

# Summary Guide of 457 & 401(k) Plan Provisions



**New York City  
Deferred Compensation Plan**







## OFFICE OF LABOR RELATIONS

# *Deferred Compensation Plan & NYCE IRA*

22 Cortlandt Street, 28<sup>th</sup> Floor, New York, NY, 10007  
Tel: 212 306-7760 / TTY: 212 306-7707 / Fax: 212 306-7376  
Outside NYC: 888 DCP-3113 and 888 IRA-NYCE  
Online: [nyc.gov/deferredcomp](http://nyc.gov/deferredcomp) and [nyc.gov/nyceira](http://nyc.gov/nyceira)

### **Board Members**

Mayor of the City of New York  
Comptroller of the City of New York  
Commissioner, Office of Labor Relations  
Director, Office of Management & Budget  
Commissioner of Finance  
Commissioner, Citywide Administrative Services  
Police Commissioner  
Fire Commissioner  
Uniformed Firefighters Association  
District Council 37, AFSCME  
Corporation Counsel, Counsel to the Board

ROBERT W. LINN  
*Commissioner*

GEORGETTE GESTELY  
*Director, Employee Benefits Program*

BETH KUSHNER  
*Deputy Director, Administration*

SANG HONG  
*Deputy Director, Operations*

Welcome to the award winning City of New York Deferred Compensation Plan!

This booklet describes the City of New York Deferred Compensation Plan, an umbrella program consisting of the 457 Plan and the 401(k) Plan.

Deferred Compensation is a retirement savings plan which lets you save for the future through easy payroll deductions. The pre-tax 457 and 401(k) allow you to put aside a portion of your pay before federal, state, and local income taxes are taken out. Your taxes will be reduced as a result of the contributions you make, and your contributions and their earnings will accumulate tax-deferred. With the Roth 457 and Roth 401(k), your contributions are made on an after-tax basis, and the earnings on those contributions are income tax-free.

Because these programs are tax-favored plans, they are the ideal retirement savings vehicles. And, because Deferred Compensation is able to aggregate the billions of dollars in the City's pension funds to negotiate lower investment management fees, it offers City employees one of the lowest cost plans anywhere. Every dollar you don't pay in extra investment management fees results in one dollar more in investment returns. The investment program contains competitively bid and professionally managed investment funds, including the Plan's 12 pre-arranged portfolios.

As you take the step to enroll, also consider consolidating your other retirement savings in the low-cost New York City Employee IRA (the NYCE IRA). Keeping track of your retirement assets is easier when they are all in the same place. The NYCE IRA can accept rollovers from eligible retirement plans and IRAs. You *and* your spouse have access to the NYCE IRA for all your IRA needs. Get more information at [nyc.gov/nyceira](http://nyc.gov/nyceira).

### **Awards**

The Plan has achieved the prestigious Certificate of Achievement for Excellence in Financial Reporting. The award is conferred by The Government Finance Officers Association of the United States and Canada (GFOA). In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

The Plan has also earned numerous National Association of Government Defined Contribution Administrators Leadership Recognition Awards. The National Association of Government Defined Contribution Administrators (NAGDCA) confers Leadership Recognition Awards to plans for outstanding achievement in the fields of administration, communication, investment plan design, web site design and systems administration.

We are pleased to offer you these programs and feel they are an excellent opportunity for you to save now for the future.

Sincerely,

Georgette Gestely  
Director

## Comparing Costs

### *The Deferred Compensation Plan is the Best Deal in Town!*

*We strive to be the most cost-effective program around – both within the City and outside.*

Because these programs are tax-favored plans, they are the ideal retirement savings vehicles. And, because Deferred Compensation is able to leverage the billions of dollars in the City’s pension funds to negotiate lower investment management fees, it offers City employees one of the lowest cost plans anywhere. Every dollar you don’t pay in extra investment management fees results in one dollar more in investment returns. The investment program contains competitively bid and professionally managed investment funds, including the Plan’s 12 pre-arranged portfolios.

Below is a comparison of fees incurred in the City’s Deferred Compensation Plan versus the fees incurred in similar institutional and retail class funds.

### *Fee Advantages of the Deferred Compensation Plan vs. Median Expense Ratio*

Fund	DCP Expense Ratio <sup>1</sup>	Institutional Expense Ratio <sup>2</sup>	Retail Expense Ratio <sup>2</sup>
Stable Income Fund	0.30%	0.40% <sup>3</sup>	0.70% <sup>3</sup>
Bond Fund	0.31%	0.75%	0.90%
Equity Index Fund	0.05%	0.09%	0.22%
Socially Responsible Fund	0.49%	1.15%	1.43%
Mid-Cap Equity Fund	0.44%	0.70%	1.20%
International Equity Fund	0.39%	1.06%	1.39%
Small-Cap Equity Fund	0.43%	0.79%	1.30%
Static Allocation Fund	0.29%	0.84%	0.96%
2000 Fund	0.29%	0.44%	0.49%
2005 Fund	0.28%	0.44%	0.49%
2010 Fund	0.28%	0.62%	0.94%
2015 Fund	0.27%	0.68%	1.02%
2020 Fund	0.25%	0.74%	1.09%
2025 Fund	0.24%	0.81%	1.05%
2030 Fund	0.24%	0.81%	1.11%
2035 Fund	0.23%	0.77%	1.10%
2040 Fund	0.23%	0.79%	1.14%
2045 Fund	0.23%	0.78%	1.10%
2050 Fund	0.23%	0.80%	1.15%

<sup>1</sup> The DCP expense ratios shown include the Plan’s annualized asset-based administrative fee of 0.04%.  
<sup>2</sup> Screening was done using the Morningstar mutual fund database updated through 6/30/13 for the institutional and retail groups.  
<sup>3</sup> Ultra-short bonds were used as a proxy for stable value funds in this comparison.

Chart Prepared by Milliman USA

# Table of Contents

---

## *Deferred Compensation Plan*

How to Enroll in the Plan.....	8
Participating Employers.....	9
Deferred Compensation Plan Contributions in Lieu of Paying FICA Tax .....	9
Choosing a Beneficiary.....	9

## *457 Plan Mechanics*

About Your 457 Contributions.....	10
Deferral Acceleration for Retirement (“Catch Up”).....	10
Withdrawal of Funds: 457 Plan Distributions.....	11

## *401(k) Plan Mechanics*

About Your 401(k) Contributions .....	13
Withdrawal of Funds: 401(k) Plan Distributions.....	14

## *Investment of Deferred Compensation Plan Contributions*

Selecting Your Investment Strategy.....	16
Choosing a Pre-Arranged Portfolio .....	16
Creating Your Own Portfolio .....	18
Core Investment Options .....	20
Making Changes to Your Account .....	24

## *In Summary*

Plan Accounting.....	25
Plan Costs.....	25
Services to Employees .....	25
Participation Agreement.....	27

## *Planning Worksheets*

Is the Deferred Compensation Plan for You?.....	28
Approximately How Much Excess Income Do You Have Available for the Deferred Compensation Plan?.....	29

If you have additional questions after reading this guide, please contact the Plan’s Client Service Department between the hours of 9 a.m. and 5 p.m., Eastern Time, Monday through Friday, at (212) 306-7760 or visit the Plan’s Web site at [nyc.gov/deferredcomp](http://nyc.gov/deferredcomp).

Please Note: The material contained in this booklet regarding financial planning is merely for informational purposes. This information has been obtained from sources believed to be reliable, but we do not guarantee its accuracy or completeness. The Deferred Compensation Plan is not an investment adviser and is not holding itself out as such. Any references to rate of return and risk are based on past experience, and, as such, there is no guarantee of the rate of return you may actually receive. Therefore, you may wish to consult a professional investment adviser before reaching any investment decisions.

All photographic images throughout this brochure © NYC & Company

## Comparing Programs

The chart below highlights the similarities and differences between the 457 Plan and the 401(k) Plan as well as contributing on a pre-tax and Roth (after-tax) basis. Because future tax rates are uncertain, your tax rate could be the same or higher in retirement. To diversify against this risk, it may help to hold a combination of pre-tax savings (which will benefit you if tax rates fall in retirement) and Roth (after-tax) savings (which will benefit you if tax rates rise).

