



# 403(b) PLAN

Employee Guidebook

**CONTENTS**



## WELCOME.

One of the main reasons your employer chose T. Rowe Price as an investment provider for your 403(b) plan is because we've established a reputation for competitive long-term results. Plus, we offer our mutual fund investors information and education that makes it easier to prepare for retirement.



# WE OFFER A WIDE RANGE OF INVESTMENT PRODUCTS AND SERVICES.

To help you build a well-balanced retirement portfolio, we offer a wide range of no-load stock, bond, and money market mutual funds.\* We also make it easy to follow your account with convenient Web access and a staff of trained client services representatives who are available to answer your questions.

T. Rowe Price offers you a strong commitment to proprietary research backed by experienced portfolio managers. We work hard to hold on to good people, so our portfolio managers average 17 years of experience with the company.

## **TRACK OUR FUND PERFORMANCE AT A GLANCE.**

Visit [troweprice.com/funds](http://troweprice.com/funds) to view our fund returns over various periods. Please remember that past performance cannot guarantee future results. All investments involve risk, including possible loss of principal. Diversification cannot assure a profit or protect against loss in a declining market.

*Call 1-800-492-7670 to request a prospectus or summary prospectus; each includes investment objectives, risks, fees, expenses, and other information that you should read and consider carefully before investing.*

\*Money Market Investments: You could lose money by investing in the Fund. Although the Fund seeks to preserve the value of your investment at \$1.00 per share, it cannot guarantee it will do so. An investment in the Fund is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. The Fund's sponsor has no legal obligation to provide financial support to the Fund, and you should not expect that the sponsor will provide financial support to the Fund at any time.

## SAVE WITH OUR LOW FEES AND EXPENSES.

There are no costs to open an account, and we keep our mutual fund expenses low to help you save even more.

There is a \$20 account service fee for each T. Rowe Price mutual fund in your 403(b) account with a balance below \$10,000. The annual account service fee will be automatically deducted from the account's assets. The \$20 account service fee will be waived for the following circumstances: subscribe to electronic delivery of statements and confirmations; maintain an individual combined balance of \$50,000 or more for all T. Rowe Price accounts (including mutual funds, Brokerage, variable annuity, and small business retirement plans);\* or qualify for T. Rowe Price Select Client Services based on higher asset levels of \$250,000 or more.

If the participant account is closed during the year, a \$20 closeout fee will be deducted automatically from the proceeds of the total redemption. However, the closeout fee is waived when an account service fee was previously assessed to the participant account for that year or when the proceeds are being used for a rollover, transfer, or conversion to a T. Rowe Price retirement plan account or T. Rowe Price IRA.

\*Participants can subscribe to paperless delivery via the T. Rowe Price website once their account is established.

### GO PAPERLESS FOR SECURE ONLINE ACCESS

Sign up for E-Delivery to view your statements and documents instantly.

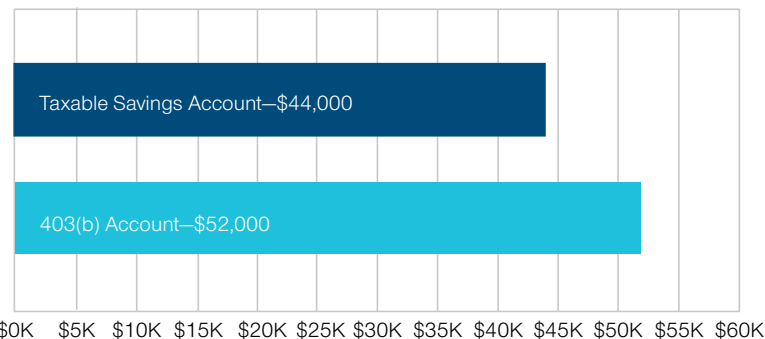
# BUILD YOUR RETIREMENT AND REDUCE YOUR TAXABLE INCOME.

