A foundation for your future

Make the most of your Optional Retirement Plan (ORP)
Investing for retirement is one of your most important financial goals. At USG, we’re offering you the best possible retirement plans to help you create a foundation for your financial future. This guide provides an overview of the ORP, steps to enroll in the plan, and the investment lineup you can use to build your retirement savings. Here’s what you’ll find inside:

- Retirement plan options at USG .................................................................1
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USG has two retirement plan options: the Teachers Retirement System of Georgia (TRS) and the Optional Retirement Plan (ORP). Both the TRS and the ORP are designed to help you build retirement savings that you can combine with your personal savings and Social Security benefits to meet your financial needs in retirement. Based on eligibility, you can elect to participate in either the ORP or the TRS. With the ORP option, both you and USG make contributions to your plan. However, you’re responsible for choosing how to invest the contributions and how to receive money after you retire.

<table>
<thead>
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<th>ORP</th>
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<tr>
<td>• The ORP is a defined contribution plan.</td>
<td>• TRS is a defined benefit plan.</td>
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<tr>
<td>• Both you and USG make contributions to your plan.</td>
<td>• Your retirement benefit is based upon a predetermined formula.</td>
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<td>• You choose how to allocate these contributions among the plan's investment lineup.</td>
<td>• The benefit is calculated based on your length of service and average monthly salary derived from your highest 24 months of earnings.</td>
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<td>• Your account balance is based on contributions plus accumulated earnings.</td>
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<td>• Once you retire, you choose among several options for receiving money from your account.</td>
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ORP details

Eligibility
All exempt, benefits-eligible employees are eligible to participate in the plan. Within 60 days of employment, eligible employees must make an irrevocable election to participate in the ORP or TRS. Only newly hired employees or employees first becoming eligible for retirement benefits are eligible to join the ORP. Employees who are promoted to an ORP-eligible position, and were previously covered by the Teachers Retirement System, are not eligible to join.

Contribution rate
• Employer: 9.24%
• Employee: 6.00% (mandatory)
Note: The contribution rates above are for the remainder of 2019 and may be changed by USG each year.
You can allocate both the employee and the employer contributions among the three ORP investment providers, with the following provisions:
• All combined allocations must total 100%.
• If divided, the minimum investment made to any one provider must be 10%.
• All contributions must be a whole number percentage.

Vesting
Vesting refers to an employee’s right, usually earned over time, to receive some retirement benefits regardless of whether or not he or she remains with the employer. The USG ORP provides for full and immediate vesting of both employee and employer contributions. This means that every dollar contributed to your ORP account by USG for your benefit remains in your account, even if your employment is terminated.

Account information
After you become an ORP participant, you’ll receive account statements each calendar quarter from your retirement plan provider(s). The quarterly statement reports how your retirement investments performed, how much money was contributed on your behalf during the quarter, and the total accumulated value of your investments. If you have an existing account or accounts with any of the three ORP providers, the existing account or accounts will remain separate from your ORP account, and you will also receive separate quarterly statements.

Loans
The primary purpose of the ORP is to enable participating employees to accumulate assets for retirement. Consequently, the plan does not allow participants to borrow against or withdraw any funds accumulated under the ORP.

Plan fees
All ORP providers assess fees to cover the cost of plan recordkeeping and administration. Recordkeeping fees will be assessed based on a percentage of your account balance and will vary by provider. These fees and the investment expenses charged by the managers of the funds in the investment lineup are listed on the retirement plan providers’ websites found on page 5. Fees are deducted from your account on the last business day of the quarter and will be clearly displayed on your quarterly statement. Prior to selecting your provider, carefully review information regarding these charges.

Disability benefits
The ORP does not offer specific disability provisions. However, because the plan provides full and immediate vesting, you will never lose the value of your account if you are unable to work as a result of total and permanent disability. In the event you become totally and permanently disabled and you are completely separated from service, you may request a distribution and receive your account value in a lump sum or convert it into a retirement annuity.

Death benefits
In the event of your death, your entire account will be payable to your designated beneficiary. In some cases, your beneficiary may elect to receive your account value in annuity or installment payments. Please be sure to review the death benefit options for the retirement plan provider you select.
As an eligible employee, you have 60 days from your date of employment to elect to enroll in the ORP. During this period, you must select one or more of the ORP providers and complete the necessary enrollment.

Complete a two-step process to enroll in the ORP

**1. Choose the ORP for the first time.**

From OneUSGConnect.usg.edu, select the OneUSGConnect button in the Active USG Employees section. Select Benefits from the Employee Self Service page. Choose the Mandatory Retirement Election tile to review the features of the ORP and TRS.

