic payment scheduled to be paid during the blackout period?

Any periodic payments that are scheduled to be paid during the blackout will be paid out after the plans are live at Empower. You can expect this to take up to 10 business days after the plans are live.

## What do I do if I have installment payments?

MissionSquare will continue to make installment payments through February 21<sup>st</sup>, 2024. If you have an installment payment that is scheduled during the blackout period, Empower will issue your periodic payment once the blackout is lifted the week of March 10<sup>th</sup>.

If you have an existing W-4P-eligible installment, a withholding update is required. The IRS recently updated Form W-4P, Withholding Certificate for Periodic Pension or Annuity Payments, due to changes in tax law. To comply with IRS regulations, we will update your federal income tax withholding on your periodic payments to the IRS default withholding rate of single with no adjustments (regardless of your marital status). This change will occur upon conversion of your account balance to

Empower and will be effective on payments that you receive after the conversion. **If you have elected your installments to be made from a specific fund, your election will not transfer over to Empower.** Please call the Empower call center representatives to provide written direction to request this setup.

To make income tax-withholding elections other than the default withholding, complete and return the updated IRS Form W-4P to Empower after March 10, 2024. You can download the form by visiting [irs.gov](https://www.irs.gov) and typing W-4P Form into the search bar and then clicking on the corresponding PDF link. Mail the form to: Empower, ATTN 457(b)/401(k) Department, PO Box 173764, Denver, CO 80217-3764. For additional information about the impact this form has on income tax-withholding elections, refer to the 2023 IRS Publication 15-T or consult your tax advisor.

### Can other accounts be rolled into the plan?

If you have assets in a prior employer's plan or an IRA that are eligible for rollover, you may be able to transfer them into your account at Empower. Other than funds in a Roth IRA, you can transfer funds from any IRA you have elsewhere into your Empower account at any time. Current IRS policy does not allow Roth IRA funds to be transferred into a governmental 401(k) or 457(b) plan.

Consider all your options, their features and fees before moving money between accounts. Funds rolled into a governmental 457 plan from another type of plan or account may still be subject to the 10% early withdrawal penalty if taken before age 59½.

Talk to an experienced retirement consultant to review your options and consolidate your accounts. Call Empower at **800-551-4218** once the plan goes live, to discuss consolidating your retirement assets into one account.

As with any financial decision, you are encouraged to discuss moving money between accounts, including rollovers, with a financial advisor and to consider costs, risks, investment options, and limitations prior to investing.

### Can I make investment changes during the blackout period?

No, during the blackout period your money will remain invested in your selected investment options, and you will not be able to make changes to your account.

### Will my new account statements be mailed to my home address?

You will be enrolled in paperless document delivery during the transition. Your Empower statement will be delivered electronically and will include your full account balance. If you prefer printed copies of your statement, once the transition is complete, you can request printed copies be mailed to you at no charge.

To request printed statements, after the plan is live, call **800-551-4218** or log in to your new Empower account at **[empowermyretirement.com](https://empowermyretirement.com)**. Click your name in the top right corner, scroll down to the *Communication preference* section and click *Change*. Unselect the box marked *E-delivery* and click *Save*.

### FYI: Electronic delivery

In 2023, Empower began providing electronic delivery (e-delivery) of statements, confirmations, and other regulatory notices. This was at the direction of the U.S. Department of Labor. You can opt for paper delivery/notification if you wish. Log in to your account, click your name in the upper-right corner of the page, and scroll down to the *Communication preference* section to change your delivery method as outlined above.

### How will I manage my account with Empower?

Once the transition is complete, you can manage your account online at **[empowermyretirement.com](https://empowermyretirement.com)**, by phone at **800-551-4218**, or in person with your assigned retirement plan advisor. You can also download the Empower app from your device's app store.

### Will I have a new account website?

Yes, changing our retirement plan recordkeeper means that you will log in to a new website, and call a new service center, to

view/access your account balance and contributions, change your investment elections, or request a distribution.

Once the transition is complete, you should log in to your account at **empowermyretirement.com**. Registering your account helps safeguard it online, ensures you receive timely account updates, provides convenient online account management, and gives you the opportunity to explore new tools and resources at Empower. When you log in to your account for the first time, you will be prompted to create a username and password and complete multifactor authentication security steps.

### **Will you need to designate an account beneficiary?**

If you have a beneficiary election with MissionSquare, that election will transfer to Empower. After the plans are live with Empower, you will be able to add or update beneficiaries through Empower's website or by calling Empower. We encourage you to periodically verify your beneficiary designation to be sure that it reflects your current wishes. Beneficiary designations are an important account detail.

### **How do I download the Empower mobile app?**

The Empower app is available on both iOS® and Android™ devices for mobile phones, tablets, and the Apple Watch®. Go to your device's app store and search for *Empower*. Then just download the app and log in with your new Empower username and password.

### **How does Empower ensure that my data is secure?**

Data security is always a top priority. Empower layers its internal controls with a rigorous information security program based on industry standards and best practices. In addition, all vendor partners are subject to significant information technology (IT) security reviews and requirements.

Empower has a number of protections in place to prevent fraudulent activity, including 2FA, PINDROP (voice biometrics and device verification), and participant security alerts, and everything is backed by the Empower Security Guarantee.

Your retirement accounts are entrusted to a company that wants to help you keep them safe and secure. Empower stands behind its online security with the Empower Security Guarantee. This guarantee states that Empower will restore losses from your account that occur as a result of unauthorized transactions through no fault of your own. It is important to follow current and prudent online security practices, review your accounts regularly for any unusual activity, maintain strong passwords, and more.

For more information regarding account security, including the Empower Security Guarantee, visit **empower.com** and, from the list of additional links at the bottom of the page, click *Security center*.

### **Where can I direct my questions?**

You can call Empower's Customer Care Center at **800-551-4218**. Representatives are available by phone weekdays from 8 a.m. to 10 p.m. and Saturdays from 9 a.m. to 5:30 p.m. Eastern time.

For after-hours services, use Empower's voice response system at **800-551-4218**. The voice response system and website are available 24 hours a day, seven days a week.

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*Carefully consider the investment option's objectives, risks, fees, and expenses. Contact Empower for a prospectus, summary prospectus for SEC-registered products, or disclosure document for unregistered products, if available, containing this information. For prospectuses related to investments in your self-directed brokerage account (SDBA), contact your SDBA provider. Read them carefully before investing.*

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Investing involves risk, including possible loss of principal.

Fund changes may alter the risk exposure of an investment account. Some cash-alternative options (other than money market funds), such as guaranteed interest funds or stable value funds, may have withdrawal and transfer restrictions. Carefully consider the importance of a well-balanced and diversified investment portfolio, while considering all your assets, income, and investments. Adjustments may be needed to realign the account with its desired investment strategy.

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