

The ability to transfer (rollover) assets between retirement plans is one of the many benefits provided by the Plan. For many participants, however, a rollover out of the Plan may not offer the best choice. The following are some of the questions you will need to get answers to before making a decision:

Tax Consequences

- Will you be subject to a 10% penalty tax if you take a withdrawal from the plan provider you will be transferring to before the age of 59½?
- What is the tax impact of the transfer itself, if any? Plan representatives don't give tax or investment advice. See your tax advisor for answers to your specific questions.

Distribution Flexibility

- Will the plan provider allow you to change your benefit payment option at any time without cost?
- Can the plan provider mandate an automatic distribution of your assets if you do not meet a minimum balance requirement?

Expense Comparison

Expenses that are charged to your retirement plan may have a profound impact on the size of your account, particularly when they are compounded over time. While expenses may not be the only criteria you use in evaluating retirement plan providers, it makes sense to obtain an estimate for each category of expense you will incur before you make a decision. The chart below is designed to assist you in making such a comparison.

Category of Expense	NYSDCP	Provider A	Provider B	Provider C
Annual Maintenance Fee ¹	\$			
Fund Operating Expenses ²	Varies by Fund			
Sales Loads (Front End, Back End)	\$0			
Contingent Deferred Sales Charge	\$0			
Investment Advisor Fee	\$0			
Mortality & Expense	\$0			
Total Estimate of Annual Expenses*				

*To view the impact of expenses on your account, use the interactive calculator on the SEC's Web site: www.sec.gov/investor/tools/mfcc/mfcc-int.htm

¹NYSDCP Administrative Fee equals \$20.00 plus asset-based fee of 4.5 basis points. Asset based fee is not charged on accounts below \$20,000 and is capped at account assets of \$200,000. This fee schedule is as of December 2014 and is subject to change.

Investment Options and Performance

- Does the plan provider offer reasonably priced investment options that are consistent with your objectives?
- What is the performance record of the investment options, or the investment advisor, net of fees? Please keep in mind past performance does not guarantee future results.
- Can you make transfers between the options? Is there a charge for transfers?

Expenses

(use the chart below to compare plans)

- Does the plan provider charge you an annual maintenance fee? Are there hidden costs?
- Will you pay an asset based fee for the management of your account? Are there transaction costs?
- What are the operating expense ratios of the mutual funds you will be investing in?

Qualifications

- What professional certifications and licenses does the plan provider have?

²HOW TO OBTAIN A PROSPECTUS: Underlying fund prospectuses can be obtained by calling the HELPLINE at 1-800-422-8463. Before investing, carefully consider the fund's investment objectives, risks, and charges and expenses. The underlying fund prospectus contains this and other important information. Read the prospectuses carefully before investing.



New York State Deferred Compensation Plan

A Plan for Your Future

Plan Mission Statement:

The New York State Deferred Compensation Plan is a voluntary retirement savings plan that provides quality investment options, investment educational programs and related services to help State and local public employees achieve their retirement savings goals.

The New York State Deferred Compensation Plan is a State-sponsored employee benefit for State employees and employees of participating employers.

Administrative Service Agency Mailing Address:

New York State Deferred Compensation Plan
Administrative Service Agency
PO Box 182797
Columbus, OH 43218-2797

Phone:

Toll Free (800) 422-8463

Available 24 hours a day. Personalized assistance is available 8 a.m. to 11 p.m. Monday through Friday and 9 a.m. to 6 p.m. on Saturdays, except holidays.

TTY/TDD services are available toll-free (800) 514-2447 – 24 hours a day.

Web Site:

www.nysdcp.com

New York State Deferred Compensation Board
Empire State Plaza Concourse-North, Room 124
Albany, NY 12220

The Plan does not discriminate on the basis of disability in the provision of service or employment. If you need this material interpreted in a different form or if you need assistance using it, contact us at (800) 422-8463.

Nationwide Investment Services Corporation,
Member FINRA.

NRM-2711NY-NY.5 (02/15)

A Lifetime of Service



New York State Deferred Compensation Plan

A Plan for Your Future

Now more than ever, the New York State Deferred Compensation Plan is designed to help simplify your life and serve you throughout your lifetime — even after you have retired or left public service.

To simplify your life, you may want to transfer other qualified accounts (e.g. 401, 403b, IRA, 457) into your Plan account because of all the attractive benefits the Plan offers. When you are ready to receive benefit payments, the Plan provides maximum flexibility in the manner and timing of how you receive your benefits.

