

Comparison Of 457(b) Governmental Plans To 403(b) Plans

Features	457(b) Governmental Plans	403(b) Plans
Contribution Limits & Coordination of Contribution Limits	<ul style="list-style-type: none"> ➤ \$19,500 maximum contribution plus catch-up options ➤ 457 limits not reduced by 403(b) contributions 	<ul style="list-style-type: none"> ➤ \$19,500 maximum contribution plus catch-up options ➤ 403(b) limits not reduced by 457 contributions¹
Early Withdrawal Penalty Tax	None - (normal income tax only) ²	10% early withdrawal federal penalty tax may apply under age 59½, plus normal income tax
Eligibility Rules	No discrimination rules apply - employer defines and limits eligibility	Discrimination rules apply - deferrals available to all eligible employees (contributing > \$200/year)
Age 50 Catch-Up Option	Total of \$6,500 for all 457 plans of same employer (not available if special catch-up option used)	Total of \$6,500 for all retirement plans of same employer (other than 457), even if special catch-up option used
Special Catch-Up Option	<p>Three years prior to normal retirement age allows the lesser of:</p> <ul style="list-style-type: none"> ➤ Two times current year's normal contribution limit; or ➤ Underutilized limits from past years. 	<p>Fifteen years of service option for employees of educational organizations and certain other employers increases limit by the least of:</p> <ul style="list-style-type: none"> ➤ \$3,000; ➤ \$15,000 less additional limit used in past years; or ➤ Excess of \$5,000 times years of service less past elective deferrals.
Purchase Transfer to State Retirement System (SRS) Service	Available	Available
Distribution Restrictions	<p>Funds cannot be distributed until:</p> <ul style="list-style-type: none"> ➤ Age 59½; ➤ Severance from employment; ➤ Disability; ➤ Death; or ➤ Unforeseeable emergency. 	<p>Funds cannot be distributed until:</p> <ul style="list-style-type: none"> ➤ Age 59½; ➤ Severance from employment; ➤ Disability; ➤ Death; or ➤ Financial hardship
Portability of Plan Funds After Qualifying Event	<p>Funds can be rolled over to:</p> <ul style="list-style-type: none"> ➤ Another 457(b) Governmental ➤ 403(b) TSA ➤ IRA (Traditional, SEP, Roth) ➤ 401(a) Plan (pension, profit sharing, 401(k), State Retirement System). 	<p>Funds can be rolled over to:</p> <ul style="list-style-type: none"> ➤ Another 403(b) ➤ 457(b) Governmental ➤ IRA (Traditional, SEP, Roth) ➤ 401(a) Plan (Pension, Profit Sharing, 401(k), State Retirement System)

Continued on reverse side.



Uncomplicate Retirement®

Features	457(b) Governmental Plans	403(b) Plans
Hardship Distributions	Contributions and earnings may be distributed to the extent required for an <i>unforeseeable emergency beyond control of participant</i> , such as: <ul style="list-style-type: none"> ➤ Medical care; ➤ Casualty loss; ➤ Funeral expense; or ➤ Payments needed to prevent eviction from foreclosure on home. 	Contributions (but not earnings) may be distributed to extent required for a financial hardship even if foreseeable and voluntary, such as: <ul style="list-style-type: none"> ➤ Medical care; ➤ Casualty loss; ➤ Funeral expense; ➤ Purchase of a home; ➤ Payments needed to prevent eviction from or foreclosure on home; or ➤ Payment of tuition.
Loans	Permitted, with loans from all qualified plans limited to the lesser of <ul style="list-style-type: none"> ➤ \$50,000; or ➤ One half of vested benefits (or \$10,000, if greater). 	Permitted, with loans from all qualified plans limited to the lesser of: <ul style="list-style-type: none"> ➤ \$50,000; or ➤ One half of vested benefits (or \$10,000, if greater).
Required Minimum Distribution (RMD)	RMD rules apply at age 72 or later severance from employment with plan sponsor, and also after death	RMD rules apply at age 72 or later severance from employment with plan sponsor, and also after death

Figures reflect 2020 contribution limits.

¹ Reduced by elective deferrals to 401(k) plans, SEP plans or SIMPLE plans.

² Unless attributable to rollover from another type of retirement plan.

Annuities issued by Annuity Investors Life Insurance Company®, Cincinnati, OH.

Tax deferral is available through a qualified plan without the use of an annuity. An annuity does not provide additional tax deferral. Annuities should be used in a tax deferred plan for features and benefits other than tax deferral such as death benefit and life income option.

This information is not intended or written to be used as legal or tax advice. It was written solely to support the sale of annuity products. As a taxpayer, you cannot use it for the purpose of avoiding penalties that may be imposed under the tax laws. You should seek advice on legal or tax questions based on your particular circumstances from an independent attorney or tax advisor.

When considering a variable annuity, you should consider the contract's and underlying portfolios' investment objectives, risks, charges and expenses carefully before investing. Call 800-789-6771 or visit GAIG.com to obtain a free prospectus containing this and other information to read carefully before investing.

Principal Underwriter/Distributor: Great American Advisors, Inc., member FINRA and of Great American Insurance Group®, 301 E Fourth Street, Cincinnati, Ohio 45202. (an affiliate of Annuity Investors Life Insurance Company, 301 E Fourth Street, Cincinnati, Ohio 45202.)

301 E Fourth Street, Cincinnati, OH 45202 • Mailing Address: P.O. Box 5420, Cincinnati, OH 45201-5420.
© 2019 Great American Insurance Group®. All rights reserved.



Uncomplicate Retirement®

Not FDIC or NCUSIF Insured	No Bank or Credit Union Guarantee	May Lose Value	Not Insured by any Federal Government Agency	Not a Deposit
----------------------------	-----------------------------------	----------------	--	---------------