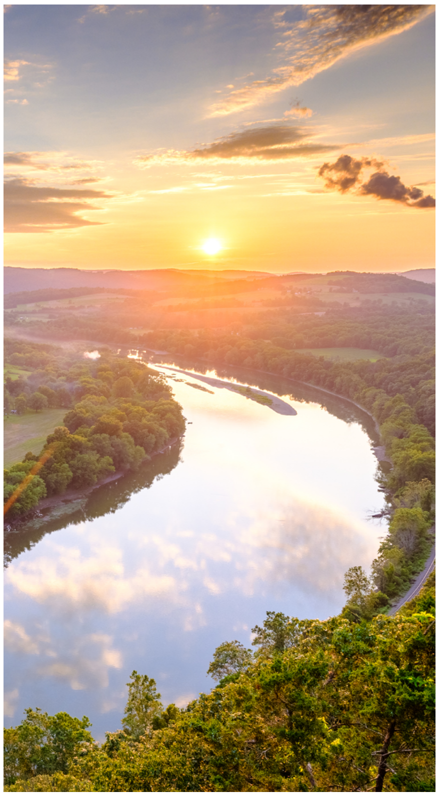
DEFERRED COMPENSATION PLAN

Supplemental Benefit

DEFERRED COMPENSATION PLAN - SUPPLEMENTAL BENEFIT

# DEFERRED COMPENSATION PLAN NEWS

SUMMER 2022



### FEE REDUCTION EFFECTIVE 7/1/22

On July 1, 2022, the Recordkeeping Fee will drop from $4.65 per month to $4.55 per month. You will see the reduction on your third quarter statement in October.

## Taking your retirement contributions to the limit in 2022

Contributing as much as you can to your deferred comp plan is a great way to help you build the income you'll rely on during retirement. But keep in mind the IRS limits how much you can contribute to your account each year. For 2022, the annual contribution limit is $20,500 — a $1,000 increase from the 2021 limit. And if you're 50 or older, you can contribute an additional $6,500 for a total contribution of $27,000 in 2022.

So, why should you consider increasing contributions? Your deferred comp plan offers a host of benefits that can help you build saving momentum and help create the future retirement you want, including:

- **Automatic savings** – Your contributions come out of your paycheck automatically. You don't have to remember to set aside funds for your future.
- **A wide lineup of investment options** – You can create a portfolio that matches your tolerance for risk and your planned retirement age with a full selection of investment options in a variety of asset classes.

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## Staying focused in times of market volatility

If you spend any time watching the news, you'll eventually see a segment on how the financial markets did for the day — especially if stock indexes like the Dow or Nasdaq saw a sizable gain or drop. As someone who is saving and investing for retirement income, you have a personal stake in how markets perform. So, how can you maintain your peace of mind amid the ups and downs of a volatile investment market? Here are a few tips:

- **Consider staying the course** – No one really knows when the market will spike and drop — or how long volatility may last. You may be tempted to move your money into lower-risk investments after a market downturn. But by doing so, be aware that you may miss out on a market recovery. In other words, you risk "locking in" your losses if you shift into lower-risk investments after the market declines and you don't reinvest before the market potentially gains back ground.

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## Taking your retirement contributions to the limit in 2022

*(continued)*

- **Account management flexibility** – You can monitor your account and make changes online, over the phone, and in consultation with your local plan specialist.
- **Tax-advantaged saving** – Your plan gives you the ability to save in a way that helps you keep more of your money in your account working to build future retirement income — versus saving on your own in an after-tax account.
- **Competitive fees** – Your deferred comp plan uses the negotiating leverage of you and your fellow plan participants to help keep fees low and competitive with what you may find with a retail investment account.

**Log in to your account today** to review your current contribution level and consider increasing the amount you put toward your retirement each pay period. And if you have questions on how your deferred comp plan can help you reach your retirement goals, **schedule a meeting** with your local plan specialist.

## Staying focused in times of market volatility *(continued)*

- **Check/adjust your asset allocation** – Do you have the right balance of risk and return potential in your investment mix based on your planned retirement age? In general, you probably want to shift to a more conservative mix of investments as you get closer to retirement. Why? You want to reduce the risk of the assets you'll soon rely on for retirement income. On the other hand, if you have years or even decades to go before retirement, you may be able to tolerate higher-risk investments since they'll have more time to recover in the event of market downturns. Talk to your local plan specialist about how to manage risk in the run-up to your planned retirement date.
- **Think long term** – Saving and investing for retirement is a long-term endeavor. A short-term drop in the market and in your account value can be unsettling. But remember, your goal is to build your retirement nest egg over time. Stay focused on the basics. Continue contributing to your account and working toward your goal.

No one likes to see a drop in their retirement account balance, but market volatility is an inevitable part of investing. The good news is that strategies are available to help you weather market swings. Schedule some time with your local plan specialist for suggestions on how to cope with market volatility.



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