Many retirement planners and financial organizations are actively encouraging Plan participants to transfer their Plan assets to their respective companies. Perhaps you have received this type of solicitation. It is important you know that you are not required to transfer your Plan assets when you leave public employment. You are welcome to continue and enjoy the benefits of participation in the State Plan.

This brochure highlights some of the many benefits of your continued participation, including:

- The flexibility to change the timing and amount of your benefit payment.
- An annual state income tax deduction of up to \$20,000 for New York State residents who are at least age 59½ and receive periodic benefit payments.
- The ability to withdraw funds upon leaving employment prior to age 59½ without incurring a 10% penalty. Keep in mind that if any money in your Plan account was rolled in from another plan type, it may be subject to the 10% penalty.
- Low administrative fees.
- The availability of a Self Directed Investment Account for expanded investment opportunities.

If you are considering rolling in other accounts or even rolling your Plan account out of the Plan, the opposite side of this brochure identifies some questions that you will want to ask to ensure that you make an informed decision.

We value your continued participation and believe that the Plan is better positioned than ever to serve you. If you have any questions about the Plan's services, please contact the HELPLINE or the Plan's Web site.

Advantages of the Plan



Easy to Understand Fees

The participant fee is a combination of a \$20 annual fee, paid in two \$10 semi-annual installments, and an asset based fee calculated based on a percentage of the participant's account balance. The asset-based fee is paid in two 2.25 basis point semi-annual installments. A basis point is equal to one one-hundredth of one percent. The asset-based fee is charged only on accounts with balances in excess of \$20,000 and capped for accounts exceeding \$200,000. This fee is subject to change. These fees are deducted from participant's accounts in April and October of each year. Administrative reimbursements paid by some of the Plan's mutual fund investment options are paid to accounts of participants who are invested in the mutual funds that pay the reimbursements.

Distribution Flexibility

You may receive your Plan benefits any way you like — in a single lump sum payment or in monthly, quarterly, semiannual, or annual installments. You have the ability to change your payout option at any time. You may increase or decrease your payout, or stop your benefit payment all together (subject to certain federal regulations). The option is yours.

\$20,000 Tax Exemption

The first \$20,000 in periodic Plan benefit payments you receive each year is exempt from New York State income tax, if you are a New York State resident and at least age 59½. You contributed money to the Plan on a pre-tax basis and it grew tax deferred. Now, some or all of the benefit payments you receive from the Plan may be excluded from your New York state income tax calculation when you receive them.

Wide Variety of Investment Options

The Plan offers a wide variety of investment options, which include a stable income fund, balanced funds, bond funds, retirement date funds and domestic and foreign stock mutual funds. This array of investment options may help you to fully diversify your portfolio.

Tax Deferred Growth

Any growth of the assets in your Plan account will be tax-deferred and free of income and capital gains taxes while your assets remain in the Plan. You will be responsible for taxes only when you take your money out. Withdrawals from the Plan are subject to ordinary income taxes.

Do You Expect to be Working After 70½?

Many retirement plans require that benefit payments begin at age 70½ whether or not you are still working. The Plan gives participants who attain the age of 70½ the option of delaying benefits until retirement, along with the option of receiving benefit payments while they are still employed.

No Penalties or Justification for Early Withdrawals

Once you are eligible for a benefit payment from the Plan, there is no 10% penalty for payments made to you before age 59½. Benefit payments from other retirement plans prior to age 59½ may be made only for specific and documented purposes to avoid the 10% penalty. This is not the case in the Plan. However, keep in mind that if any money in your Plan account was rolled in from another plan type, it may be subject to the 10% penalty. If you are eligible for a benefit payment and not yet 59½ there are no other restrictions. Just let us know how much of your account balance you need.

Additional Investment Options

In addition to offering a diversified menu of investment options, the Plan permits participants to invest a portion of their account in mutual funds and ETFs outside the Plan's core offerings through a Self Directed Investment Account provided by Charles Schwab & Company, Inc., member SIPC, through the Schwab Personal Choice Retirement Account (PCRA). Fees and eligibility requirements apply. For information about this service and participation fees, please call the HELPLINE or visit the Plan's Web site.

No Mandatory Payouts

Many retirement plans require that the full amount of your account be paid automatically if your assets are less than \$5,000. The Plan does not require a minimum balance to continue participation in the Plan.

New York State Deferred Compensation Plan Has Served You Well

Whether you have been a participant in the Plan for one year or throughout your career, we hope the Plan has provided a strong vehicle to prepare you for retirement. Benefits of membership are available for all your qualified assets and do not stop when you retire or leave public employment. Let us continue to provide the quality service you have become accustomed to receiving.

**Plan Administrative Fee as of December 2014.
This fee is subject to change.*