Salary reduction contributions made to your 403(b) account reduce your current taxable income so you have an opportunity for tax savings. For example, if you make \$800 per week and contribute \$50 to your plan account on a before-tax basis, you'll only pay federal taxes on \$750 of income. Contributions are automatically deducted from your pay, making this a simple, disciplined way to invest.

## REDUCE YOUR TAXES AND GET TAX-DEFERRED GROWTH POTENTIAL.

A 403(b) account can be one of the most effective ways you can prepare for a secure retirement. Any earnings on your salary reduction contributions are tax-deferred until you withdraw them. The chart below shows how tax-deferred compounding can work to your advantage. If you invest \$100 per month in a 403(b) account earning 7%, it would grow to \$52,000 after 20 years, while a taxable account would grow to just \$44,000.\*

## TAXABLE VS. TAX-DEFERRED GROWTH OVER 20 YEARS



*\*This is for illustrative purposes only and should not be considered representative of the returns of any of the investment options in your plan. These amounts are rounded to the nearest \$1,000 and assume a contribution of \$100 per month for 20 years and a 7% annual rate of return, compounded monthly. The taxable account is taxed at 20%, and taxes are deducted monthly. Money in the tax-deferred account is taxed when it is withdrawn. Consider your personal investment horizon and income tax brackets, both current and anticipated, when making an investment decision.*

## MAXIMIZE YOUR SAVINGS POTENTIAL WITH GENEROUS CONTRIBUTION LIMITS.

A 403(b) plan gives you the opportunity to make contributions to your account up to the IRS elective deferral limit. Employees who have completed at least 15 years of service with certain organizations may make additional contributions. In addition, if you are 50 or older, you may be able to make catch-up contributions. The chart below shows the 403(b) elective deferral limits for 2019. Remember that this limit represents the total salary deferral contributions to all of your 403(b) accounts.

### Before-Tax Contribution Limits for 403(b) Plan Participants

	Maximum Standard Elective Deferral	Catch-Up Contribution for Those Age 50 or Older	Total for Those Age 50 or Older
2019	\$19,000	\$6,000	\$25,000*

*\*The total annual contributions that can be allocated to your account generally may not exceed the lesser of 100% of includible compensation for the most recent year of service or \$56,000 for 2019. This amount is adjusted periodically for inflation. This chart does not take into consideration any 15-year catch-up contributions. If eligible, the participant must make the 15-year catch-up contribution before age 50 catch-up contributions can be made.*

# YOUR OPTIONS FOR RETIREMENT INVESTING.

## Investment for retirement with a diversified fund series.

If you want a portfolio that automatically adjusts over time, you may want to consider investing in a pre-assembled T. Rowe Price target date fund that provides a diversified portfolio to—and through—retirement.

We offer two distinct types of T. Rowe Price target date funds:

### **RETIREMENT FUNDS**

Retirement Funds are designed to provide you with an age-appropriate diversified portfolio that you can carry to and through retirement—making them a one-stop approach to retirement investing. The Retirement Funds offer higher potential long-term growth and volatility by maintaining an emphasis on stocks before and after the target retirement date.

### **TARGET FUNDS**

Target Funds seek to reduce volatility as you near retirement and may better support withdrawals over a shorter time period. These funds offer lower volatility and lower potential long-term growth by emphasizing bonds closer to the target date. The visual on page 8 shows the distinct characteristics of these fund series and how they progress over time. For more information on these funds, visit [troweprice.com/targetdatefunds](https://troweprice.com/targetdatefunds).

## Build your own portfolio.

If you prefer to have more control over your investment strategy, you can choose among your plan's other investment options to create your own investment mix. You manage your portfolio and asset allocation over time to suit your risk tolerance, time horizon, and financial situation. We offer more than 100 professionally managed mutual funds, as well as investment guidance from our client services representatives.

For investment information, visit [troweprice.com/403b](https://troweprice.com/403b) or call us at **1-800-492-7670**.