Provision	457		401(k)	
	Pre-tax 457	Roth 457	Pre-Tax 401(k)	Roth 401(k)
Contributions	<ul style="list-style-type: none"> <li>2014 annual limit of \$17,500; \$23,000 if age 50 or older</li> </ul> <p>In the 457 Plan, you may choose to make pre-tax contributions and/or Roth (after-tax) contributions. However, the combined deferral cannot exceed \$17,500.</p> <p>You may choose to put money in the 457 Plan or the 401(k) Plan, or both, for a combined deferral of \$35,000, or \$46,000 if age 50 or older.</p>		<ul style="list-style-type: none"> <li>2014 annual limit of \$17,500; \$23,000 if age 50 or older</li> </ul> <p>In the 401(k) Plan, you may choose to make pre-tax contributions and/or Roth (after-tax) contributions. However, the combined deferral cannot exceed \$17,500.</p>	
Rollovers into the Plan	<ul style="list-style-type: none"> <li>Rollovers accepted only from another Pre-tax 457 plan</li> </ul>	<ul style="list-style-type: none"> <li>Rollovers accepted only from another Roth 457 plan</li> </ul>	<ul style="list-style-type: none"> <li>Rollovers accepted from 401(k) plans, 403(b), 457 plans and IRAs</li> <li>Special 401(k) Rollover Account accepts:                             <ul style="list-style-type: none"> <li>Final pension payments or final pension loans from City retirement systems</li> <li>Eligible union annuities</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>Direct rollovers accepted from other Roth 401(k) or Roth 457 plans</li> </ul>
Deferral Acceleration for Retirement (DAR)	<ul style="list-style-type: none"> <li>This provision is available to participants who have underutilized 457 deferrals. Annual contribution limit is doubled for each of the three calendar years before reaching "Normal Retirement Age." Additional "over age 50" contribution is not included when calculating underutilized deferrals and cannot be used in the same year(s) DAR is used.</li> </ul>		<ul style="list-style-type: none"> <li>Not available</li> </ul>	
Income Limitations	<ul style="list-style-type: none"> <li>None</li> </ul>			
When are You Taxed?	<b>Pay Later:</b> Contributions and earnings are taxed upon distribution	<b>Pay Now:</b> Contributions are taxed when made <u>but</u> earnings are income tax-free upon qualified distribution, provided that you severed from City service, are at least age 59½ and it has been at least five taxable years since the initial contribution.	<b>Pay Later:</b> Contributions and earnings are taxed upon distribution	<b>Pay Now:</b> Contributions are taxed when made <u>but</u> earnings are income tax-free upon qualified distribution, provided that you are at least age 59½ and it has been at least five taxable years since the initial contribution.
Loans	<ul style="list-style-type: none"> <li>Available</li> </ul>	<ul style="list-style-type: none"> <li>Not available</li> </ul>	<ul style="list-style-type: none"> <li>Available</li> </ul>	<ul style="list-style-type: none"> <li>Not available</li> </ul>
In-Service Withdrawals	<ul style="list-style-type: none"> <li>Unforeseeable emergency withdrawals available only in the event of a severe financial hardship (subject to income taxes)</li> <li>Small account withdrawal available if the account does not exceed \$5,000, there have been no contributions to the Plan for two consecutive years, there are no outstanding loans and there has not been a previous small account withdrawal (subject to income taxes)</li> <li>In-service withdrawals available when participant reaches age 70½</li> </ul>	<ul style="list-style-type: none"> <li>Unforeseeable emergency withdrawals not available</li> <li>Small account withdrawal available if the account does not exceed \$5,000, there have been no contributions to the Plan for two consecutive years, there are no outstanding loans and there has not been a previous small account withdrawal (subject to income taxes)</li> <li>In-service withdrawals available when participant reaches age 70½</li> </ul>	<ul style="list-style-type: none"> <li>Hardship withdrawals available only in the event of an immediate and heavy financial need and only in the amount necessary to satisfy the need (subject to income taxes and penalties, if applicable)</li> <li>In-service withdrawals available when participant reaches age 59½ (subject to income taxes, but no 10% penalty)</li> </ul>	<ul style="list-style-type: none"> <li>Hardship withdrawals not available</li> <li>In-service withdrawals available when participant reaches age 59½ (subject to a 10% penalty if not a qualified distribution)</li> </ul>

Which savings plan is right for you depends on your individual circumstances and should be considered carefully. To determine which plan may be most beneficial to you, consult with an independent tax advisor. The Plan also has Personal Financial Snapshot software available in the Planning Tools section of the Plan's Web site.

Provision	457		401(k)	
	Pre-tax 457	Roth 457	Pre-Tax 401(k)	Roth 401(k)
Withdrawals after Severance from City Service	<ul style="list-style-type: none"> <li>No election is required until a distribution is requested</li> <li>Distributions can be requested as needed.</li> <li><i>No tax penalty for withdrawals taken before age 59½</i></li> <li>Account can be withdrawn without penalty after severance from City service, regardless of age (subject to income taxes)</li> </ul>	<ul style="list-style-type: none"> <li>No election is required until a distribution is requested</li> <li>Distributions can be requested as needed.</li> <li>Account can be withdrawn income tax-free provided that you severed from City service, are at least age 59½ and it has been at least five taxable years since the initial contribution.</li> <li>Non-qualified distributions are subject to applicable income taxes on the earnings, but no 10% penalty.</li> </ul>	<ul style="list-style-type: none"> <li>No election is required until a distribution is requested</li> <li>Distributions can be requested as needed.</li> <li>Account can be withdrawn after severance from City service, but is subject to income taxes and, in most cases, to a 10% penalty for withdrawal before age 59½ (unless retirement occurs after age 55)</li> </ul>	<ul style="list-style-type: none"> <li>No election is required until a distribution is requested</li> <li>Distributions can be requested as needed.</li> <li>Account can be withdrawn, provided that you are at least age 59½ and it has been at least five taxable years since the initial contribution</li> <li>Non-qualified distributions are subject to applicable income taxes and a 10% penalty on the earnings</li> </ul>
Rollover Distributions OUT of Plan after Severance from City Service	<ul style="list-style-type: none"> <li>Rollovers available to other 457 plans, 401(k) plans, 403(b) plans, NYCE IRA, and other traditional IRAs (subject to the rules of the plan to which money is being rolled)</li> </ul>	<ul style="list-style-type: none"> <li>Rollovers available to other Roth 457 plans, Roth 401(k) plans, Roth 403(b) plans, the Roth NYCE IRA, and other Roth IRAs</li> </ul>	<ul style="list-style-type: none"> <li>Rollovers available to other 457 plans, 401(k) plans, 403(b) plans, NYCE IRA, and other traditional IRAs (subject to the rules of the plan to which money is being rolled)</li> </ul>	<ul style="list-style-type: none"> <li>Rollovers available to other Roth 401(k) plans, Roth 457 plans, Roth 403(b) plans, the Roth NYCE IRA, and other Roth IRAs</li> </ul>
Other Things to Consider	<ul style="list-style-type: none"> <li>If your tax rate will be <i>lower</i> at the time of distribution than at the time contributions were made, contributing to a tax-deferred account may be better than contributing on an after-tax basis.</li> <li>Pre-Tax 457 assets can be used as a source of funding for the purchase of permissive service credits in an employee's pension system via trustee-to-trustee tax-free transfers.</li> </ul>	<ul style="list-style-type: none"> <li>If your tax rate will be <i>higher</i> at the time of distribution than at the time contributions were made, contributing to a Roth 457 may be better than contributing on a pre-tax basis. Note: If in the future you will be receiving a City pension, your tax rate at that time is unlikely to be lower.</li> <li>Roth 457 assets can be used as a source of funding for the purchase of permissive service credits in an employee's pension system via trustee-to-trustee tax-free transfers. However, there is no tax benefit and possible penalties.</li> <li>Estate planning: At severance from City employment, you can roll your Roth 457 qualified distributions into a Roth IRA. <ul style="list-style-type: none"> <li>A Roth IRA has no Required Minimum Distributions (RMDs) at age 70½.</li> <li>A Roth IRA allows you to delay distribution of your account until your death. At that time your beneficiaries have the option to receive distributions throughout their lifetime.</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>If your tax rate will be <i>lower</i> at the time of distribution than at the time contributions were made, contributing to a tax-deferred account may be better than contributing on an after-tax basis.</li> </ul>	<ul style="list-style-type: none"> <li>If your tax rate will be <i>higher</i> at the time of distribution than at the time contributions were made, contributing to a Roth 401(k) may be better than contributing on a pre-tax basis. Note: If in the future you will be receiving a City pension, your tax rate at that time is unlikely to be lower.</li> <li>Estate planning: At severance from City employment, you can roll your Roth 401(k) qualified distributions into a Roth IRA. <ul style="list-style-type: none"> <li>A Roth IRA has no Required Minimum Distributions (RMDs) at age 70½.</li> <li>A Roth IRA allows you to delay distribution of your account until your death. At that time your beneficiaries have the option to receive distributions throughout their lifetime.</li> </ul> </li> </ul>

## Deferred Compensation Plan



Participation in the City of New York Deferred Compensation Plan offers an easy way to save for your retirement while providing tax-favored benefits. The Plan is comprised of a 457 Plan and a 401(k) Plan, named after the applicable sections of the Internal Revenue Code that govern their operation. Each plan consists of a pre-tax and a Roth after-tax component.

Eligible employees of the City of New York may choose to join the 457, the 401(k), or both, and contribute up to the maximum annual contribution limit. This choice allows you to tailor your contributions to fit both your current needs and your future financial goals. Employees who make both before-tax and Roth (after-tax) contributions in the 457 and 401(k) plans have a combined deferral limit not to exceed the maximum annual contribution amount for each respective plan.

Through convenient payroll deductions, the pre-tax 457 and pre-tax 401(k) programs allow you to save regularly with before-tax dollars while deferring federal, state, and local income taxes. Roth 457 and 401(k) contributions are made through payroll deductions with after-tax dollars.

All amounts contributed to the Deferred Compensation Plan, and all earnings on those amounts, are held in a custodial account for the exclusive benefit of Deferred Compensation Plan participants and their beneficiaries. You choose how you want your money invested among professionally managed investment options or choose a pre-arranged portfolio comprised of those options. Because earnings on your investments in the Plan are tax-favored, the potential for growth of your money in the Deferred Compensation Plan is likely to be greater than in conventional savings accounts. Please be aware, however, that these are not savings accounts, and there are significant restrictions on your ability to withdraw your money prior to retirement, as discussed later.

The 457 Plan and the 401(k) Plan vary in terms of withdrawal conditions, so you must read the information contained in this Summary Guide carefully to see which plan makes sense for you. 457 Plan Mechanics begin on page 10 and 401(k) Plan Mechanics begin on page 13. The investment program, the description of which begins on page 16, is the same for all programs.

### *How to Enroll*

There are two ways to enroll: 1) by visiting the Plan's Web site at [nyc.gov/deferredcomp](http://nyc.gov/deferredcomp), or 2) by completing an enrollment form which can be downloaded from the Plan's Web site.

As a Deferred Compensation Plan participant, you may contribute from as little as 1% of your pay up to as much as 75% (in increments of 0.5%), subject to the maximum annual limit. If you choose to contribute to both the 457 and the 401(k), your combined deferral election cannot exceed 75% due to payroll requirements. When calculating your deferral percentage from your paycheck for each Plan, keep in mind that you must allow for FICA and Medicare taxes (if applicable) and other deductions, such as a pension loan and union dues.

Generally, payroll deductions will begin in the month following your enrollment. However, depending on payroll processing dates, deductions may take anywhere from 30 to 45 days to go into effect.



### *Participating Employers*

The employers participating in the Plan include the City of New York, the Department of Education, the Health and Hospitals Corporation, the community colleges of the City University of New York (the 401(k) Plan only), the New York City Housing Authority, the New York City School Construction Authority, the New York City Municipal Water Finance Authority, the New York City Teachers' Retirement System, and the New York City Employees' Retirement System.