From the MyRetirement@Work page, select ORP and confirm your irrevocable election. **Important note:** If you don’t submit a retirement election within 60 days from your date of employment, you will no longer be eligible for the ORP and will automatically become a member of the Teachers Retirement System, the University System of Georgia’s Defined Benefit Plan.

* Georgia Tech employees will visit the TechWorks portal to access the Retirement@Work site.

**2. Select your ORP providers and allocations.**

Select the MyRetirement@Work tile from either the Benefits section of the Employee Self Service page, or from Techworks if you are a Georgia Tech employee. Choose the Continue to ORP vendor selection link from the blue box. Follow the steps to select your providers and allocations.

Refer to the posted Retirement@Work user guide for detailed instructions or questions about Retirement@Work. **Important note:** If you do not take this step, you will default to TIAA and your future contributions will be directed to the Vanguard Target Date Institutional Fund that corresponds with your projected retirement date based on your age.

*Note: You can also enroll in the 403(b) and/or 457(b) supplemental plans from Retirement@Work.*

If you have questions or need assistance in enrolling in the ORP, please visit your institution’s Human Resources Department or Benefits Office.

**Creating your ORP investment strategy**

USG has created a four-tier investment approach and lineups for the ORP. You should review and compare the investments from each of the three ORP investment providers before selecting which accounts and funds to invest in. You can find the investment lineups in the following materials included in this kit:

- The University System of Georgia investment menu with AIG Retirement Services (formerly VALIC)
- The University System of Georgia investment menu with Fidelity
- The University System of Georgia investment menu with TIAA

You can also find these guides at retirement.usg.edu.
USG ORP provides an enhanced, four-tiered investment menu to all participants through the three providers—AIG Retirement Services, Fidelity Investments® and TIAA. These providers offer a wide array of fund options, interactive financial planning tools and high-quality customer service to help you create a diversified retirement portfolio.

**Tier 1: Allocation tier¹,² and Stable value**

The Allocation tier includes options that offer a diversified investment within a single fund. Many options in this tier are age-based target-date funds. Selecting a target-date fund may be a good choice if you prefer a hands-off approach to managing your retirement savings. Each of these investments creates a diversified portfolio within one fund, based on your expected retirement year.³ The “target date” indicates when you may plan to begin making withdrawals, and the fund’s investments become more conservative as the target date approaches. After the target date, the fund may be merged into a fund designed for investors already in retirement.

**Tier 2: Passively managed/index fund options**

As a part of the core lineup, passively managed funds are offered for participants who would like to construct and manage their own investment portfolios to meet their specific objectives. Passive management is designed to provide consistency of returns relative to a benchmark, at relatively low cost.

**Tier 3: Actively managed fund options**

As another part of the core lineup, actively managed funds are also offered for participants who would like to construct and manage their own investment portfolios to meet their specific objectives. Active strategies are designed to have the potential to generate above-market returns.

**Tier 4: Self-directed brokerage services**

For experienced investors seeking maximum flexibility, USG offers a self-directed brokerage option that allows you to select from a wide array of mutual funds, individual stocks and ETFs for employee contributions. The self-directed brokerage options vary by plan and retirement plan provider, so be sure to inquire with the retirement plan provider that you select on what investment options are available. Investors may use this feature to add diversification above and beyond the core offerings. With a brokerage account,⁴ investors can independently research and select from thousands of mutual funds, individual stocks and ETFs. Individual investment options vary by plan and by provider. Additional brokerage account fees apply.⁵ However, please note that some investments offered through the self-directed brokerage window may have additional fees and expenses, and annual administrative fees may also apply. Please check with your provider prior to investing. It is your responsibility to determine if this option is appropriate for your goals. You are responsible for monitoring these investments over time and adjusting your portfolio when necessary.

It’s important to understand that USG will not monitor the performance of the funds offered through the brokerage account, and investment advice is not available for brokerage assets. Plan participants are responsible for determining if this option is appropriate for their goals and for monitoring investments in brokerage accounts over time and adjusting their portfolios when necessary.

USG recommends that participants exercise caution and consider seeking professional guidance when investing through a brokerage account. **Please note that you may only invest up to 90% of your USG Retirement Plan account balance in a brokerage account.**

¹,²,³,⁴,⁵ See important disclosures for this section on back page.
Ready to get started? You can enroll in the ORP through the Retirement@Work online portal, where you can select providers and link to provider websites to select investments. Or, if you prefer to enroll by phone, you can call the Retirement@Work call center at 844-231-7917. You can also contact your chosen provider directly for answers to questions or to schedule an individual advice session using the information below.

