WEA Member Benefits 403(b) Tax Sheltered Annuity Program

Valuable Information Portfolio

WEA Member Benefits™

Every member financially secure.

Changes may be retroactive to the extent necessary to meet the requirements of any law or regulation issued by any governmental agency to which the WEA TSA Trust is subject.

Valuable Information Portfolio

This "Valuable Information Portfolio" provides you with general information about the WEA Member Benefits 403(b) Tax Sheltered Annuity program (the TSA Program) and our 403(b) administration services. The terms of your 403(b) plan are set forth in and controlled by your employer's plan document. Your rights as a participant in the plan are controlled by the employer's plan document and the underlying investment contracts. All program features and fees are subject to change in a manner consistent with federal and state law. This Valuable Information Portfolio is for general information purposes only and nothing in this portfolio should be interpreted as providing personalized legal or tax advice. You should consult with your legal or tax advisor regarding personal, legal, or tax issues.

1. WEA TSA Trust and its TSA program

The TSA Program is maintained by the WEA TSA Trust and administered by staff at WEA Member Benefits. The Wisconsin Education Association Counsel through its affiliate Wisconsin Education Association, Inc. (WEAC), as a service for its members, created the WEA TSA Trust and its board of directors elects the trustees of the WEA TSA Trust. The TSA Program enables employers to join together to obtain retirement-plan benefits for their employees in accordance with Section 403(b) of the Internal Revenue Code (IRC). School districts or other employers that join the TSA Program make contributions to the WEA TSA Trust on behalf of their employees or pursuant to salary reduction agreements with their employees. Contributions are promptly forwarded to either an insurance company for investment in a group annuity contract or to a custodial account investing in products by regulated investment companies (i.e., mutual funds) according to the instructions of the participant/employee. The WEA TSA Trust is, in effect, a pass-through entity that, through its massed volume, allows participants to obtain a favorable guaranteed annual rate of return from the insurer of the group annuity contract and to gain access to otherwise unavailable mutual fund investment opportunities.

2. 403(b) accounts

All contributions received from employers or participants are held in trust by WEA TSA Trust in 403(b) accounts for the exclusive benefit of the participants and their beneficiaries and for the payment of the expenses of the WEA TSA Trust. All contributions are timely invested in either a group annuity contract or in the shares of an investment company (mutual fund) held in a custodial account. The group annuity contract investment option, referred to as the Guaranteed Stable Investment, is issued to the WEA TSA Trust by Empower Annuity Insurance Company (EIC), a licensed insurance company. (Please request or visit our website at weabenefits.com to view the fact sheet for additional information on the Guaranteed Stable Investment contract.) Mutual funds are available with differing investment strategies. The Guaranteed Stable Investment is referred to as a 403(b) group annuity contract. The mutual fund investments are referred to as group 403(b)(7) custodial accounts.

The WEA TSA Trust agreement authorizes the Trustees to use more than one 403(b) group annuity contract or 403(b)(7) custodial account, if doing so will benefit the WEA TSA Trust's participants, and to allocate contributions between or among group 403(b) annuity contracts and 403(b)(7) custodial accounts pursuant to established and communicated procedures. The WEA TSA Trust agreement reserves to the Trustees the right to change, at any time, any or all of the provisions of the group 403(b) annuity contracts, the group 403(b)(7) custodial accounts, or the WEA TSA Trust agreement. Changes may be retroactive to the extent necessary to meet the requirements of any law or regulation issued by any governmental agency to which the WEA TSA Trust is subject.

3. Eligibility and participation

Participants in the TSA Program must be employed by a school district or other authorized employer that has joined the TSA Program. WEA TSA Trust 403(b) program must be an approved vendor in your employer's 403(b) plan in order for you to participate.

If you cease to be an employee of such an employer (e.g., due to retirement, change in occupation, or change in employment to an employer that has not joined the TSA Program), you may leave your accumulated contributions and earnings in the WEA TSA Trust.

4. Contributions

Generally, the WEA TSA Trust accepts participant elective salary-reduction contributions and employer matching, non-matching contributions, or post-employment. Contributions of either type can be made while you are an employee of an employer authorized to participate in the TSA Program. An employer can make non-matching contributions for retirees for up to five years following the year of retirement.