### *Deferred Compensation Plan Contributions in Lieu of Paying FICA Tax*

If you are contributing 7.5% or more of your pay to any plan and you are not a member of a pension system, you will not pay Social Security (FICA) tax. Please note: You must contribute at least 7.5% to a single plan; FICA deductions will not cease if you contribute, for example, 4% to one plan and 3.5% to the other. In the 457 and 401(k) plan, the 7.5% deferral amount must be either before-tax or Roth (after-tax) but cannot be a combination of both. Only certain titles from Health and Hospitals Corporation (HHC) are eligible for this provision. HHC employees must contact HHC payroll for eligibility information.

You cannot contribute to both the Deferred Compensation Plan and FICA unless you contribute less than 7.5% to the Plan or are a member of a pension system.

**Important: Employees should be aware that not paying FICA tax could result in an ineligibility or reduction in Social Security disability benefits. Employees should visit the Social Security Administration's Web site at [www.ssa.gov](http://www.ssa.gov) for more information on qualifying for Social Security benefits.**

### *Choosing a Beneficiary*

You must name a beneficiary when you enroll in the 457 Plan or the 401(k). You may designate different beneficiaries for your 457 account and your 401(k) account.

If you die, your account balance or remaining payments will be paid in this order:

1. To your surviving primary beneficiary(ies).
2. If there are no surviving primary beneficiaries, to your surviving contingent beneficiary(ies).
3. If there are no surviving primary or contingent beneficiaries, to your surviving spouse.
4. If there is no surviving spouse, to your estate.

You may change your beneficiary selection at any time.

### *About Your 457 Contributions*

Types of contributions that you can make to the 457 Plan:

#### *A) Payroll Deductions*

These are contributions you elect to have deducted from your pay as a percentage of compensation. Contributions can be made with either pre-tax or Roth (after-tax) dollars.



#### *Pre-Tax Contributions*

By making contributions on a pre-tax basis, you will be deferring income taxes on the amounts you contribute and the earnings on those amounts.

#### *Roth Contributions*

By making contributions on an after-tax basis, you will be paying applicable income taxes up front. All earnings are income tax-free upon a Qualified Distribution. (See Withdrawal of Funds.)

You can contribute as little as 1% of your paycheck or as much as 75% (in increments of 0.5%), up to \$17,500 in 2014. If you will be age 50 or older during the calendar year, your maximum deferral limit will be \$23,000 in 2014. Your payroll deductions will automatically cease once you reach your contribution limit for the year and will restart automatically in January of the following year.

Employees who make both pre-tax and Roth (after-tax) 457 contributions have a combined deferral limit of 75%, not to exceed the maximum annual 457 contribution amount.

If you participate in an eligible retirement plan with another employer, it is your responsibility to ensure that you do not exceed the maximum annual contribution amount. Please contact the Plan's Administrative Office, as your annual contribution goal amount may need to be adjusted.

#### *B) Rollover Contributions*

If you have a balance from a previous employer in another 457 plan, you may be able to transfer both pre-tax and Roth assets into the 457 Plan. You can

make rollover contributions to the 457 Plan even if you do not want to actively contribute to the Plan. Rollovers from a Roth IRA are not permitted into the Roth 457 Plan.

#### *Deferral Acceleration for Retirement*

Deferral Acceleration for Retirement (DAR) is the "catch-up" provision of the 457 Plan. It permits you to increase the maximum amount you may contribute to the Plan in each of the three years before the year in which you reach your "Normal Retirement Age." Normal Retirement Age (NRA) is any age designated by you in the range of years beginning with the earliest age at which you may retire with full pension benefits up until age 70½. Or, if you are not in the pension system, NRA may be any age chosen by you in the range of ages from 65 to 70½. If you take advantage of DAR and do not sever from City service upon attainment of NRA, you may continue to work and participate in the Plan, but you may not use DAR a second time.

This provision only allows you to catch up on contributions for previous years in which you were eligible to participate in the Plan, but did not contribute the maximum amount.

The absolute maximum deferral for each of the three years is twice the applicable regular contribution limit for the year. This means that total 457 Plan deferrals (regular plus DAR) may not exceed \$35,000 in 2014. The amounts deferred under the DAR provision can be made using pre-tax and Roth contributions from the current year's gross earnings. Amounts deferred under DAR will be invested in the same manner as your regular 457 Plan contributions. If you wish to take advantage of the DAR provision, you can order the form by calling (212) 306-7760 or download the form from the Plan's Web site at [nyc.gov/deferredcomp](http://nyc.gov/deferredcomp).

Please note that participants age 50 or older may make additional contributions to the 457 Plan equal to \$5,500 in 2014. This amount will automatically be added to the regular annual goal amount for that year and is not dependent upon prior underutilized amounts. This "age 50 and older" additional contribution amount may not be used during the three years you are using DAR. The "age 50 and older" additional contribution cannot be classified as an underutilized contribution for DAR purposes.

## ***Uniformed Services Leave Make-up and Heart Act of 2008***

Under the Uniformed Services Employment and Reemployment Rights Act of 1994 (USERRA) and the Heart Act of 2008, a City employee who leaves a civilian job for military/uniformed service and is reemployed is entitled to make-up for contributions to the Plan that were missed as a result of his or her military/uniformed service. Certain limits and restrictions apply. Contact the Plan's Administrative Office for more information.

## ***Withdrawal of Funds: 457 Plan Distributions***

### ***1. Participants who are Active Employees***

Generally, you may not withdraw funds from the 457 Plan while you are still employed by the City prior to age 70½. However, there are certain exceptions discussed below. Any in-service withdrawals paid to you will be subject to applicable income taxes.

### ***Small Account Withdrawal***

Under this provision, you may receive a distribution from the 457 Plan prior to separation from City service only if all the following criteria are met:

- (1) The total account balance does not exceed \$5,000.
- (2) You have no outstanding loans from your 457 plan account.
- (3) You have not deferred any compensation during the two-year period ending on the date of distribution.
- (4) You have had no prior small account withdrawal.

Once a year, the Plan identifies those participants who meet the criteria for a small account withdrawal. If you fall into this category, you will be notified that you may elect to receive your account in a lump-sum distribution. You may rejoin the Plan at any time in the future.

### ***Unforeseeable Emergency Withdrawal***

Any request for an unforeseeable emergency withdrawal from your pre-tax account must be handled pursuant to the guidelines established under Section 457 of the Internal Revenue Code, which governs the Plan. An "unforeseeable emergency," according to section 6.2(a) of the Plan Document, is defined as:

"a severe financial hardship to a Participant, Beneficiary, or Alternate Payee resulting from a sudden and unexpected illness or accident of the Participant, Beneficiary, or Alternate Payee or

of a spouse or dependent (as defined in section 152(a) of the code) of the Participant, Beneficiary or Alternate Payee; loss of the Participant's, Beneficiary's, or Alternate Payee's property due to casualty; or other similar extraordinary and unforeseeable circumstances arising as a result of events beyond the control of the Participant, Beneficiary, or Alternate Payee. The need to send a child to college or the desire to purchase a home does not constitute an unforeseeable emergency."

If you experience an unforeseeable emergency, you must apply to the Deferred Compensation Board ("Board") for a withdrawal of the portion of your pre-tax account necessary to meet this need. You must submit proper documentation with your request. A determination will be made by the Board on the basis of the facts and circumstances of your total financial condition. Emergency withdrawals from Roth 457 accounts will not be permitted.

### ***Trustee to trustee transfers for the purpose of purchasing permissive service credits***

457 Plan participants are eligible to use their 457 accounts as a source of funding for the purchase of permissive service credits in their pension systems via a trustee-to-trustee transfer. (Using your pre-tax 457 account is considered a tax-free transfer.) 457 Plan participants who want to purchase permissive service credits must contact their pension system directly to obtain a buyback statement to determine permissive service credit eligibility.

Participants should submit a completed Deferred Compensation Plan In-Service Distribution Form, along with a copy of the buyback statement from the pension system, to the Deferred Compensation Plan's Administrative Office. Payment will be made directly to the pension system and not to the participant.

### ***Loans***

Employees may apply for a loan from the pre-tax portion of their 457 Plan account only. Please refer to the Plan's Loan Guide for details and rules.

### ***2. Participants Who Have Severed from City Service***

Once you decide to begin your distribution payments, you must file a Participant Distribution Form with the Plan's Administrative Office. The Distribution Guide and form are available for download from the Plan's Web site at [nyc.gov/deferredcomp](http://nyc.gov/deferredcomp) or can be obtained by calling 212-306-7760.

The Deferred Compensation Plan offers flexible withdrawal options.

### ***Payment Start Date***

Plan participants do not have to decide how to distribute their entire account upon severance from City service. You can choose to delay your distributions up until April 1<sup>st</sup> of the calendar year following the later of the calendar year in which you attain age 70½ or the calendar year in which you retire from City service. The distribution of your account may commence approximately 30 days from receipt of your request, after payroll has verified your terminated status, as long as it is at least 45 days after your severance from City service.

### ***Direct Payment or Rollover***

Your choices are:

- (1) Direct Payment—You can choose to have all or part of your account paid to you directly. There is **no** early withdrawal penalty on any pre-tax or Roth 457 funds distributed directly to you prior to age 59½.
- (2) Direct Rollover to an Eligible Retirement Plan—Your balance may be eligible for a rollover to another employer plan or to the NYCE IRA or another traditional or Roth IRA. Please note, however, that if you roll your 457 plan assets into another retirement plan or IRA, the assets may become subject to a 10% penalty if withdrawn before age 59½.

We recommend that you attend a Distribution Planning Seminar at the Plan's Administrative Office before taking a direct payment or rolling over your assets so that all your many choices are made clear to you. Seminars are held weekly at the Plan's Administrative Office. Participants can register online at [nyc.gov/deferredcomp](http://nyc.gov/deferredcomp) or contact the Plan at (212) 306-5050

### ***Method***

You can decide how you would like your account distributed.

- (1) Full Withdrawal (Lump-Sum Payment)—A check will be issued for the total balance of your account. Your account will continue to be valued daily and you can continue to request account transfers at any time until the check is issued.

- (2) Amount Certain—A check will be issued for an amount that you specify (\$1,000 minimum). Your account will continue to be valued daily and you can continue to request account transfers. There is a maximum of five (5) amount certain requests per year. Requests in excess of the maximum may be subject to a fee.
- (3) Periodic Payments—You may elect to receive distribution of your funds on a monthly, quarterly, semi-annual, or annual basis.
- (4) Amount Certain With Periodic Payments—You may elect to receive a portion of your account in the amount you specify with the balance made in periodic payments.