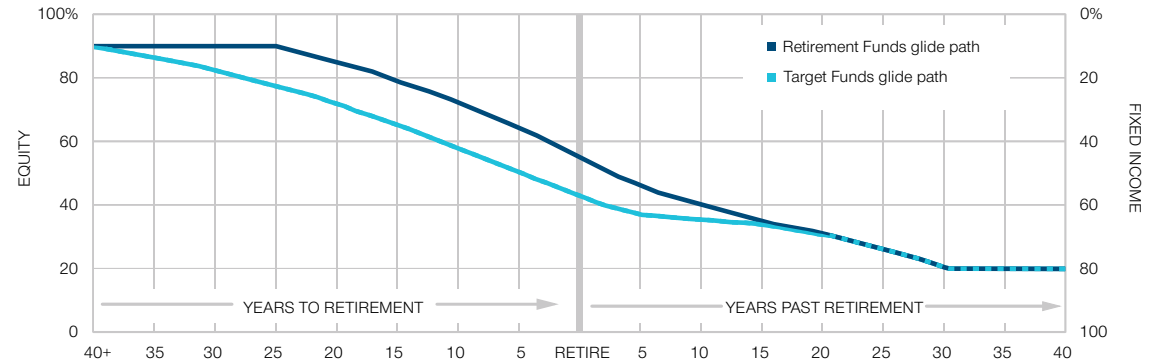
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*All investments involve risk, including possible loss of principal. Diversification cannot assure a profit or protect against loss in a declining market.*



## Comparing asset allocations for our target date funds.

T. Rowe Price client services representatives are available to answer your questions and provide education and information to help you make informed fund selections for your retirement goals. Call us at **1-800-638-3804**.



\*This chart shows the neutral allocations for the funds as of 2019. The allocation for each fund may vary from the long-term neutral allocation. Call 1-800-541-8803 for the most current asset allocation.

The principal value of the Retirement Funds and Target Funds (collectively, the “target date funds”) is not guaranteed at any time, including at or after the target date, which is the approximate year an investor plans to retire (assumed to be age 65) and likely stop making new investments in the fund. If an investor plans to retire significantly earlier or later than age 65, the funds may not be an appropriate investment even if the investor is retiring on or near the target date. The target date funds’ allocations among a broad range of underlying T. Rowe Price stock and bond funds will change over time. The Retirement Funds emphasize potential capital appreciation during the early phases of retirement asset accumulation, balance the need for appreciation with the need for income as retirement approaches, and focus on supporting an income stream over a long-term retirement withdrawal horizon.

The Target Funds emphasize asset accumulation prior to retirement, balance the need for reduced market risk and income as retirement approaches, and focus on supporting an income stream over a moderate postretirement withdrawal horizon. The target date funds are not designed for a lump-sum redemption at the target date and do not guarantee a particular level of income. The key difference between the Retirement Funds and the Target Funds is the overall allocation to equity; although they each maintain significant allocations to equities both prior to and after the target date, the Retirement Funds maintain a higher equity allocation, which can result in greater volatility over shorter time horizons.

# OUR SERVICES MAKE IT EASY TO KEEP TRACK OF YOUR ACCOUNT.

When you invest with T. Rowe Price, you have 24-hour access to your account information. You can check your balance or make changes to your account by:

- Calling our automated Plan Account Line (PAL) at 1-800-401-EASY (3279)
- Accessing your account on our website at [rps.troweprice.com](https://rps.troweprice.com)
- Downloading the appropriate forms at [troweprice.com/403b](https://troweprice.com/403b)

**FOR ANSWERS TO FREQUENTLY ASKED QUESTIONS,**

visit [troweprice.com/403b](https://troweprice.com/403b).

1.800.492.7670  
[troweprice.com/403b](https://troweprice.com/403b)

# OPEN YOUR ACCOUNT IN ONE EASY STEP.

Complete and sign the [Participant Account form](#), retain a copy, and return the original to your employer.

## Call us with any questions.

T. Rowe Price client services representatives are available to answer your questions and provide education and information to help you make informed fund selections for your retirement goals. Call us at **1-800-492-7670**.



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[troweprice.com/403b](http://troweprice.com/403b)

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