The WEA TSA Trust will allocate all amounts received in good order from your employer to investment options selected by you, generally within three business days of receipt, unless circumstances beyond the control of the WEA TSA Trust justify a later allocation.

Employee (elective) contributions

Elective contributions to your 403(b) account under the TSA Program are made pursuant to a salary reduction agreement by which you authorize your employer to reduce your salary by a specified amount and to remit that amount as a contribution to your account. You may enter into as many salary reduction agreements each year as your employer allows. A salary reduction agreement is required whenever an employee opens an elective 403(b) account, increases an existing elective contribution amount, adds a lump-sum amount, decreases an existing elective contribution, or resumes elective contributions after terminating a previous salary reduction agreement. You may stop elective contributions at any time during a taxable year by terminating your salary reduction agreement. (Some employers have imposed restrictions on when and how often a salary reduction agreement may be changed during the year. You must check with your employer on its requirements. Your employer may automatically withhold elective contributions from your salary unless you opt out.) You may be eligible to make before-tax and/or Roth (after-tax) elective contributions. Please check with your employer or WEA TSA Trust.

Employer contributions

The WEA TSA Trust can accept employer contributions made to your 403(b) account. They may be matching contributions (based on the amounts of your elective contributions), non-matching contributions, or post-employment contributions. All employer contributions are before-tax contributions.

Limitations on contributions

The IRC imposes two limits on contributions to your 403(b) account. Contributions in a tax year are limited to the lesser of the limits explained in paragraphs A and B.

A. Annual dollar limit on elective contributions. Salary reduction contributions to your 403(b) account, other 403(b) plans, any 401(k) plans, SIMPLE plans, and SEP IRAs generally may not exceed the IRC limit for each calendar year. For 2023, the general limit is $22,500.

In addition to that general limit, however, a catch-up contribution if you have 15 or more years of service with your current employer may be permitted if your employer allows this provision. (Please check your employer's plan or call us.) Participants eligible for the 15-year catch-up provision may increase their annual elective contributions beyond the general limit by the lesser of the following amounts:

- $3,000.
- $15,000, less amounts excluded in prior years from this catch-up.
- The excess of $5,000 multiplied by the years of service with all employers minus the total salary reduction contributions from all employers in prior years.

A second annual catch-up elective contribution is permitted if you are age 50 or older and if your employer allows this provision. (Please check your employer's plan or call us.) For 2023, this age 50 catch-up limit is $7,500.

If eligible, you may combine the increased contribution amounts allowed through both the 15-year catch-up and the age 50 catch-up. If you are eligible for both catch-ups, the IRS requires the additional contributions to be applied first to the 15-year catch-up.

The combined total of your before-tax and Roth elective contributions cannot exceed the IRC limits.

Any salary reduction contributions in excess of these limits are referred to as excess contributions. Excess contributions must be included in your taxable income for the year in which the excess contributions were made. If you do not request a withdrawal of excess contributions and the income earned thereon by March 1 of the following year, the excess must be included in your taxable income twice: once in the year of contribution and once in the year the excess contribution is distributed to you as a benefit. To avoid the harsh tax consequence of double taxation, all excess contributions should be withdrawn from your account on a timely basis. It is your obligation to notify the WEA TSA Trust of any excess contributions. Distributions will be made prior to April 15 of the year following the year in which the contributions were made. If you do not remove the excess by April 15, the excess will be reclassified and deemed a contribution for the next calendar year.

B. 415 limitation on elective contributions and employer contributions.
An additional limit imposed by the IRC on contributions to your 403(b) account is a Section 415 limit on the amount that may be contributed by both the employer and the employee to many retirement savings vehicles (i.e., the TSA Program and qualified retirement plans, including SEP IRAs, but not IRAs). This limit does not apply to additions to your account from rollovers or transfers. The combined limit that may be contributed to your account in any one tax year is the lesser of the following amounts:

- 100% of your compensation
- The dollar limit stated in the IRC Section 415, annually adjusted by the IRS. For 2023, the Section 415 dollar limit is $66,000.

