

Your 403(b) Plan



It pays to keep things simple.®

Is less really more?

It depends on how you look at it. Less money for your retirement will be more—more stress, more headaches and more worries. Wouldn't you prefer to plan ahead and enjoy retirement more?

Your employer-sponsored retirement plan will provide only a portion of the income you'll need for retirement. This means you'll have to come up with the remainder of your retirement income, through either an employer-sponsored pension program, personal savings or both.

Lucky for you, your employer wants to help you invest in your future and is offering you an easy way to do that with a 403(b) plan from the member companies of Great American Insurance Group® (Annuity Investors Life Insurance Company® and Great American Life Insurance Company®).

You could spend up to one third of your life in retirement. How will you spend it?

Contributing can be easy

Have you ever noticed that despite all your good intentions, sometimes there's just not enough left to contribute to your retirement at the end of the month? A 403(b) plan makes it easy to pay yourself first! You just authorize a percentage to be deducted from your pay before taxes, which also lowers your current federal income taxes. The IRS limit for annual contributions is \$19,500 for 2020. If you are 50 or older, you may make an additional \$6,500 catch-up contribution. These limits are subject to increase annually. Your tax advisor and financial professional can help you determine the amount you may contribute.

You may also be eligible to participate in other employer-offered retirement plans such as a 457(b) Governmental plan for even more tax-deferred savings. For example, in 2020, the maximum contribution for a 457(b) Governmental plan is normally \$19,500, which you could combine with the normal \$19,500 maximum of your 403(b) plan for a total contribution of \$39,000. If you are age 50 or over, you can add a catch-up contribution of \$6,500 to each plan, for a tax-deferred contribution of \$52,000 in 2020.

All of your contributions are vested, which means they're yours, even if you leave your current employer.

How do I know what to contribute?

Experts say you'll probably need about 80% of your current income during your retirement. However, if you want to do a lot of traveling or have other big dreams for retirement, you may need more. It can be overwhelming to figure out how much to contribute to keep up with inflation and have enough to enjoy your retirement. Take a few minutes to fill out the Retirement Planning Estimator to get a better idea of how much you might need to contribute.

Where does my money go?

You decide that!

You'll control the growth of your 403(b) plan account by choosing an annuity that matches your risk tolerance and investment goals. We offer the following types of annuity products for 403(b) plans:

- Fixed annuities, which offer guaranteed minimum interest rates;
- Fixed-indexed annuities, which tie the interest rate you earn to the performance of a stock index; and
- Variable annuities, which offer diverse investment options with potential for higher returns, but with more risk including fluctuating values that could be worth more or less than the original cost upon redemption.

Note that qualified plans provide tax deferral and that using an annuity to fund a qualified plan provides no additional tax deferral. Therefore, an annuity should be used for other benefits, for which there are extra charges. These benefits include lifetime income and a guaranteed death benefit.

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When can I access my money?

Since a 403(b) plan is a long-term plan for retirement, you generally receive the account balance before age 59½ only if you experience an eligible triggering event—severance from employment, disability, some financial hardship situations and certain reservists called to active duty. Unless the distributions are rolled over to an eligible retirement plan or IRA, they will be taxed as ordinary income. Distributions may also be subject to a 10% IRS penalty tax if received before age 59½.

Keep in mind when you withdraw or borrow money from the plan, you may lessen the overall amount available for your retirement.¹

¹Qualified loans are not available for all plans and are generally issued by the applicable Great American Insurance Group member using your funds as collateral for the loan.

Variable annuities are issued by Annuity Investors Life Insurance Company®. You should consider the contract's and underlying portfolio's investment objectives, risks, charges and expenses carefully before investing. Call 800-789-6771 to obtain a free prospectus containing this and other information to read carefully before investing.

Not all variable annuity account options are offered in all products.

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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.

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Products issued by Annuity Investors Life Insurance Company® and Great American Life Insurance Company®, members of Great American Insurance Group®, Cincinnati, Ohio

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Not a Deposit

May Lose Value