



Being prepared for retirement starts with a Plan.

Welcome to your State of Arizona SRSP Enrollment Guide.

What is SRSP?

SRSP is shorthand for the Arizona State Retirement System (ASRS) Supplemental Retirement Savings Plan (SRSP) a defined contribution retirement program operating under Section 401(a) of the Internal Revenue Code.

The Plan allows eligible Arizona public employees to designate a specified percentage of pay — the defined contribution — to be deposited into a employer-sponsored retirement account. You manage your contributions — the self-directed aspect of participation — by investing through the SRSP investment line-up menu.

Participating in SRSP is easy. You:



Why do I need a plan for retirement?

A recent study finds that slightly more than half of households are “at risk” of being unable to maintain their pre-retirement standard of living in retirement. The study concludes that “many Americans need to save more and/or work longer.”¹

Why SRSP?

Participation in SRSP makes building an additional retirement income resource easier. The SRSP provides you with:

- The ease of automatic, payroll-deducted contributions
- Long-term investing through a program designed for retirement
- Automatic re-investment of any earnings, at no additional cost
- Higher contribution limits than allowed under 457(b) and 403(b) plans²
- Federal income tax is deferred on contributions³
- Broad spectrum of investment options selected and monitored for appropriateness
- Access to thousands of funds through a self-directed brokerage option⁴
- A home for all your retirement assets, making managing investments and income easier
- Lower costs than usually found via most retail providers
- No commissions
- Personal service from Nationwide Retirement Specialists

Why enroll in SRSP? Because your retirement matters.

¹ National Retirement Risk Index Shows Half are Still Falling Short; Alicia H. Munnell, Wenliang Hou, and Anthony Webb; © 2014, Trustees of Boston College, Center for Retirement Research (December 2014).

² Limits include both employer and employee contributions.

³ Withdrawals are taxed as ordinary income. Withdrawals prior to age 59½ may be subject to an additional tax.

⁴ Available for an extra charge through Charles Schwab & Co., Member SIPC. For more information, request a brochure.

Investing involves market risk, including possible loss of principal. Actual investment results will vary depending on your investment and market experience, and there is no guarantee that fund objectives will be met.

Who can join SRSP?

To be eligible to participate, you must:

- Meet the 20/20 criteria (work a minimum of 20 hours a week for 20 or more weeks in a fiscal year) established by the State
and
- Be at least 40 years of age if participating in a qualified plan administered by the Arizona State Retirement System.

When you reach your eligibility age, you have a two-year window within which to make a contribution election. If you were already 40 years old and in a qualified ASRS plan on the inception date of this 401(a) plan, you have two years from the date of employment or date of inception, whichever is later, to elect to participate.

The IRS requires the contribution election to be irrevocable. If you do not make an election within the two-year window, you will be deemed to have irrevocably elected not to become a participant in the SRSP.

[Enroll now.](#)

Time plays one of the biggest roles in investing. The more time money has to grow, the more your account could have at retirement.

Because a contribution election is irrevocable, you should contact a Nationwide Retirement Specialist who can help you assess which contribution election may be right for you.

How does SRSP participation work?



Step 1:

Complete the enclosed enrollment forms.

Because certain decisions cannot be changed once you've made them and other decisions may lead to questions, we encourage you to make an appointment with a Nationwide Retirement Specialist to discuss your options.



Step 2:

Choose your investment options.

SRSP offers a broad spectrum of investment options, selected and monitored for appropriateness within your retirement plan. For the more experienced investor, the Schwab PCRA® offers access to thousands of mutual funds and other investment options.⁵



Step 3:

Monitor your SRSP account.

Because over time your account will have some funds grow more than others, you may discover that you've taken on more risk than originally intended. Rebalancing — exchanging assets to return your portfolio to its original asset mix — may help you manage your account according to your long-term objectives.

You are welcome to make exchanges and/or allocation changes of your investment options at any time.⁶ Bear in mind that some fund managers may impose a redemption or short-term trade fee to discourage trading practices that are not in the interests of long-term investors, such as retirement plan participants.



Step 4:

Consider making SRSP your one account for retirement assets.

SRSP welcomes rollovers from other qualified plans such as 403(b) or 401(k) plans, governmental 457(b) deferred compensation plans, and traditional IRAs.⁷ By combining all your retirement assets in one account, you can simplify managing your investments, reports, fees, paperwork, distributions, and service.

Investing involves market risk, including possible loss of principal. No investment strategy — including asset allocation, diversification and rebalancing — can assure a profit or protect against loss, especially in a declining market. Actual investment results will vary depending on your investment and market experience, and there is no guarantee that fund objectives will be met. Nationwide Retirement Specialists cannot offer investment, tax or legal advice. You should consult your own counsel before making retirement plan decisions.

⁵ New footnote: The Schwab Personal Choice Retirement Account (PCRA) is available for an additional annual fee through Charles Schwab, Inc., a broker/dealer, member FINRA and SIPC. PCRA is a service mark of Charles Schwab, Inc., which is not affiliated with Nationwide.

⁶ Subject to any ASRS SRSP restrictions.

⁷ Qualified retirement plans, deferred compensation plans and IRAs are all different, including fees and when you can access funds. Assets rolled over from your account(s) may be subject to surrender charges, other fees and/or a 10% additional tax if withdrawn before age 59½.

What fees do I need to be aware of?

There is .20 to .30 bps tiered asset charge on each investment option. Underlying fund house charges also apply. Details about fund fees, charges and expenses can be found in the fund prospectuses, available for download at www.azsrsp.com.

How do I get money out of my SRSP account?

When you are ready to begin distributions — usually at retirement — you may request a lump sum payment, other acceptable payout method, or a rollover to another retirement plan or IRA. Payouts (withdrawals) are taxed as ordinary income. Withdrawals prior to age 59½ may be subject to an additional tax.

As a long-term supplemental retirement program regulated by the IRS, SRSP cannot allow in-service withdrawals, except in specified situations. For example, while withdrawals for financial hardships are not allowed, your employer may allow participant loans, or, under certain circumstances, may allow in-service withdrawals of the vested portion of Employer Matching Contributions, Rollover Account contributions, or after-tax contributions. Participant loans are subject to specific rules. See the SRSP Loan Guide or www.azsrsp.com for more details.

All employee contributions are fully vested immediately. When the participant has completed the following years of service with the ASRS, the vested portion of the participant's Employer Matching Account — if any — will be:

Less than 1 year	0%
1 year but less than 2	20%
2 years but less than 3	40%
3 years but less than 4	60%
4 years but less than 5	80%
5 years or more	100%



Let Nationwide® help make
your retirement decisions easier.
Ask a Nationwide Retirement Specialist
about enrolling in SRSP today.



888-224-1011



Arizona State Retirement System Supplemental Retirement Savings Plan

Administered by Nationwide®

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Federal income tax laws are complex and subject to change. The information in this brochure is based on current interpretations of the law and is not guaranteed.

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