If a timely, corrective distribution is not made, contributions in excess of this annual limit must be included in your gross income for income tax purposes. In addition, contributions to the mutual funds in excess of this limit are subject to a possible 6% excise tax.

The limits on contributions to your 403(b) account are complicated and subject to change from year to year. If you have questions, we recommend you consult with one of our TSA service representatives. We will calculate your contribution limitations if you provide the required data.

Exchanges, transfers, and rollovers to your account

If you have accumulated contributions and earnings in another 403(b), 401(a), 401(k), governmental deferred compensation 457(b), traditional deductible IRA, or SEP IRA contract that you would like to deposit into your before-tax 403(b) account and your employer plan allows, you can arrange for the exchange, transfer, or rollover of your account balance, or a portion of it, to the WEA TSA Trust. The same is true for Roth funds from employer-sponsored plans; however, Roth IRA funds cannot be rolled into the Roth portion of your 403(b) account. The IRC limits some of these transactions unless a distributable event has occurred. Funds rolled into your account from non-403(b) plans will become subject to the general rules regarding 403(b) accounts. Contact the WEA TSA Trust for more information and assistance regarding exchanges, transfers, and rollovers.

If you receive a partial or total distribution from another 403(b) account, you may, under certain circumstances prescribed in the IRC and subject to a number of restrictions, continue the tax-deferred status of that distribution by properly rolling it over into a 403(b) account under the TSA Program. Again, you should contact the WEA TSA Trust for assistance with rollovers to your account.

Exchanges, transfers, and rollovers from your 403(b) account are addressed below.

5. Roth 403(b)

Roth 403(b) contributions are after-tax elective contributions. If the funds are distributed as a qualified distribution, then both the contribution and the investment earnings are free from taxes. A Roth 403(b) distribution is considered qualified if it is made after age 59½ and the Roth 403(b) account has been in existence for at least five years.

6. Investments

Your 403(b) account balance and contributions may be invested in the Guaranteed Stable Investment, mutual funds, target retirement funds, model portfolios, or any combination of the investments.

Investment allocations

You may direct the WEA TSA Trust to invest your current 403(b) account balances and future contributions in any combination of the Guaranteed Stable Investment, mutual funds, and target retirement funds. If you choose to invest in a model portfolio, 100% of your account balance will be invested in the selected model. All allocations must be made in whole numbers and not in fractions of a percent.

Guaranteed Stable Investment

The Guaranteed Stable Investment is a group annuity insurance product issued by Empower Annuity Insurance Company (EIC). The Guaranteed Stable Investment is designed for the individual seeking financial security and safety of principal. The credited annual rate of return is the prevailing current rate announced by the WEA TSA Trust. This rate is the effective annual yield earned by your account before any administrative fees are deducted.

Interest is compounded daily to produce a yield net of Empower's administrative fee of 0.60%. EIC deducts an amount for investment expenses and risk from the investment experience of certain assets held in EIC's general account. All earnings on investments are credited gross of TSA Program fees.

Amounts contributed to the contract are deposited in EIC's general account. Payment obligations and the fulfillment of any guarantees specified in the group annuity contract are insurance claims supported by the full faith and credit of EIC. EIC periodically resets the interest rate credited on contract balances, subject to a minimum rate specified in the group annuity contract and subject to change. Past interest rates are not indicative of future rates. Participant Level Protections

(PLPs) are in place to help preserve the guarantee of the fund. PLPs may limit your ability to withdraw funds from the fund. For more information on the PLPs and how it may affect your account, please reference the Guaranteed Stable Investment PLP question and answer sheet or by calling Retirement and Investment Services at 1-800-279-4030, Extension 8568.

Mutual funds

You may direct the WEA TSA Trust to allocate all or a portion of your contributions and/or account balances to one or several mutual funds. We do not guarantee the investment performance of any amounts allocated to the mutual funds.

Mutual fund investments are subject to the risks of changing economic conditions and the ability of the fund's management to administer such changes. The value of each mutual fund account will vary. Shares of the mutual funds specified by the participant are purchased by the WEA TSA Trust at their net asset value. We reserve the right to change the available mutual funds.

