

## Frequently Asked Questions about the MultiCare Health System transition to Empower Retirement



As previously announced, MultiCare Health System will be transitioning from our current retirement plan administrator, Transamerica to Empower Retirement effective April 29, 2019. This decision follows a comprehensive search process that included top service providers.

We have been working to thoughtfully build a new and user-friendly benefit platform with you in mind. We are excited about this move and want to share some of the key changes with you, as well as provide answers to questions you may have. Please note that employer contributions, eligibility requirements and most aspects of the program's design will remain the same.

### Who is Empower?

Named Retirement Leader of the Year,<sup>1</sup> Empower Retirement is helping more than 9 million people save for retirement.<sup>2</sup> Empower defines success as helping people like MultiCare Health System employees work toward replacing — for life — the income they earned while working. Empower offers a suite of retirement services, innovative financial tools and more ways to access your account. [Click here](#) to learn more about Empower Retirement.

### What can I expect with Empower Retirement?

Empower has a singular focus on retirement and brings that expertise to MultiCare employees, including:

- Clear and transparent administrative fees.
- More opportunities to meet on-site with a retirement counselor.
- Innovative tools to help you maximize your retirement benefit.
- A user-friendly and cutting-edge platform for overall financial wellness and retirement planning.
- Access to a team of specially trained consultants who can provide you with recommendations and advice on topics such as savings, investing and financial wellness at no additional cost to you.
- Commitment to high levels of transaction accuracy and cybersecurity.

### When is the transition taking place?

To ensure that the transition goes smoothly, from April 18, 2019, at 1 p.m. Pacific time, to the week of May 13, 2019, the plan will be in transition. This time period is called a “blackout period.” You will be notified when the transition is complete and you have full-access to your Empower Retirement account.

**IMPORTANT:** During this temporary “blackout period,” you will have view only access to your account(s) because your account(s) will be in the process of being transferred to Empower Retirement. During the blackout period, your funds will remain invested and any earnings, if applicable, will accrue. Please evaluate your financial circumstances and the appropriateness of your current investments in light of this temporary restriction. Contributions to your account will continue uninterrupted. When the blackout period ends the week of May 13, 2019, you will have full access to your plan account.

<sup>1</sup>23rd annual Mutual Fund Industry Awards, 2016.

<sup>2</sup>As of January 1, 2019. Information refers to all retirement businesses of Great-West Life & Annuity Insurance Company and its subsidiaries and affiliates, including Great-West Life & Annuity Insurance Company of New York, marketed under the Empower Retirement brand.

### **If I have retirement assets in multiple plans, are all the plans transferring to Empower?**

All Retirement Plan Assets held at Transamerica (including funds that were rolled from a prior plan) will be moving to Empower Retirement effective April 29, 2019.

### **Can other accounts be rolled into the plan?**

If you have assets from a prior employer or IRA eligible for rollover, they may also be able to transfer into the plan at Empower Retirement. Talk to an experienced retirement consultant to review your options and consolidate your account. Call Empower Retirement at **844-MHS-2SAV (647-2728)** once the plan is live, the week of May 13, 2019 to discuss consolidating your retirement assets into one account.

As with any financial decision, you are encouraged to discuss moving money between accounts, including rollovers, with a financial advisor and to consider costs, risks, investment options and limitations prior to investing.

### **What should I expect when we go live, the week of May 13, 2019?**

You'll be notified once the plan goes live and notifications will also be posted on the MultiCare Employee Resource Center (ERC). Once the plan goes live, your account will be available for you to create your new login through **MultiCareRetirement.com**, or you can call **844-MHS-2SAV (647-2728)** to conduct transactions and change deferral elections.

### **Are my funds still invested during the "blackout period"?**

As part of your move to Empower, your account balances will remain invested with Transamerica based on your existing fund selection and will continue to gain and/or lose value depending on investment performance until April 29, 2019, when they will be transferred in-kind or liquidated and transferred to Empower.

### **Where can I view information about the funds during the transition period?**

For a list of all the available investment options in your plan, as well as access to fund fact sheets, investment returns and prospectuses, go to **MultiCareRetirement.com**, select *Fund Information* in the top right corner and enter your plan number.

### **There is a difference in my account (positive or negative) from what I had on April 29, 2019, why is that?**

Your balance can be different due to several factors including market fluctuation as well as the posting of additional contributions and/or loan repayments that were made during the blackout period.

### **Will any of the Administrative Fees for the Plans change with the move to Empower?**

To ensure that all participants are equally sharing overall Plan administration expenses, we will implement a new fee structure. With the move to Empower Retirement, each participant will pay a flat dollar amount instead of a percentage of their assets. Items of note:

- The administration fee pays for plan-related expenses, including recordkeeping and administration, call center and website support, participant communications and statement generation. These services cost the same amount, regardless of the size of the account balance; therefore a flat dollar fee is more applicable.
- If a participant has accounts in multiple plans, they will pay one fee.
- Small accounts will not be charged a fee (\$300 threshold).
- The administration fee will be explicit and can be seen on quarterly statements and the participant website.

Effective with the transition to Empower, participants will be charged \$16.25 per quarter for Plan administration. These fees will be reflected on account statements under Period-to-Date Activity.

A level fee for all participants provides a more equitable and transparent way to allocate these administrative costs.

### **Will I need to make new deferral (contribution) elections?**

No. Your deferral (contribution) amount on file at Transamerica at the start of the blackout period will transfer to Empower. However, it's always a good practice to review your current deferral election amount in case you would like to change it based on your retirement goals.

### **Will I have to update my beneficiary information with Empower, or will it transfer?**

Every effort will be made to transfer your current beneficiary information to Empower. Some beneficiary elections, however, can be complex and are not transferrable. You will be notified by Empower if your beneficiary election needs to be updated. Once the move is complete, go online to **MultiCareRetirement.com** to review, designate, or change your beneficiary(ies).