AIG Retirement Services
- Website: valic.com/usg.
- By phone: Call 888-569-7055, 8 a.m. to 9 p.m. (ET).
For confidential individual sessions, make an appointment:
  - Online: Visit valic.com/usg and click on Contact Us on the upper right-hand side for a list of financial advisors by location.

Fidelity Investments®
- Website: netbenefits.com/usg.
- By phone: Call 800-343-0860, weekdays, 8 a.m. to midnight (ET).
For confidential individual sessions, make an appointment:
  - Online: Visit fidelity.com/reserve to schedule an appointment online.
  - By phone: Call 800-642-7131, weekdays, 8 a.m. to 9 p.m. (ET) to schedule an appointment.

TIAA
- Website: TIAA.org/usg.
- By phone: Call 844-230-7524, weekdays, 8 a.m. to 10 p.m. and Saturday, 9 a.m. to 6 p.m. (ET).
For confidential individual sessions, make an appointment:
  - By phone: Call 800-732-8353, weekdays, 8 a.m. to 8 p.m. (ET).
  - Online: TIAA.org/schedulenow.
How to access your account

You can access your account by phone or online through the Retirement@Work online portal or via phone with a live specialist at 844-231-7917. Or if you prefer, you can contact your provider via the info below.

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<tr>
<th>Provider</th>
<th>Phone Number</th>
<th>Website</th>
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<tr>
<td>AIG Retirement Services</td>
<td>800-448-2542</td>
<td>valic.com/usg</td>
</tr>
<tr>
<td>Fidelity Investments®</td>
<td>800-343-0860</td>
<td>netbenefits.com/usg</td>
</tr>
<tr>
<td>TIAA</td>
<td>844-230-7524</td>
<td>TIAA.org/usg</td>
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1 Target-date funds share the risks associated with the types of securities held by each of the underlying funds in which they invest. In addition to the fees and expenses associated with the target-date funds, there is exposure to the fees and expenses associated with the underlying mutual funds. For more information about the target-date fund applicable to your age, see the enclosed Guide to New Investments for each provider.

2 As with all mutual funds, the principal value of a target-date fund isn’t guaranteed at any time, even at the target date. The target date represents an approximate date when investors may choose to begin withdrawing from the fund.

3 Diversification is a technique to help reduce risk. It is not guaranteed to protect against loss.

4 The TIAA Brokerage account option is available to participants who maintain both a legitimate U.S. residential address and a legitimate U.S. mailing address. Certain securities may not be suitable for all investors. Securities are subject to investment risk, including possible loss of the principal amount invested.

Fidelity Investments BrokerageLink includes investments beyond those in your plan’s lineup. BrokerageLink accounts are brokerage accounts established as part of an employee retirement plan and are subject to plan rules. The plan fiduciary neither evaluates nor monitors the investments available through BrokerageLink. Plan participants have trading authority over BrokerageLink accounts. It is your responsibility to ensure the investments you select are suitable for your situation, including your goals, time horizon, and risk tolerance. See the fact sheet and commission schedule for applicable fees and risks.

The brokerage option offered through AIG Retirement Services is a Schwab Personal Choice Retirement Account® (PCRA). Investing involves risk, including the possible loss of principal. Please read the prospectus carefully before investing.

5 By opening a TIAA Brokerage account, you will be charged a commission only on applicable transactions and other account-related fees in accordance with the TIAA Commission and Fee Schedule. Please visit TIAA.org/SDA_CAA. Other fees and expenses apply to a continued investment in the funds and are described in the fund’s current prospectus.

This material is for informational or educational purposes only and does not constitute investment advice. This material does not take into account any specific objectives or circumstances of any particular investor, or suggest any specific course of action. Investment decisions should be made based on the investor’s own objectives and circumstances.

Investment products may be subject to market and other risk factors. See the applicable product literature or visit your investment provider for details.

Distributions from tax-deferred plans before age 59½, severance from employment, death or disability may be prohibited, limited and/or subject to substantial tax penalties. Different restrictions may apply to other types of plans.

Investment, insurance, and annuity products are not FDIC insured, are not bank guaranteed, are not bank deposits, are not insured by any federal government agency, are not a condition to any banking service or activity, and may lose value.

You should consider the investment objectives, risks, charges, and expenses carefully before investing. Please call your investment provider for current product and fund prospectuses that contain this and other information. Please read the prospectuses carefully before investing.