Keep in mind that mutual fund investments are not guaranteed and may gain or lose value. Past performance is no guarantee for future results. Future performance may be lower or higher than past performance.

Before investing in any mutual fund, call WEA Member Benefits at 1-800-279-4030 to request a prospectus or download a prospectus at weabenefits.com/investments. We advise you to read it carefully and consider the fund's investment objectives, risks and charges and expenses carefully before investing. The prospectus contains this and other information about the investment company.

The mutual funds may charge a redemption fee. These fees are applied to shares that are acquired through purchases, including, but not limited to, contributions, trades, exchanges, transfers, and rollovers, and the subsequent sale occurring with the specified time frame. For more information about redemption fees, please refer to the mutual fund prospectus.

Target retirement funds

Target retirement funds, also known as lifecycle funds, invest in mutual funds using an asset allocation strategy designed with a specific target date in mind. The fund will invest more in stock the further away it is from the target date and transition from stocks to fixed income investments as it approaches the stated target date. While target retirement funds are diversified investments, they do not protect against losses in a declining market.

Model portfolios (offered in Wisconsin only)

A model portfolio is a predefined investment portfolio based on your age, risk tolerance, and retirement timeline. If you choose to invest in a model portfolio, you will need to complete an "Investor Suitability Profile Questionnaire" when you initially invest and then again every three years to determine if changes in your risk tolerance and investment goals should cause you to change your investment in that model portfolio. The investments that make up the model portfolios are selected from pre-selected mutual funds.

The reported performance of the models is hypothetical yet based on actual performance of the underlying mutual funds and their corresponding weightings. The performance data on the underlying funds was derived from Morningstar®, an independent third party. The illustration does not reflect the actual performance of individual investors in the models. Investment models are not FDIC-insured, and they are not bank-guaranteed. Investment models may lose value. Past performance is no guarantee of future results. Model performance returns illustrate the relationship between risk and reward. The TSA Program model portfolios are risk-based. The more conservative the underlying asset weightings are, the lower the expected rate of return. Because of market changes, the makeup of your actual account portfolio will not exactly match the model portfolio. We may perform periodic adjustments of the model portfolio investments and rebalancing of your account to more closely match the model portfolio you select.

Model portfolios are developed by WEA Financial Advisors, Inc. (WEA FA), under the oversight of the WEA Member Benefits Investment Committee. Model portfolios may be adjusted at the discretion of WEA FA and the Investment Committee with prior notice to you. From time-to-time, there may be extraordinary situations that will warrant more scrutiny. An example is the market downturn in October 2008. Although WEA FA carefully evaluates the makeup of the portfolios on a regular basis, we make no representation regarding the likelihood or probability that any or all of the portfolios will in fact achieve a particular investment goal or fulfill the risk tolerance profile as described for each portfolio. As a self-directed investor, you should carefully consider the merit and appropriateness of the available investments under your district's retirement plan in light of your own personal financial circumstances, including your other assets, income, investments, and/or cash flow needs.

Reassess your investment needs regularly

Because your needs, goals, portfolio, and situation may change over time, be sure to re-evaluate your investment strategy at least once a year. You can always choose a different model or create your own mix. Redemption fees may apply. When participating in a TSA Programs model portfolio, you must complete the Investor Suitability Profile Questionnaire every three years. By not completing the Investor Suitability Profile Questionnaire, you are acknowledging that you may not be invested in an appropriate model according to your risk tolerance.

7. Trades between investments within the TSA program

As your needs and market conditions change, you may make investment changes to your account at no charge.

The mutual funds that are offered by under the TSA Program may charge a redemption fee. These fees are applied to shares that are acquired through purchases, including, but not limited to, contributions, trades, exchanges, transfers, and rollovers, and the subsequent sale occurring with the specified time frame. For more information about redemption fees, please refer to the mutual fund prospectus.

You may authorize the WEA TSA Trust to act upon your voice telephone instructions to licensed staff to execute trades among investments. For your protection, we record all transaction-related telephone calls.

In addition, trades may be initiated through the *your*MONEY™ portal on our website (weabenefits.com). *your*MONEY requires a confidential password, two-factor authentication, and security questions as part of the process.