During the distribution process, your account will continue to be valued daily. You can continue to request account transfers at any time and you will still receive quarterly statements.

Electronic fund transfers are available free of charge for your periodic payments and for a nominal fee for a full withdrawal or an amount certain withdrawal.

### ***Length***

If you choose periodic payments, you may select the number of payments or the dollar amount you want to receive. You may also receive payment over your life expectancy.

### ***Taxes***

Pre-Tax 457: Most direct payments to you are subject to mandatory federal tax withholding, as well as applicable state and local taxes.

Roth 457: Payments will be income tax-free provided you have severed from City service and it is a Qualified Distribution.

A Qualified Distribution is a distribution that is both:

- (1) Made after the five-taxable-year period of participation defined as beginning with the first day of the first taxable year in which the employee makes a designated Roth contribution to a designated Roth account established for the employee under the same plan and ends when five (5) consecutive taxable years have been completed; and
- (2) Made on or after the date the employee attains age 59½, made to a beneficiary or the estate of the employee on or after the employee's death, or attributable to the employee's being disabled.

## 401(k) Plan Mechanics



### **About Your 401(k) Contributions**

Types of contributions that you can make to the 401(k) Plan:

#### **A) Payroll Deductions**

These are contributions you elect to have deducted from your pay as a percentage of compensation.

Contributions can be made with either pre-tax or Roth (after-tax) dollars.

#### **Pre-Tax Contributions**

By making contributions on a pre-tax basis, you will be deferring income taxes on the amounts you contribute and the earnings on those amounts.

#### **Roth Contributions**

By making contributions on an after-tax basis, you will be paying applicable income taxes up front. All earnings are income tax-free upon a Qualified Distribution. (See Withdrawal of Funds.)

You can contribute as little as 1% of your paycheck or as much as 75% (in increments of 0.5%), up to \$17,500 in 2014. If you will be age 50 or older during the calendar year, your maximum deferral limit will be \$23,000 in 2014. Your payroll deductions will automatically cease once you reach your contribution limit for the year and will restart automatically in January of the following year.

Employees who make both pre-tax and Roth (after-tax) 401(k) contributions have a combined deferral limit of 75%, not to exceed the maximum annual 401(k) contribution amount.

If you are an employee of the Department of Education, the Health and Hospitals Corporation, or the City University of New York (Community Colleges only) and you also participate in an IRS code section 403(b) plan with your employer, your combined payroll deductions under the 403(b) plan and the 401(k) Plan cannot exceed the maximum annual contribution amount.

If you participate in an eligible retirement plan with another employer, it is your responsibility to ensure that you do not exceed the maximum annual contribution amount. Please contact the Plan's Administrative Office, as your annual contribution goal amount may need to be adjusted.

#### **B) Rollover Contributions**

You can consolidate your retirement assets by rolling outside plans and IRAs into the Deferred Compensation Plan.

#### **Final Pension Rollovers**

You may roll over your final pension payment/loan from your defined benefit plan (NYCERS, Police, Fire, BERS, TRS) and eligible union annuity (403(a)) programs into the 401(k) Plan.

#### **Pre-Tax Rollovers**

If you have a rollover IRA or a balance from a previous employer in another pre-tax plan, such as a 401(k) plan, a 457 plan, or a 403(b) plan, you may be able to transfer this amount into the pre-tax portion of the 401(k) Plan or the Traditional NYCE IRA. You can make such rollover contributions to the 401(k) Plan even if you do not want to actively contribute to the Plan.

Please note that if you roll your 457 plan assets from a previous employer into the 401(k) Plan, the assets may be subject to a 10% penalty if withdrawn before age 59½.

#### **Roth Rollovers**

If you have a balance from a previous employer in another Roth 401(k) plan, you may be able to transfer these amounts into the Roth portion of the 401(k) Plan or the Roth NYCE IRA. You can make such rollover contributions to the 401(k) Plan even if you do not want to actively contribute to the Plan. Rollovers from a Roth IRA are not permitted into the Roth 401(k) Plan.

Please note that if you roll your previous employer's Roth 401(k) plan into the City's Roth 401(k) Plan, future withdrawals from the City Roth 401(k) Plan will be subject to the payment of taxes on any earnings if 1) they are not held for a period of five years from the first contribution, starting with your previous plan, and 2) you are under age 59½ upon distribution.

Important: Before rolling over your assets, please contact the Plan to discuss your options as the NYCE IRA may be a better solution when consolidating your other retirement savings.

### ***Uniformed Services Leave Make-up and Heart Act of 2008***

Under the Uniformed Services Employment and Reemployment Rights Act of 1994 (USERRA) and the Heart Act of 2008, a City employee who leaves a civilian job for military/uniformed service and is reemployed is entitled to make-up for contributions to the Plan that were missed as a result of his or her military/uniformed service. Certain limits and restrictions apply. Contact the Plan's Administrative Office for more information.

### ***Withdrawal of Funds: 401(k) Plan Distributions***

#### ***1. Participants who are Active Employees***

Generally, you may not withdraw funds from the 401(k) Plan while you are still employed by the City. However, there are certain exceptions discussed below.

#### ***Hardship Withdrawals***

You may apply for a withdrawal from your pre-tax account if you have an immediate and heavy need to draw on financial resources. Hardship withdrawals are within the sole discretion of the Deferred Compensation Board ("Board") in accordance with the Internal Revenue Code. You must submit proper documentation with your request. A determination will be made by the Board on the basis of the facts and circumstances of your total financial condition. Hardship withdrawals are subject to all applicable taxes and penalties.

In-service hardship withdrawals are not permitted from Roth 401(k) accounts.

#### ***Withdrawals After Age 59½***

If you have reached age 59½, you can withdraw funds from your account without penalty regardless of whether or not you are still working for the City.

Pre-Tax 401(k): Withdrawals will be subject to applicable income taxes, but will not be subject to the 10% early withdrawal penalty.

Roth 401(k): Withdrawals will be income tax-free provided it is a Qualified Distribution. A Qualified Distribution is a distribution that is both:

(1) Made after the five-taxable-year period of participation defined as beginning with the first day of the first taxable year in which the employee makes a designated Roth contribution to a designated Roth account established for the employee under the same plan and ends when five (5) consecutive taxable years have been completed; and

(2) Made on or after the date the employee attains age 59½, made to a beneficiary or the estate of the employee on or after the employee's death, or attributable to the employee's being disabled.

### ***Loans***

Employees may apply for a loan from the pre-tax portion of their 401(k) Plan account only. Please refer to the Plan's Loan Guide for details and rules.

#### ***2. Participants Who Have Severed from City Service***

Once you decide to begin your distribution payments, you must file a Participant Distribution Form with the Plan's Administrative Office. The Distribution Guide and form are available for download from the Plan's Web site at [nyc.gov/deferredcomp](http://nyc.gov/deferredcomp) or by calling 212-306-7760.

The Deferred Compensation Plan offers flexible withdrawal options.

#### ***Payment Start Date***

Plan participants do not have to decide how to distribute their entire account upon severance from City service. You can choose to delay your distributions up until April 1<sup>st</sup> of the calendar year following the later of the calendar year in which you attain age 70½ or the calendar year in which you retire from City service.

The distribution of your account may commence approximately 30 days from receipt of your request, after payroll has verified your terminated status, as long as it is at least 45 days after your severance from City service.

## ***Direct Payment or Rollover***

Your choices are:

- (1) **Direct Payment**—You can choose to have all or part of your account paid to you directly. If you are younger than 59½, the pre-tax portion of your 401(k) account assets may be subject to a 10% early withdrawal penalty. One of the exceptions to the early withdrawal penalty is if you are at least age 55 at the time you retire from City service. However, earnings on Roth distributions will be subject to applicable taxes if the distributions are not Qualified Distributions.
- (2) **Direct Rollover to an Eligible Retirement Plan**—Your balance may be eligible for a rollover to another employer plan or to the NYCE IRA or another IRA.

We recommend that you attend a Distribution Planning seminar at the Plan's Administrative Office before taking a direct payment or rollover your assets so that all your many choices are made clear to you. Seminars are held weekly at the Plan's Administrative Office. Participants can register online at [nyc.gov/deferredcomp](http://nyc.gov/deferredcomp) or contact the Plan at (212) 306-5050.

### ***Method***

You can decide how you would like your account distributed.

- (1) **Full Withdrawal (Lump Sum Payment)**—A check will be issued for the total balance of your account. Your account will continue to be valued daily and you can continue to request account transfers at any time until the check is issued.
- (2) **Amount Certain**—A check will be issued for an amount that you specify (\$1,000 minimum). Your account will continue to be valued daily and you can continue to request account transfers. There is a maximum of five (5) amount certain requests per year. Requests in excess of the maximum may be subject to a fee.
- (3) **Periodic Payments**—You may elect to receive distribution of your funds on a monthly, quarterly, semi-annual, or annual basis. During the distribution process, your account will continue to be valued daily. You can continue to request account transfers at any time and you will still receive quarterly statements. Electronic fund transfers for your periodic payments are available.

- (4) **Amount Certain with Periodic Payments**—You may elect to receive a portion of your account in the amount you specify with the balance made in periodic payments.

Electronic fund transfers are available free of charge for your periodic payments and for a nominal fee for a full withdrawal and an amount certain withdrawal.

### ***Length***

If you choose periodic payments, you may select the number of payments or the dollar amount you want to receive. You may also receive payment over your life expectancy.

### ***Taxes***

**Pre-Tax 401(k):** Most direct payments to you are subject to mandatory federal tax withholding, as well as applicable state and local taxes. If you are younger than age 59½, a 10% early withdrawal penalty may apply. One of the exceptions to the early withdrawal penalty is if you are at least age 55 at the time you sever from City service.

**Roth 401(k):** Payments will be tax-free provided it is a Qualified Distribution.

A Qualified Distribution is a distribution that is both:

- (1) Made after the five-taxable-year period of participation defined as beginning with the first day of the first taxable year in which the employee makes a designated Roth contribution to a designated Roth account established for the employee under the same plan and ends when five (5) consecutive taxable years have been completed; and
- (2) Made on or after the date the employee attains age 59½, made to a beneficiary or the estate of the employee on or after the employee's death, or attributable to the employee's being disabled.

