



Mississippi Hybrid Defined Contribution 401(a) Plan

Features and Highlights

Read these highlights to learn more about your Plan. If there are any discrepancies between this document and the Plan Document, the Plan Document will govern.

About the Hybrid Defined Contribution Plan

The Hybrid Defined Contribution Retirement Plan is a governmental 401(a) plan administered by the Public Employees' Retirement System of Mississippi (PERS). This defined contribution 401(a) plan is part of the PERS Tier 5 Hybrid Plan, established by House Bill No. 1 during the 2025 Legislative Session. The Hybrid Plan combines a defined benefit (pension) component with a defined contribution 401(a) account.

A 401(a) defined contribution plan is a retirement savings plan that provides an individual account in your name. Under the Hybrid Defined Contribution Plan (the "Plan"), you are required to contribute a portion of your compensation. Contributions and any investment earnings grow tax-deferred until you take a distribution. You direct how your contributions are invested and choose how and when to take distributions when you separate from service, in accordance with Plan provisions and federal tax requirements.

Eligibility

Participation is mandatory for all newly eligible, non-temporary employees hired into PERS-covered positions on or after March 1, 2026, as well as former PERS members who have refunded and return to PERS-covered positions on or after March 1, 2026. You become eligible on your first day of employment in a covered position. Participation continues as long as you remain employed in a covered position. If you leave employment and later return to a covered position, you will resume participation.

Contributions

You contribute 5 percent of your earned compensation to the Plan. These required contributions are automatically deducted from your paycheck and withdrawn on a pre-tax basis. This means:

- Contributions are not included in your current taxable income.
- Taxes are generally due when you take a distribution.
- You cannot opt out of required participant contributions.

Employer contributions to the Plan are optional and are made only if your employer elects to provide them. Any employer contributions will be credited to your Plan account.

Vesting

Vesting refers to the percentage of your account you are entitled to receive upon the occurrence of a distributable event. Your contributions to the Plan and any earnings are always 100 percent vested (including rollovers from previous employers).

Investment options

A wide array of core investment options is available through the Plan. Each option is explained in its fund fact sheet, which can be found online at empower.com/Mississippi. Fund information is also available by calling the voice response system at **800-846-4551**.

If you do not make an investment election upon enrollment, you will be invested in the default target date fund based on your date of birth. Once you are enrolled in the Plan, you may change your investment options at any time to any of the funds available in the Plan.

The date in the name of the target date fund is the assumed date of retirement. The asset allocation becomes more conservative as the fund nears the target retirement date; however, the principal value of the fund is not guaranteed.

In addition to the core investment options, a self-directed brokerage account (SDBA) is available through Charles Schwab & Co., Inc. The SDBA allows you to select from various mutual funds for an additional annual administrative fee. The SDBA is intended for knowledgeable investors who acknowledge and understand the risks associated with the investments contained in the SDBA. SDBAs are not monitored by the Commission or investment consultant to the Plan. You will receive a separate statement of your holdings and activity from Charles Schwab & Co., Inc. Call (888) 393-7272 for more information.

Managing your account

It's easy to get started. Register your account online at **empower.com/Mississippi**, click on *Register* and under the *I do not have a PIN* tab, complete your information and follow the prompts. For future visits to the website, enter your username and password you create during enrollment and click *Sign in*. If you have an existing account with Empower, use your Empower username and password, then choose your default plan upon logging in.

You can review and update your account at any time by logging on to the website at **empower.com/Mississippi** or by calling the voice response system toll free at **800-846-4551**. You can also make changes to your investment options online or through the voice response system toll free at **800-846-4551**. You can move all or a portion of your existing balances among investment options (subject to plan rules).

Each quarter, Empower will send an electronic account statement showing your account balance and activity. If you prefer to receive a paper statement by mail, you may request one by logging into your account at **empower.com/Mississippi** and updating your communication preferences.

If you participate in the SDBA, you will receive a separate statement from Charles Schwab that will detail the investment holdings and activity within your SDBA, including any fees and charges imposed in connection with the SDBA.

Beneficiary designation

You must designate a beneficiary for your Plan, even if you already have a beneficiary on file for other retirement accounts (such as your Defined Benefit Plan). If you do not designate a beneficiary, Plan rules will determine who receives your account. Keep your beneficiary information current, especially after major life events such as marriage, divorce, or the birth of a child. You may add or update your beneficiary designation(s) online at any time at **empower.com/Mississippi**.

Rollovers/transfers

You may roll over Plan-approved balances from 457(b), 403(b), 401(k), or 401(a) plans or IRAs to the 401(a) Plan. Funds rolled from a governmental 457 plan into another type of plan or account may be subject to a 10 percent early withdrawal penalty if taken before age 59½.

Upon severance of employment, you may roll over your account balance to an IRA or a governmental 457(b), 403(b), 401(k), or 401(a) plan if your new employer accepts this type of rollover.¹ You may also leave your money in the 401(a) Plan and continue taking advantage of all the Plan's features and potentially lower fees.

Consider all your options, including taxes, fees, and expenses, before moving money between accounts. Assess all benefits of current accounts before moving money.