The WEA TSA Trust will not be liable for acting upon instructions believed to be genuine. Mutual fund companies may apply trading restrictions according to their prospectus. Please read the prospectus carefully.

8. Changing your future contribution allocation

If your investment objectives change, you may change the allocation of your future contributions among the Guaranteed Stable Investment and the mutual funds. This may be done for both your own elective and your employer's contributions. To access your account, go to our website at weabenefits.com. Click on access *your*MONEY. You may also contact one of our consultants to reallocate your future contributions.

9. Account records and vesting

We will establish and maintain individual records of your contributions and earnings in your 403(b) account. We will also maintain separate individual records for your before-tax and Roth elective contributions, any qualified voluntary employee contributions (QVEC) that you made to your 403(b) account, and employer contributions made to your 403(b) account.

After the end of each calendar quarter, you will receive a statement from us showing the beginning and ending balances of your 403(b) account and a summary of all transactions during the quarter, including contributions, service fees, earnings, exchanges, and withdrawals. You may elect to receive your statements electronically through *your*MONEY.

You always have a fully vested interest in your elective contributions. Your employer may impose a vesting schedule on the employer-contribution portion of your 403(b) account.

Vesting is the process in which you accrue nonforfeitable rights to the portion of your account attributable to employer contributions. Nonforfeitable rights accrue based on the number of years of service you have obtained. Please consult your employer's plan document or call us for information about the vesting schedule associated with your employer's contributions.

Your 403(b) account is owned solely by you. Your account is nontransferable and nonforfeitable. You may not sell, assign, or pledge it as collateral for a loan, as security for the performance of an obligation, or for any other purpose.

10. Service fees

The WEA TSA Trust agreement authorizes the Trustees to establish reasonable service fees to pay the operational expenses incurred by the WEA TSA Trust. For additional information on service fees, please refer to the current Fee Schedule available upon request.

While service fees and charges are subject to change by the Trustees, any change in service fees will be prospective in effect, and you will be provided with at least 30-days' written notice.

We do not charge surrender fees or penalties.

11. Loans

If allowed by your employer's plan you may take a plan loan from your account. The loan amount may be up to 50% of your vested account balance or $50,000, whichever is less, with a minimum loan amount of $1,000. (Note: As a result of the CARES Act, if allowed by your employer, and if you are a "qualified individual," you may, in 2020, borrow up to 100% of your vested account balance or $100,000, whichever is less.) If you take a loan, you will need to pay the loan back within 5 years through automated withdrawals (debits) from a financial institution that are electronically transmitted through the Automated Clearing House to be paid on the 20th of each month. (Note: As a result of the CARES Act, if you are a "qualified individual," you may postpone for 12 months any loan payments that you would otherwise be required to make between March 27 and December 31, 2020.) Each loan incurs a $200 loan origination fee. The effective interest rate is Prime +1%. Please contact us to see if your account is eligible for a loan.

Under the CARES Act, you are a "qualified individual" if (a) you are diagnosed with the coronavirus by an approved test, (b) your spouse or dependent is diagnosed with the coronavirus by an approved test, or (c) you experience adverse financial consequences as a result of (1) being quarantined, furloughed, or laid off or (2) having work hours reduced due to such virus, (3) being unable to work due to lack of child care due to such virus.

12. Beneficiaries

You have the right to designate one or more primary or contingent beneficiaries who will receive your account in the event of your death. Any such designation must be on a written designation signed by you on a form acceptable to and filed with the WEA TSA Trust. Each designation will completely revoke all prior designations. Beneficiary designations will be effective only if delivered to the WEA TSA Trust during your lifetime. If no designation of beneficiary is on file with the WEA TSA Trust, or if no designated beneficiary is living at the time of your death, we will pay out in accordance with your employer's plan. If you are married at the time of your death, your spouse may have an enforceable claim on your account pursuant to Wisconsin's marital property law even if you have designated other parties as your beneficiaries. Consult your estate planning attorney on this matter because WEA Member Benefits does not provide legal advice.

