

PLAN HIGHLIGHTS

THE STATE OF CONNECTICUT 403(b) PLAN

Eligibility

Employees of the following State educational institutions are eligible:

- University of Connecticut
- UConn Health
- State universities, including the Board of Regents
- Community and technical colleges, including the Boards of Trustees
- Department of Higher Education
- Connecticut Technical Education and Career System (CTECS)
- Department of Education
- Board of Academic Awards

Rehired retirees of these institutions are also eligible.

Administration fee

0.0285% annually (for example, a participant with a \$10,000 account balance would pay an annual fee of \$2.85)

Contributions

Maximum amount—\$24,500 for 2026*

As an employee, you can contribute on a pre-tax basis, Roth (after-tax) basis, or both.

Pre-tax contributions: You do not pay federal or state income taxes on your contributions or any investment earnings until you take withdrawals in retirement, when you may be in a lower tax bracket.

Roth (after-tax) contributions: You make contributions on an after-tax basis, and you can take tax-free distributions if you have met the five-year holding period requirement and the distribution is due to:**

- Separation from service and reaching age 59½
- Disability (as defined by the Internal Revenue Code)
- Death

Your Roth 403(b) contributions do not reduce your current tax liability. You pay taxes up front—at your current tax rate—and potentially save taxes on your investment gains when you retire.

As a participant in the 403(b) Plan, you have access to Auto Increase, a retirement planning feature that can help you save more for retirement. It is available at no additional cost. Once enrolled, your contribution amount automatically increases each year by the amount and on the date you choose. It's never been easier to systematically increase the amount you set aside for retirement.

Catch-up contributions

Age 50+ catch-up: An additional \$8,000 for 2026*

Ages 60-63 catch-up: In the years you turn age 60, 61, 62, or 63, you can save an extra \$11,250 in catch-up contributions. Note that the standard limit resumes the year you turn age 64.

If your FICA wages exceed \$150,000 in 2025, any age 50+ catch-up or age 60-63 catch-up contributions you make to the plan in 2026 must be made as Roth. This requirement only applies to the catch-up portion of your contributions; your standard contributions can still be made on a pre-tax basis.

Fund transfers

Currently, there are no restrictions on transfers among investment options (subject to any excessive trading policies in place).

* If you are making both pre-tax and after-tax (Roth) contributions to the 403(b) Plan, your total contributions cannot exceed \$24,500 (or \$32,500 if you have elected the Age 50+ catch-up option) in 2026.

** A withdrawal from a Roth account is not subject to federal taxation as long as it is qualified as defined under IRS regulations. However, state and local taxes may still apply.



Plan-to-plan transfers

- The plan accepts transfers of assets from a prior State of Connecticut 403(b) Plan investment provider.
- Transferred assets can only be withdrawn upon a distributable event.

Rollovers

- The plan accepts rollovers from pre-tax 401, 403(b), and 457(b)^{***} plans, traditional IRAs, and Roth accounts from other 401, 403(b), or 457(b) Plans.
- The plan does not accept rollovers of after-tax dollars or rollovers from Roth IRAs.
- Rollover assets may be withdrawn without a distributable event.
- Consider all your options, including taxes, fees and expenses, before moving money between accounts. Assess all benefits of current accounts before moving money.

Loans

Loans are available to all active employees enrolled in the plan. Taking a loan will reduce your account balance and may limit future growth potential. Loan repayments are automatically deducted from your bank account. Please note that loans are not allowed from any 403(b) account you have with a previous State of Connecticut 403(b) plan provider.

Distributable events

- Separation from service or retirement
- Death
- Unforeseeable emergency
- Attainment of age 59½
- One-time in-service withdrawal of \$5,000 or less (if no contributions in the past two years)

10% premature distribution penalty tax on distributions prior to age 59½

The 10% premature distribution penalty tax applies to distributions taken prior to age 59½, unless an Internal Revenue Code exception applies.¹

Required minimum distributions

You must begin pre-tax distributions by April 1 following the year you reach age 73 or after you retire/separate from service, whichever is later. The IRS generally requires required minimum distributions (RMDs) to start at age 73.

Payment options

- Partial or lump-sum withdrawal
- Systematic withdrawals (fixed amount or period certain)
- Rollover to another eligible retirement plan or IRA
- Combination of payout and annuity options
- Estate Conservation Option (IRS-required minimum distribution)

▶ **For information about your plan, call 844-505-SAVE (844-505-7283) or visit CTDCP.com.**



^{***} Governmental 457 funds rolled into another type of plan or account may become subject to the 10% early withdrawal penalty if taken before age 59½. Assess benefits of current accounts before moving money.

¹ Amounts withdrawn are subject to income taxes. Withdrawals before age 59½ may also be subject to a 10% federal income tax penalty and plan restrictions. Neither Empower nor any of its affiliates provide tax or legal advice for which you should consult with your qualified professional.

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