At the end of every year in which you receive distributions, the Plan's recordkeeper will issue you a tax statement reflecting the amount which has been paid to you from your account and the amount withheld for taxes.

## Investment of Deferred Compensation Plan Contributions

You determine how you want your 457 and/or 401(k) contributions (deferrals) invested among the Deferred Compensation Plan's high quality, low cost investment options. You can make changes to your investment allocation, as well as transfer funds among the Plan's investment options, subject to Plan rules. This section broadly describes the Plan's investment fund lineup. Investment options may be subject to change. For more detailed information, including underlying fund managers, fees and past performance, visit the Plan's Web site at [nyc.gov/deferredcomp](http://nyc.gov/deferredcomp).



### Selecting Your Investment Strategy

For convenience and simplicity, the Deferred Compensation Plan offers you pre-arranged portfolios which are made up of varying percentages of the Plan's core investment options.

The pre-arranged portfolios help answer the question: Where should I invest my money? They offer you a mix of diversified investments and help you if you are not comfortable with creating your own portfolio or if you are looking to invest in a professionally managed portfolio.

You may also choose to design your own portfolio using the Plan's core investment options.

We recommend that for each program in which you participate you either:

- 1) Pick one pre-arranged portfolio, or
- 2) Create your own portfolio by selecting from the Plan's core investment options.

### 1. Choosing a Pre-Arranged Portfolio

Investing for your retirement doesn't have to take a lot of time or effort. In fact, some of the most sophisticated investment strategies are also the simplest. Whether you're just starting to save or have put your working years behind you, a single pre-arranged portfolio can give you a diversified portfolio professionally managed to your stages of life.

**The Pre-Arranged Portfolios have the following advantages:**

**Portfolio Diversification** - The pre-arranged portfolios are made up of varying percentages of the Plan's core investment options and are appropriately diversified for the time horizon specified. Studies show that most participants' portfolios are significantly under diversified. These funds offer the simplicity of a single investment vehicle with the benefit of exposure to different asset classes and efficient allocations.

**Risk Management** - The pre-arranged portfolios are designed to balance the risk participants face between not saving enough money for retirement and ongoing market risk. Given the longer time horizon younger participants have to save, a more aggressive allocation is implemented. As participants age, the asset allocation implemented becomes more conservative.

**Portfolio Rebalancing** - The pre-arranged portfolios are automatically rebalanced to their target allocations quarterly.

### How Do the Pre-Arranged Portfolios Work?

On a quarterly basis, the asset allocation of each pre-arranged portfolio will be adjusted, shifting to a slightly more conservative mix. This increases the likelihood that your account will last longer so that it can serve you throughout your retirement years.

When a portfolio reaches its horizon, it will roll into the Static Allocation Fund, where it will remain for the duration of your payout.

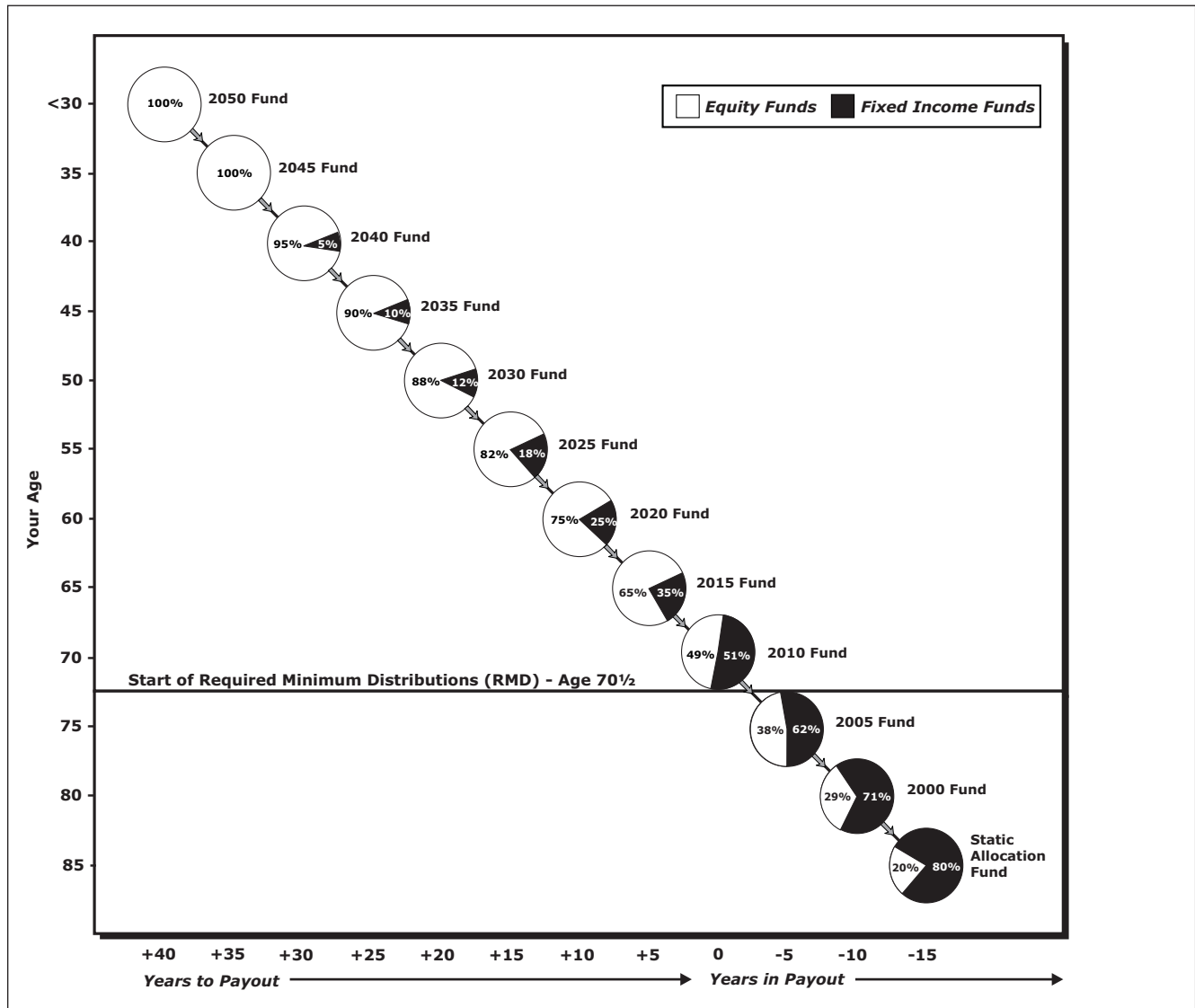
Disclaimer: A pre-arranged portfolio does not imply that investors will have enough retirement funds to retire on the specific target date. Investors should realize that these funds are not a complete solution to their retirement needs. Investors must weigh many factors when considering when to retire, what their retirement needs will be, and what sources of income they may have. Performance of these funds depends on performance of the underlying funds in which they invest. Performance of the underlying funds, in turn, depends on performance of equity, fixed-income, and money markets in the U.S. and abroad. The value of these funds will vary from day to day, reflecting changes in these markets and in the values of the underlying funds. When you sell the fund you are invested in, it may be worth more or less than what you paid for it.



## How Do You Know Which Portfolio is Right for You?

The portfolio you choose will depend on your current **age** or **when you begin to take distribution** of your account.

### The Pre-Arranged Portfolios



How to use this chart:

- (1) You can begin your payouts any time upon severance from City service. However, you must begin to take Required Minimum Distributions by the April 1st of the year following the calendar year in which you reach age 70½ or upon severance from City service, whichever is later.
- (2) The 2005 and 2000 Funds have been named under the assumption that people using these funds have been in payout for at least five and ten years, respectively.
- (3) The Static Allocation Fund is the final portfolio into which all the portfolios roll down. This portfolio's asset allocation will remain fixed at 20% equities and 80% fixed income.
- (4) The portfolios are rebalanced quarterly, becoming gradually more conservative over time until arriving at the allocation of the Static Allocation Fund. The equity/fixed income mixes indicated above were the starting points of each portfolio. Every five years, a new portfolio is created as the most aggressive option.

How to choose a portfolio:

Use either your current **age** **or** the number of years until you expect to begin distribution payments, as a guide, whichever better suits your personal circumstances.

## 2. Creating Your Own Portfolio

If you prefer to create your own portfolio, you can select from the Plan’s core investment options. When creating your own portfolio, keep in mind that your total allocation must add up to 100%. You can choose to be invested in any combination of the investment options offered. You determine the mix that’s right for you.

To help you create a diversified portfolio and determine the mix that’s right for you, take the Risk Tolerance Quiz below. Sample investment allocation portfolios are provided to illustrate how a participant might create a portfolio based on their risk tolerance outcome.

**Three Easy Steps:** (1) Complete the Risk Tolerance Quiz, (2) Determine your personal risk tolerance, and (3) Create your own portfolio.

### Step 1—Complete the Risk Tolerance Quiz

Circle the number that describes how strongly you agree or disagree with the following statements:						
1. I am a knowledgeable investor who understands the trade-off between risk and return, and I am willing to accept a greater degree of risk for potentially higher returns.						
<i>Strongly Disagree</i>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<i>Strongly Agree</i>
2. I am willing to invest on a long-term basis.						
<i>Strongly Disagree</i>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<i>Strongly Agree</i>
3. If one of my investments dropped 20% in value over six months as a result of a stock market fluctuation, I would hold on to that investment, expecting it to recover its value.						
<i>Strongly Disagree</i>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<i>Strongly Agree</i>
4. I have savings vehicles other than this retirement plan that make me feel secure about my financial future.						
<i>Strongly Disagree</i>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<i>Strongly Agree</i>

Add up the numbers you circled above for your total score. Match your score to one of these three risk tolerance boxes and circle your personal risk tolerance:

4–8 Conservative Risk Tolerance	9–14 Moderate Risk Tolerance	15–20 Aggressive Risk Tolerance
---------------------------------------	------------------------------------	---------------------------------------

### Step 2—Determine Your Personal Risk Tolerance

Using your risk tolerance score and the number of years to retirement, find the sample investment allocation portfolio below.

