THINKING ABOUT BACKDROP?

Rolling BackDROP into MO Deferred Comp

If you take advantage of the Deferred Retirement Option Provision (BackDROP) at retirement, the lump sum distribution may be easily rolled into the deferred comp plan. Some advantages of rolling your BackDROP distribution into the State of Missouri Deferred Compensation Plan are as follows:

TAX DEFERRAL

You can defer taxation on your BackDROP balance until you start withdrawing money from your deferred comp account (you must begin at age 73), at which time you will be taxed only on the amount withdrawn.

PROFESSIONALLY-MANAGED INVESTMENT LINEUP

As a deferred comp participant, you have access to the plan's low-cost, professionally-managed investment lineup.

1. **MO Target Date Funds** — Target date funds do the investing for you by shifting to a more conservative asset allocation through your retirement years. Missouri Target Date Funds are designed to be a lifetime investment solution. That means you can keep your money in a target date fund even after you retire.
2. **Stable Income Fund** — The Missouri Stable Income Fund seeks to offer protection of a saver's principal and gives them the potential for steady growth over time without the daily fluctuations that other investment options may experience.
3. **Self-Directed Brokerage Account** — For hands-on investors, the brokerage window allows savers to access thousands of mutual funds, stocks and bonds.

FLEXIBLE WITHDRAWALS

It's your hard-earned money, so you should be able to access it on your terms. Distributions can be set up to reoccur on a date of your choice, or you can access your savings on an as-needed basis. To set up or schedule a distribution, log on to your online account or give MO Deferred Comp a call at 800-392-0925.

The MO Deferred Comp Plan does not give tax advice. Please consult a tax advisor in your state regarding your specific situation.

PENALTY-FREE ACCESS

If you retire after age 55 but prior to age 59 1/2, you have access to your BackDROP savings from MO Deferred Comp without an early-withdrawal penalty.

UNBIASED PARTICIPATION

You can roll your BackDROP balance to the plan regardless of whether or not you have participated in MO Deferred Comp during your working years.

FOR MORE INFORMATION

For additional information on rollovers, please see the **Considering Rolloing Money Out of the Plan** publication found at www.modeferredcomp.org or contact your local financial education professional.

All investing is subject to risk, including the possible loss of principal. Past performance is not guarantee of future results.