### **What if I have an outstanding loan with Transamerica?**

Your existing loan with Transamerica will automatically transfer to Empower on April 29, 2019. The terms of the loan remain the same as prior to the transfer and loan payments will continue via payroll deductions.

### **How long does it take for Empower to process a distribution?**

Distributions are processed approximately two business days from the receipt of the completed request, received in good order, by market close. Additional time is required for distributions with a Qualified Joint & Survivor requirement.

### **What happens to my payroll contributions during the blackout?**

Payroll contributions will continue as normal during and after the blackout period.

### **Will my Self-Directed Brokerage Account (SDBA) stay with Schwab?**

As part of this transition, your Self-Directed Brokerage Account (SDBA) will remain at Schwab and you will be able to maintain your existing account numbers. You may continue to trade within the SDB accounts during the transition to Empower. The SDBA is intended for knowledgeable investors who acknowledge and understand the risks associated with the investments contained in the SDBA.

### **When will I receive my final statement from Transamerica? When will I receive my first statement from Empower?**

Transamerica will send your final statement in late May. You will receive your first quarterly statement from Empower in July within two weeks after the end of the 2<sup>nd</sup> quarter and then quarterly thereafter.

Once the plan goes live, if you would prefer to get your statement electronically, log on to **MultiCareRetirement.com**, click on your name in the upper right corner of the screen, then go to **Communication Preference** to make your election.

### **Can I enroll in the plan during the blackout period?**

You can enroll in the plan at Transamerica until the blackout begins on April 18, 2019 at 1 p.m. Pacific time. After this time you will need to wait until the plans go live at Empower Retirement, expected the week of May 13, 2019. Once the plan goes live, you can create your new log in through **MultiCareRetirement.com**, or you can call **844-MHS-2SAV (647-2728)** to enroll.

### When can I register on the Empower website?

You'll be notified once the plan goes live and notification will also be posted on the MultiCare intranet site (IKE). Once the plan goes live, your account will be available for you to create your new login through **MultiCareRetirement.com**, or you can call **844-MHS-2SAV (647-2728)** to conduct transactions and change deferral elections.

We encourage you to log in, review your account and explore all that Empower has to offer as soon as possible the transition.

### What new online tools will be available?

The Empower online experience lets you:

- Easily see how saving more may affect your outcome, and make changes with a singleclick.
- Quickly view the percentage of income you're projected to replace in retirement.
- Receive an estimate of what your healthcare costs may be in retirement, because healthcare budgeting plays a major part in retirement planning.
- See how your savings compare with those of other Empower participants in your age group and salary range.

**Empower has a mobile app for iPhone®, Apple Watch®, and Android devices. Please access the Apple App Store and Google Play Store respectively to download.**

### What are the browser requirements for this new website?

The minimum browser requirements are:

- Internet Explorer 11
- Chrome version 48
- Firefox version 43
- Safari version 9.0

### Questions?

Call Empower with any questions you may have about the transition at **844-MHS-2SAV (647-2728)**. Service representatives are available weekdays from 5 a.m. to 7 p.m. Pacific time, and Saturdays from 6 a.m. to 2:30 p.m. Pacific time.

## MultiCare Health System Participant Access Guide

TimeLine	844-MHS-2SAV (647-2728) What can an Empower Service representative help with?	MultiCare.Retirement.com
<b>Today - April 18, 2019</b>	Service representatives can answer general questions about the upcoming transition to Empower and the start of the blackout period but will not be able to access participant account information	<p>In late March, transition information will be available on the website, similar to the transition mailing you are receiving in the mail in late March.</p> <p>For a listing of all available investment options in the plan, access to fund sheets, investment returns and prospectuses, go to <b>MultiCareRetirement.com</b> and enter your plan number. Your plan number can be found on page 5 of the transition brochure.</p>
<b>Blackout Period</b>  <b>April 18, 2019 - week of May 13, 2019</b>	Service representatives can answer general questions about the upcoming transition to Empower and the start of the blackout period but will not be able to access your retirement account information	<p>Transition information will continue to be available on the website, similar to the transition mailing you are receiving in the mail in late March.</p> <p>For a listing of all available investment options in the plan, access to fund sheets, investment returns and prospectuses, go to <b>MultiCareRetirement.com</b> and enter your plan number. Your plan number can be found on page 5 of the transition brochure.</p> <p>Participant account information will not be available during the blackout period.</p>
<b>Your plan is live with Empower</b> <b>Week of May 13, 2019</b>	<p>Your plan is live and the service representatives will now have access to your retirement account information.</p> <p><i>Service representatives are available weekdays from 5 a.m. to 7 p.m. Pacific time, and Saturdays from 6 a.m. to 2:30 p.m. Pacific time.</i></p>	<p>You now have full access to your retirement account and can register on the website and create your new login.</p> <p>You are now able to make requests and changes to your account.</p> <p>All Empower online tools are available.</p>

*Carefully consider the investment option's objectives, risks, fees and expenses. Contact us for a prospectus, summary prospectus and disclosure document, as available, containing this information. Read them carefully before investing.*

IMPORTANT: The projections, or other information generated on the website by the investment analysis tool regarding the likelihood of various investment outcomes, are hypothetical in nature. They do not reflect actual investment results and are not guarantees of future results. The results may vary with each use and over time. Healthcare costs and projections, if applicable, are provided by HealthView Services. HealthView Services is not affiliated with GWFS Equities, Inc. Empower Retirement does not provide healthcare advice. A top peer is defined as an individual who is at the 90th percentile of the selected age band, salary range and gender.

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