Years to Retirement	Conservative Risk Tolerance (4-8)	Moderate Risk Tolerance (9-14)	Aggressive Risk Tolerance (15-20)
30 or more	Moderately High Return/Risk Portfolio	Moderately High Return/Risk Portfolio	High Return/High Risk Portfolio
11 to 29	Moderately Low Return/Risk Portfolio	Moderately High Return/Risk Portfolio	High Return/High Risk Portfolio
10 or fewer	Low Return/Low Risk Portfolio	Moderately Low Return/Risk Portfolio	Moderately High Return/Risk Portfolio

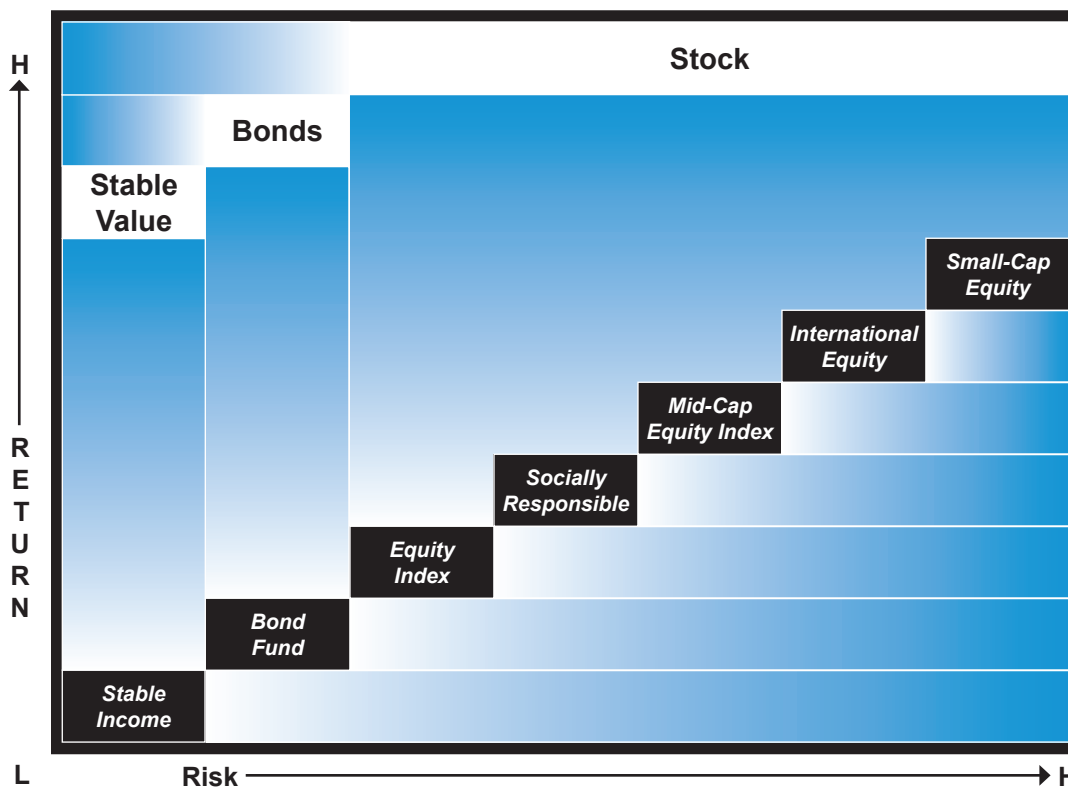
The sample investment allocation portfolios shown below are some ways to distribute your investments using the Plan’s core investment options. Please bear in mind that these are only illustrations and you should create a portfolio mix that meets your individual needs. Once you have determined your portfolio, review it on a regular basis and reassess your long-term goals, making investment changes only when necessary.

Sample Investment Allocation Portfolios			
<b>A low return/low risk sample portfolio might include:</b>	<b>A moderately low return/risk sample portfolio might include:</b>	<b>A moderately high return/risk sample portfolio might include:</b>	<b>A high return/high risk sample portfolio might include:</b>
<b>Equity Funds—20%</b> 12.5% Equity Index Fund 7.5% International Equity Fund	<b>Equity Funds—40%</b> 17.5% Equity Index Fund 7.5% Mid-Cap Equity Index Fund 10% International Equity Fund 5% Small-Cap Equity Fund	<b>Equity Funds—60%</b> 30% Equity Index Fund 7.5% Mid-Cap Equity Index Fund 15% International Equity Fund 7.5% Small-Cap Equity Fund	<b>Equity Funds—80%</b> 40% Equity Index Fund 10% Mid-Cap Equity Index Fund 20% International Equity Fund 10% Small-Cap Equity Fund
<b>Fixed Income Funds—80%</b> 65% Stable Income Fund 15% Bond Fund	<b>Fixed Income Funds—60%</b> 45% Stable Income Fund 15% Bond Fund	<b>Fixed Income Funds—40%</b> 25% Stable Income Fund 15% Bond Fund	<b>Fixed Income Funds—20%</b> 10% Stable Income Fund 10% Bond Fund

### Step 3—Create Your Own Portfolio

The Plan offers seven core investment options from which to choose when creating your portfolio. The core funds are also the underlying funds that make up the pre-arranged portfolios. The funds range from fixed income funds to equity funds and include several different asset classes. Descriptions of the core options begin on the next page. Additional information can be found on the Plan’s Web site at [nyc.gov/deferredcomp](http://nyc.gov/deferredcomp).

When creating your own portfolio, keep in mind that your total allocation must add up to 100%. You can choose to be invested in any combination of the investment options offered. You determine the mix that’s right for you.



**Risk:** Is the measurable possibility for gain or loss. All investments involve some degree of risk.

**Return:** Is the gain or loss on your investment, usually expressed as an annual percentage rate.

**Rule:** You can generally increase your chances of achieving higher returns over the long term through assuming higher risk. By assuming higher risk you also increase your chances of sustaining losses on your investment. No investment can guarantee a positive return or fully protect you against loss. It is possible to lose money on even the lowest risk investments.

## Core Investment Options

The following is an overview of each of the Plan's core investment options. Several of the options are blended funds, giving participants exposure to a number of managers and a variety of styles within a single investment option. This protects participants from the adverse effects of style risk when one investment management style is out of favor. The separate account structure of the funds means lower fees, so more of the funds' earnings are credited to participants' accounts. The Stable Income Fund is a stable value option that offers a rate of return for a specified period of time. All the other funds fluctuate daily based on their price per unit. No fund is FDIC insured. You may obtain descriptions of all of the Plan's investment options, as well as the current fund managers, through the Plan's Web site at [nyc.gov/deferredcomp](http://nyc.gov/deferredcomp).



### *Stable Income Fund*

#### *Investment Objective*

The investment objective of the Stable Income Fund is to conserve principal and to provide interest income through investment in a managed portfolio of traditional guaranteed investment contracts (GICs), as well as bonds wrapped with insurance contracts that are intended to protect against price fluctuations. The weighted average maturity of the Stable Income Fund is expected to be between three and five years. The fund is structured to gradually track the general level of interest rates and preserve principal. Investments held in this portfolio will be limited to those issuers which meet stringent criteria with respect to diversification and credit quality. The level of risk and return is expected to be lower than that of the Plan's other investment options. Investment return will be from interest income.

#### *Investment Outlook Over the Short Term*

Over the short term, the fund is expected to provide a steady rate of return.

#### *Investment Outlook Over the Long Term*

Over the long term, the fund will preserve capital and provide a moderate level on interest income.



### *Bond Fund*

#### *Investment Objective*

The investment objective of the Bond Fund is to provide interest income while seeking to maintain a limited fluctuation in principal. The fund invests primarily in domestic, investment-grade securities, but can also hold modest allocations to non-investment grade and non-U.S. securities. The fund will maintain an average quality of at least "A" and will invest in securities rated "B" or higher. With the exception of the Stable Income Fund, the Plan expects this investment option to exhibit the lowest risk of the options included in the Plan in terms of quarterly return volatility. Potential investment returns will be primarily from interest income with some capital appreciation.

#### *How Investing in Bonds Differs From Stocks*

Investing in bonds provides lower risk and lower return than stocks. Stocks involve ownership of a company and sharing of the company's profits. Bonds, on the other hand, are a loan to a company providing the investor with interest payments at an agreed-upon rate and the repayment of the bond's principal amount at an agreed-upon maturity date.

A bond's value is affected by the rise and fall of interest rates. While the interest rate is fixed, the value of the bond's principal amount will fluctuate with interest rate movements. Here's an example: Assume that today you buy a \$10,000, 5-year bond paying 6% interest. Your bond will pay you \$600 per year in interest. Let's say that in six months you

want to sell that bond and interest rates have gone up to 8%. The market yield of 8% on your \$600 annual revenue pushes the market value of your bond down to \$9,256. Conversely, when interest rates fall, the market value of your bond will rise.

Note: This example is hypothetical and does not represent the returns from any particular investment.

#### ***Investment Outlook Over the Short Term***

This option is expected to provide income at a higher return than the Stable Income Fund, however with greater risk to principal. The value of the fund will fluctuate over time as the value of the fund's investments increase and decrease with the movement in market interest rates. As a result, at any point in time, the value of your investment in the fund may be greater than or less than the contributions which you have allocated to the fund.

#### ***Over the Long Term***

This option should provide a positive return from interest and capital appreciation with a low level of risk.



#### ***Equity Index Fund***

##### ***Investment Objective***

The objective of the Equity Index Fund is to replicate the return of the Standard & Poor's 500™ Index. This option is intended to provide participants with exposure to the broad domestic equity market by replicating the market index consisting of the common stock of large domestic companies. Investment returns are expected to result primarily from capital appreciation, rather than through current income from dividends.

##### ***Why Invest in This Option?***

This option invests in the common stock of large corporations. Investing in stocks is expected to provide you with long-term growth that significantly exceeds the rate of inflation.

##### ***Investment Outlook Over the Short Term***

Since this option is invested in the stock market, there could be substantial fluctuations in the share value of the fund.

##### ***Investment Outlook Over the Long Term***

Historically, this option has provided a substantial rate of return in excess of inflation and is expected to do so in the future.