Withdrawals

You may withdraw money from your Plan for the following distributable events:

- Severance of employment (as defined by the Internal Revenue Code provisions)
- Retirement
- Death (your beneficiary receives your benefits)
- Qualifying financial hardship (subject to plan rules)
- Required minimum distribution (RMD) age²

Each distribution is subject to ordinary income tax. Early distributions may be subject to additional tax penalties depending on your age and circumstances.

When you leave employment with your current employer or retire, you may choose to leave your savings in the 401(a) Plan until you reach your RMD age. If you choose to take a distribution, you may select:

- A lump-sum distribution
- A partial lump-sum distribution
- Periodic payments
- Rollover to an eligible retirement plan or IRA

Investment support

Local retirement plan advisors – You have access to local retirement plan advisors, at no additional cost, to explain the features and benefits available through the Plan and act in your best interest to provide personalized investment option recommendations.³ They can also review your retirement readiness and provide ongoing support to and through retirement. To find your local retirement plan advisor, visit empower.com/Mississippi and select *Contact us*.

Empower Advisory Services – Empower Advisory Services are provided by Empower Advisory Group, LLC, a registered investment adviser, and are offered as part of the Plan. It provides two levels of investment service for you to choose from based on how much help you may want or need, Online Advice or My Total Retirement™. Online Advice is available at no cost to you. If you choose My Total Retirement, you will be charged an annual fee (deducted quarterly) based on a percentage of your assets under management. To learn more about Online Advice and My Total Retirement, log in to your account at empower.com/Mississippi and click on *Planning*.

Fees

Recordkeeping and administrative – Through the employer contribution rate, employers pay an annual administrative fee of \$46.25. This fee helps cover the cost of administering the Plan, including maintaining your account and processing transactions by Empower, the Plan's third-party administrator.

Investment management – Each investment option has an investment management fee (also known as an expense ratio) that varies by investment option. These fees are deducted by each investment option's management company (not by the Plan or Empower) before the daily price or performance is calculated. Investment management fees pay for trading of portfolio securities and other management expenses. You can find the Plan's investment option expense ratios on the website at empower.com/Mississippi, via the voice response system toll free at **800-846-4551**, in your plan's performance report, or in each fund's prospectus.

Funds may impose fees on certain transfers, redemptions or exchanges if assets are held for less than the period stated in the fund's prospectus. For more information, please refer to the fund's prospectus.

Charles Schwab PCRA – If you choose to participate in the Charles Schwab SDBA option, the annual fee is \$60 and will be deducted from your account quarterly approximately one week prior to quarter-end (\$15 per quarter). Additional transaction fees also apply.

My Total Retirement – If you choose to participate in My Total Retirement, there is an annual fee, assessed quarterly, charged as a flat fee of 0.40 percent of your assets under management. The annual fee is in addition to the individual investment fees of each fund you are invested in. Expenses may vary based on the allocation of the funds in your portfolio. There is no guarantee provided by any party that participation in any of the advisory services will result in a profit.

For more information

Visit the website at **empower.com/Mississippi** or call the voice response system toll free at **800-846-4551**. The website has information regarding investment options and financial education information as well as tools and services to help you manage your account.

To speak with a representative, call **800-846-4551**, weekdays between 7 a.m. - 9 p.m. Central time, and Saturdays between 8 a.m. - 4:30 p.m. Central time.

Local retirement plan advisors are available for one-on-one appointments and group meetings. To find your local retirement plan advisor and schedule a meeting, visit **empower.com/Mississippi** and select *Contact us*.

Please consider the investment objectives, risks, fees, and expenses carefully before investing. For this and other important information prospectuses for all PCRA funds can be obtained on the Web site at www.schwab.com or by calling (888) 393-7272. Read them carefully before investing. An investment in the cash sweep feature fund is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency.

1 Funds rolled into a governmental 457 plan from another type of plan or account may still be subject to the 10 percent early withdrawal penalty if taken before age 59 1/2.

2 The IRS generally requires you to start taking required minimum distributions (RMDs) at age 73.

3 Point-in-time advice is provided by an Empower representative registered with Empower Financial Services, Inc. at no additional cost to account owners and may include savings, investment allocation, distribution, and rollover advice, including advice on consolidating outside retirement accounts. There is no guarantee provided by any party that use of the advice will result in a profit.

Investing involves risk, including possible loss of principal.

Asset allocation funds may be subject to operating expenses for the fund and for each underlying fund.

Securities, when presented, are offered and/or distributed by Empower Financial Services, Inc. (EFSI), Member FINRA/SIPC. EFSI is an affiliate of Empower Retirement, LLC; Empower Funds, Inc.; and registered investment adviser Empower Advisory Group, LLC. This material is for informational purposes only and is not intended to provide investment, legal or tax recommendations or advice.

Securities available through Schwab Personal Choice Retirement Account (PCRA) are offered through Charles Schwab & Co., Inc. (Member SIPC), a registered broker-dealer. Additional information can be obtained by calling 888-393-7272. Charles Schwab & Co., Inc. and Empower Financial Services, Inc. are separate and unaffiliated.

Online Advice and My Total Retirement are part of the Empower Advisory Services suite of services offered by Empower Advisory Group, LLC, a registered investment adviser. Past performance is not indicative of future returns. You may lose money.

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