#### ***Socially Responsible Fund***

##### ***Investment Objective***

The Socially Responsible Fund is designed to give participants the opportunity to invest in companies that are equal opportunity employers, are environmentally responsible, have a strong record regarding occupational health and safety and manufacture goods which contribute to the quality of life. Substantial fluctuations in the unit value of this option are possible, as this option is invested in both domestic and international stock markets. It is expected that this option will exhibit a level of risk greater than that of the Equity Index Fund. Investment returns are expected to result from capital appreciation, rather than from current income through dividends.

##### ***Why Invest in This Option?***

It is expected that the stocks of these companies, which have strong records of social responsibility, will over time earn returns substantially above inflation.

##### ***Investment Outlook Over the Short Term***

Since this option is invested in the global stock markets, there could be substantial fluctuations in the unit value of the fund. In addition to price fluctuations as a result of stock market movements, the value of foreign currencies may also impact fund performance.

##### ***Investment Outlook Over the Long Term***

This option is expected to provide a substantial rate of return in excess of inflation.



#### ***Mid-Cap Equity Index Fund***

##### ***Investment Objective***

The Mid-Cap Equity Index Fund's objective is to equal the return of the Russell Mid-Cap Index. This option is intended to provide long-term growth of capital by replicating the market index in the stocks of medium-sized, U.S. companies. Investment returns are expected to result from capital appreciation, rather than from current income through dividends.

##### ***What Is Meant by a Mid-Cap Fund?***

Equity funds are often described by the size of the companies in which the funds invest. "Cap" is an

abbreviation for a company's "market capitalization" or size. Mid-cap funds invest in the stock of medium-sized companies

### ***Investment Outlook Over the Short Term***

Since this option is invested in the stock market, there could be substantial fluctuations in the unit value of the fund over short-term periods. Companies within the mid capitalization area of the stock market tend to be more volatile than large capitalization stocks, but less volatile than small capitalization stocks.

### ***Investment Outlook Over the Long Term***

Over longer time periods, mid-cap equity funds have provided substantial returns above inflation. Specifically, the Mid-Cap Equity Index Fund is expected to outperform the Plan's large-cap equity funds (i.e., the Equity Index Fund and Socially Responsible Fund) without the volatility of the Small-Cap Equity Fund.

In addition, the Mid-Cap Equity Index Fund provides a source of diversification relative to other equity fund investments.



### ***International Equity Fund***

#### ***Investment Objective***

The International Equity Fund enables participants to invest in the common stocks of companies which are not based in the United States and whose stocks, in the opinion of the investment managers of the fund, show good prospects for appreciation. Returns on the stocks of non-U.S. companies tend to exhibit less than 100% correlation with returns to domestic stock portfolios. Therefore, the Plan expects this option to provide possible diversification opportunities to participants relative to the Plan's other investment options. The International Equity Fund consists of a blend of managers that results in a "style neutral" fund (i.e., neither growth, nor value), and all cap approach (the fund contains international large cap and international small cap managers). With blended funds, participants will be protected from adverse effects of style risk when one investment management style is out of favor, and can be exposed to all capitalization areas of the market. Investment returns are expected to result from capital appreciation, rather than from current income through dividends.

### ***What Makes International Funds Attractive?***

Diversification is one of the advantages of investing in an international fund. The economic and stock market cycles of other countries often differ from those in the United States. Also, an international fund can potentially offer a higher return than a U.S.-based equity fund since less mature economies have a greater potential for growth.

### ***Investment Outlook Over the Short Term***

Since many international economies are not as well established as that of the United States, there may be a higher risk with this option than if you invested in a U.S.-based equity fund. Over the short run, major fluctuations in price per unit of these stocks is not uncommon and should be expected. In addition to price fluctuations as a result of stock market movements, the value of foreign currencies may also impact fund performance.

### ***Investment Outlook Over the Long Term***

Historically, international equity investments have provided a source of diversification relative to the U.S. stock market. As a result, it is expected that international stocks will provide incremental returns above the returns available from the U.S. stock market. There will also be periods where international stocks will underperform the U.S. stock market.



### ***Small-Cap Equity Fund***

#### ***Investment Objective***

The Small-Cap Equity Fund seeks long-term growth of capital by investing primarily in the common stocks of small companies which are believed to have good prospects for capital appreciation. Consistent with the objective for this fund, returns of small-company stock portfolios tend to be higher but more volatile than those to portfolios of larger-company stocks. Moreover, returns of small-company stock portfolios tend to exhibit less than 100% correlation with returns to large-company stock portfolios. Therefore, the Plan expects this option to provide possible diversification opportunities to participants relative to investments in the Plan's other domestic equity funds. The Small-Cap Equity Fund consists of a blend of managers that results in a "style neutral" fund (i.e., neither growth, nor value), but still retains its exposure to the broad small-cap market. With

blended funds, participants will be protected from adverse effects of style risk when one investment management style is out of favor.

### ***Why Small Companies?***

This option invests in small companies because they have a greater potential for appreciation than large companies. These companies are expected to have rapid growth in sales and earnings.

### ***Investment Outlook Over the Short Term***

This option has the potential for the highest return of all Plan options but also carries the highest risk. Over the short run, there could be major fluctuations in the price per share of this fund.

### ***Investment Outlook Over the Long Term***

Historically, this type of fund outperforms the stock market average of large companies and could be expected to perform well over the long term.

## ***Self-Directed Brokerage Option***

---

The Plan offers a Self-Directed Brokerage (SDB) option which allows participants with account balances of at least \$5,000 to invest in mutual funds which are outside of the Deferred Compensation Plan's investment fund line-up. Certain rules and restrictions apply.

### ***Who Should Invest in an SDB Account?***

The SDB account is not for everyone. It is for knowledgeable investors who acknowledge and understand the risks associated with many of the investments contained in the SDB option.

### ***How Can a Participant open an SDB Account?***

Participants interested in opening a Self-Directed Brokerage account can do so by accessing their account online at [nyc.gov/deferredcomp](http://nyc.gov/deferredcomp). Once signed into his or her account, a participant can view the release form and transfer assets to the SDB option.

### ***How Can a Participant Find Out More about the SDB Option?***

Participants can obtain additional information by contacting the Plan at (212) 306-7760 or by calling TD Ameritrade at 1-866-766-4015.



### ***Making Changes to Your Account***

You are not locked into any of your enrollment choices.

#### ***1. Changing Percentage of Deferrals***

You may increase or decrease your deferral percentage within Plan limits in multiples of 0.5% of your salary. You can change your deferral percentage by accessing KeyTalk® through the Plan's telephone voice response system at (212) 306-7760 or online at [nyc.gov/deferredcomp](http://nyc.gov/deferredcomp). If you are making both pre-tax and Roth (after-tax) contributions, you must specify a deferral percentage for each. In order to access your account, your PIN is required. You may elect to suspend or reinstate your deferrals at any time. Deferral percentage changes will take effect in the month following your request. Depending on payroll processing dates, the requested change may take anywhere from 30 to 45 days. Please note, if you are contributing to the Deferred Compensation Plan in lieu of paying Social Security (FICA) taxes, you must contribute at least 7.5% of your annual salary to either the 457 or the 401(k).

#### ***2. Making Investment Changes***

You can change the investment of your deferrals in the 457 Plan, the 401(k) Plan, or both, subject to Plan rules. You may elect an investment allocation change which will effect future deferrals, and you may elect an account transfer to move existing funds among the Plan's investment options. Please note that these transactions are independent of each other. Investment changes must be made in whole percentages.

Remember, making investment changes for one Plan will not automatically change your investments for the other Plan. If you are contributing to the 457 or 401(k) Plan on a pre-tax and Roth (after-tax) basis, your deferrals will be invested in the same manner in each plan.

You can make investment changes by accessing KeyTalk® through the Plan's telephone voice response system at (212) 306-7760 or online at [nyc.gov/deferredcomp](http://nyc.gov/deferredcomp). In order to access your account your PIN is required. If you make an account transfer prior to 4 p.m. Eastern Time, on a business day, it will be effective the same day and reflected in your account the following business day. If you make an account transfer after 4 p.m. Eastern Time, it will be effective the next business day and reflected in your account two business days later.

*Excessive Trading Policy:* If monies are not held in any of the fund options for a period of thirty-two (32) calendar days, the participant will be assessed a 2% redemption fee on the amounts transferred. The minimum fee that will be assessed will be \$20 based on a \$1,000 trade.

Any amounts held longer than thirty-two days (32) consecutive calendar days will not be assessed the redemption fee.

Plan distributions will not incur the redemption fee, and payroll contributions that are held less than the 32 days will not be included in the calculation of the redemption fee if they are transferred out of any fund.

The redemption fee is meant to strongly discourage frequent trading in the Plan. The fees collected will be re-invested back into the option in order to offset the decrease in fund value associated with the trades.



## In Summary

### Plan Accounting

At the end of each calendar quarter, you will receive a statement detailing each plan in which you participate reflecting your account balance as of the end of that quarter. Statements are available during the month following the close of the quarter. Your statement will be mailed to you or, if you register for Online File Cabinet®, you can view, download, and print your statements electronically. The statements express your balances in dollars and, if applicable, in units. The dollar value reflects the current market value (the amount of money you would have received if you had withdrawn from the Plan as of the closing date on the statement). The quarterly statement reflects your contributions and your share of the investment gains or losses experienced by the Plan during the quarter.

The Deferred Compensation Plan is a group or “pooled” arrangement: the funds of all participants are pooled together for investment purposes which allows the Plan to receive reduced management fees, through the investment in institutional funds.

When deferrals are deducted from your paycheck, the money is allocated among the various investment vehicles you select. Your money remains in the investment vehicles until moved by you through a fund transfer, or withdrawn by you as an in-service withdrawal (if permitted), or as a distribution when you sever from City service.

On a daily basis, the Plan’s recordkeeper computes the value of each participant’s account including any deferrals, investment income, unrealized gains or losses, or distributions that have occurred in the account.

### Plan Costs

While the Deferred Compensation Plan is a benefit offered to you by the City of New York, it is a wholly self-funded Plan. The cost for the administration of the 457 Plan and the 401(k) Plan will be charged to your account each quarter, deducted on a proportional basis from your investment option balances. Administrative charges are currently \$20.00 per quarter, regardless of whether you have a 457 account, 401(k) account, or both. Therefore, if you participate in both the 457 and 401(k) plans,



you will only be charged a single administrative fee per quarter. In addition, the Plan’s investment funds are assessed an annualized asset-based fee of 0.04%. Investment option fund expense ratios can be found on the Plan’s Web site at [nyc.gov/deferredcomp](http://nyc.gov/deferredcomp) or call (212) 306-7760 for the Plan’s investment option Fund Profile sheets.

### Services to Employees

The Deferred Compensation Plan provides the following services:

**Voice Response System** — The Plan has a telephone voice response system which allows 24-hour\* access to your account for information and transactions. To use the system, call (212)-306-7760, press “1” for KeyTalk® and have your PIN ready. Client services representatives are available Monday through Friday, between 9 a.m. to 5 p.m.

\*Except during regularly scheduled maintenance.

**Internet Site** — You may access the Plan online for information and to make transactions. You can receive forms and brochures, and download software. The Web site address is [nyc.gov/deferredcomp](http://nyc.gov/deferredcomp). You will need your PIN in order to access your account online.

**In-Office Counseling** — Enrollment, catch-up, distribution and retirement counseling appointments can be requested by calling (212) 306-7760.

**Presentations/Seminars** — You can request a presentation at your agency or work site by contacting your Payroll Benefits Office or the Plan’s Administrative Office. To arrange a group presentation at your work site, please call (212) 306-7676.

**Free Financial Planning Seminars** — These seminars are held at the Plan’s Administrative Office or can be scheduled at worksite locations. Monthly calendars are available on the Plan’s Web site or by calling (212) 306-5050.

Seminar topics include the following:

- **Basics of Diversified Investing** — Learn about the different types of investments, common investment risks, and how to match investments to time horizons and goals.

- **College Planning** — Learn about the various college savings vehicles; grants, scholarships loans and the financial aid process.
- **Distribution Planning** — Learn what pay-out options you have so you can secure your retirement years with your DCP accounts.
- **Eldercare** — Learn about the emotional and practical considerations essential for developing a care plan for you or an elderly relative.
- **Estate Planning** — Learn how assets are transferred, and the different forms of property ownership, to ensure that the maximum value will reach your intended beneficiaries.
- **Money and Credit** — Learn how to make a budget and manage your debt, understand your credit report and credit score.
- **NYCE IRA** — Learn about the New York City Employee (NYCE) Individual Retirement Account. The NYCE IRA includes both a Traditional IRA and a Roth IRA for the exclusive benefit of NYC employees and their spouses.
- **Retirement Planning** — Learn what to keep in mind when considering retirement and how Deferred Compensation fits into your retirement goals.
- **Social Security and Medicare** — Learn about your rights and benefits.
- **Tax Planning** — Learn about the tax planning process, as well as the deductions and credits that may be available to you.

Additional documents, including the Plan’s comprehensive annual financial report, and forms are available for viewing and download from the Plan’s Web site at [nyc.gov/deferredcomp](http://nyc.gov/deferredcomp).

## ***Investment and Retirement Planning Tools Available***

***Account Computation/Distribution Calculation Software*** — The Plan has developed two computer software modules which can be downloaded from its Web site to run “what if” scenarios. The Account Computation module allows participants to see how joining the Deferred Compensation Plan or changing their deferral percentage affects their take-home pay, as well as perform a variety of account projection and future value calculations. The Distribution Calculation module allows participants to see how various distribution elections can impact their account value over time.

***Personalized Financial Snapshot Software*** — Through a series of simple questions, this tool, available on the Plan’s Web site, offers participants an introduction to retirement planning and their own printable retirement report. Based on their answers, the program will provide an estimate of how close participants are to meeting their goals and help explore options. This software also helps participants understand the differences between before-tax and after-tax investing.

## Participation Agreement



### *Participation Agreement*

#### ***Parties agree as follows:***

Effective with respect to compensation paid in the calendar month following the date the enrollment is received by the Plan administrator, the employee's compensation will be reduced by the percentage specified. Said amount shall be deferred in accordance with the Deferred Compensation Plan for Employees of the City of New York and Related Agencies and Instrumentalities or the 401(k) Plan for Employees of the City of New York and Related Agencies and Instrumentalities depending upon in which Plan or Plans the employee elects to enroll. Investment options offered under the Plan are subject to change. By accepting the terms of this agreement, the employee authorizes: 1) the employer to make payroll deductions of said amount from the compensation otherwise payable to the employee, and 2) the Plan to withdraw, from the account, the Plan's administrative fees. Deferrals to a 403(b) plan reduce the amount the employee may defer to a 401(k) plan and vice versa.

The employee understands that his or her participation in the Deferred Compensation Plan is governed by the applicable Plan Documents, the Internal Revenue Code, and state and local laws and regulations.

This Participation Agreement shall be legally binding and irrevocable with respect to compensation earned while it is in effect. The employee may make changes to the Agreement which are allowed under the Plan by completing a Change Form, by calling the Plan's automated telephone voice response system, or through the Internet, whichever is applicable. The employee shall be responsible for any changes made through the voice response system and the Internet and for safeguarding the PIN which will be required to access the account through the voice response system or the Internet.

While this booklet briefly reviews and broadly describes the highlights of the Plan, all aspects of the Plan are governed by the applicable Plan Document and federal, state, and local laws and regulations, which shall control all determinations concerning the operation of the Plan. The Deferred Compensation Board reserves the right at any time to amend, suspend or terminate the Plan, any deferrals thereunder, and any option, in whole or in part, for any reason without the consent of any employee. Tax rules affecting savings and distributions are subject to changes in the applicable laws and regulations. The Plan also reserves the right to recover any amount erroneously credited to the employee's account.

## Planning Worksheets

<b>Is the Deferred Compensation Plan for You?</b>	<b>YES</b>	<b>NO</b>
<p><b>Question #1:</b></p> <p>Do you have enough money to meet your monthly needs and save a portion of your income?</p> <p>(Use worksheet on next page.)</p>	<input type="checkbox"/>	<input type="checkbox"/>
<p><b>Question #2:</b></p> <p>Do you have enough liquid savings to cover short-term emergencies? (This is usually 5–10% of your annual income, depending on your obligations, including: the number of your dependents, whether or not you are the main support for your family, whether you own your home, the state of your health, etc.)</p>	<input type="checkbox"/>	<input type="checkbox"/>
<p><b>Question #3:</b></p> <p>Are you interested in a long-term savings plan?</p>	<input type="checkbox"/>	<input type="checkbox"/>
<p><b>Question #4:</b></p> <p>Are you interested in supplementing your retirement income?</p>	<input type="checkbox"/>	<input type="checkbox"/>
<p><b>Question #5:</b></p> <p>Are you interested in saving on a tax-favored basis?</p>	<input type="checkbox"/>	<input type="checkbox"/>
<p>If you can answer YES to 4 out of 5 of the above questions, then you should consider joining the Deferred Compensation Plan.</p> <p>If you can answer YES to only 1 or 2 of the above questions, then you should reevaluate your financial goals for the future.</p> <p>If you cannot answer YES to any of the above questions, then the Plan is probably not for you at this time.</p> <p>Remember, as this is a long-term savings plan, money typically cannot be withdrawn by employees except in the case of severe financial hardship or, in the case of the 401(k) Plan, after attaining age 59½.</p>		

## Approximately How Much Excess Income Do You Have Available for the Deferred Compensation Plan?

Use this worksheet to get an estimate of your current financial status. It is important to be able to meet short-term needs before planning long-term savings.

a. Monthly Gross Income a. \_\_\_\_\_

**Monthly expenses:**

b. Rent/Mortgage b. \_\_\_\_\_

c. Loan Payments c. \_\_\_\_\_

d. Insurance and Medical d. \_\_\_\_\_

e. Taxes e. \_\_\_\_\_

f. Pension f. \_\_\_\_\_

g. Payroll Deductions g. \_\_\_\_\_

h. Utilities h. \_\_\_\_\_

i. Food i. \_\_\_\_\_

j. Clothing j. \_\_\_\_\_

k. Child Care/School Expenses k. \_\_\_\_\_

l. Entertainment l. \_\_\_\_\_

m. Miscellaneous m. \_\_\_\_\_

n. Total Expenses (add b THROUGH m) n. \_\_\_\_\_

o. Discretionary Income (a – n) o. \_\_\_\_\_

p. Enter your existing liquid savings to cover short-term emergencies p. \_\_\_\_\_

q. Estimated liquid savings needed to cover short-term emergencies (about 3 to 6 months of monthly gross income). Multiply your monthly gross income by the number of months (a x 3, for an amount equivalent to 3 months of average annual income). q. \_\_\_\_\_

**Note:** Multiply your monthly gross income by “4”, “5,” or “6” if you estimate that you need 4, 5, or 6 months of your month gross income for short-term emergencies.

r. If p is greater than q, you have adequate liquid funds to cover short-term emergencies. Go to step t. r. \_\_\_\_\_

s. If p is less than q, you do not have enough funds to cover short-term emergencies. The Plan is not for you at this time and your discretionary income (o) should be used as liquid savings. Once your liquid savings equals 3 to 6 times your gross monthly income, complete this worksheet again to estimate how much excess income you have for deferred compensation. s. \_\_\_\_\_

t. Income available for investment (from step o) t. \_\_\_\_\_

As your contributions to the Deferred Compensation Plan are a percentage of your income, calculate your available percentage of income.

u. Available Percentage of Income ( ( t ÷ a ) x 100 ) u. \_\_\_\_\_

Standard & Poor's®, S&P®, S&P 500®, Standard & Poor's 500, and 500 are trademarks of the McGraw-Hill Companies, Inc. KeyTalk® is a trademark of FASCore. All other marks are the exclusive property of their respective owners.

## Notes

## Notes



The City of New York Deferred Compensation Plan  
A Division of Tax-Favored Benefits & Citywide Programs  
within the Mayor's Office of Labor Relations' Employee Benefits Program

Customer Service Center - 65 Broadway, 21st Floor, NY, NY 10006  
(212) 306-7760, 1-888-DCP-3113 (Outside NYC), TTY (212) 306-7707  
[nyc.gov/deferredcomp](http://nyc.gov/deferredcomp)

All photographs copyright NYC & Company