Your beneficiary may choose to disclaim all or a portion of his or her inherited account to other named beneficiaries. For example, if you were to name your spouse as beneficiary and your children as contingent beneficiaries of your account, and if, upon your death, your spouse were to disclaim all or a portion of his or her interest in the account, then the account proceeds would pass to your children. (See the information below about required minimum distributions after death.) Disclaiming is not for everyone, but it could be a valuable estate-planning tool. Consult your estate planning attorney.

13. Distributions and Withdrawals

Retirement benefits

The withdrawal of money from your account is subject to various restrictions and limitations described in the following paragraphs. Subject to those restrictions, upon your retirement and at your written direction, the WEA TSA Trust will pay the amount in your account to you in any of the following ways:

- **Scheduled Payment Option**—You may elect to receive a fixed dollar amount, $100 minimum, (monthly, quarterly, semiannually, or annually). The length of time these distributions continue (unless you stop or change them) may vary according to the performance of your investment options.
- **Partial Withdrawals**—You may take up to three withdrawals each year (minimum of $500 each).
- **Exchange/Transfer/Rollover**—You may exchange/transfer/rollover your before-tax 403(b) account balance to another 403(b), 401(a), 401(k), governmental deferred compensation 457(b) plan, SEP IRA, or traditional deductible IRA if eligible. You may also exchange/transfer/rollover your Roth 403(b) to another Roth 403(b), Roth 401(k), or a Roth IRA if eligible and if permitted under the terms of your employer's plan.
- **Total Withdrawal**—You may withdraw your entire account balance and pay regular income taxes on the distribution.
- **Declining Balance Withdrawal**—You can choose to have your account balance paid to you over a specific period of time. This option is not available to you if you are subject to required minimum distributions.

Annuity Options: A variety of annuity options are available to you at the time of your retirement, including:

- **Period Certain and Life**—This option offers 5-, 10-, 15-, and in some cases, 20-year certain and life payments.

- **Lifetime Income/No Refund**—You receive monthly payments for life with no death benefit.
- **Joint and Survivor Annuity**—This option provides specified monthly payments jointly to you and your designated joint annuitant (one check, both payees named) for life. When either of the joint annuitants dies, the monthly payments continue to the survivor.
- **Period Certain Only Annuity**—This option provides a specified monthly payment for whatever fixed period of time you choose (i.e., 10 years, 15 years) but not for life. If you die prior to receiving all of the annuity payments, the remaining payments are made to your beneficiary.

General restrictions

Section 403(b)(11) of the IRC restricts distributions attributable to elective contributions to the Guaranteed Stable Investment and the mutual funds and employer contributions to the mutual funds and the earnings thereon. These restrictions prohibit distributions except when you attain age 59½, separate from employment, die, become permanently disabled, or encounter severe financial hardship. Exceptions are also made for distributions required by a court order, used to purchase certain types of lifetime annuities, or received after either separation from service or retirement during the year in which a participant turns age 55 or older or for the birth/adoption of a child of up to $5,000.

If you are a "qualified individual" as defined by CARES Act, then, to the extent permitted by your employer's plan, you may withdraw up to $100,000 from your 403(b) account by December 31, 2020, without the 10% penalty that usually applies to withdrawals before age 59½. Also, you may repay the amount of any such withdrawal within 3 years after you received it. Also, you may spread the income-tax consequences of such a withdrawal over the three years 2020, 2021, and 2022. Under the CARES Act, you are a "qualified individual" if (a) you are diagnosed with the coronavirus by an approved test, (b) your spouse or dependent is diagnosed with the coronavirus by an approved test, or (c) you experience adverse financial consequences as a result of (1) being quarantined, furloughed, or laid off or (2) having work hours reduced due to such virus, (3) being unable to work due to lack of child care due to such virus.

In the case of hardship withdrawals, please see your employer's plan document for availability. If hardships are available, please contact us for additional information on restrictions and possible tax implications.

Withdrawals for birth or adoption

Effective January 1, 2020, if permitted by your employer's plan, you may withdraw up to $5,000 from your 403(b) account, without the usual 10% penalty that applies to withdrawals before age 59½, for up to one year after the birth or adoption of a child, for the purpose of paying expenses related to the birth or adoption. You may repay such withdrawals within a three year period following the qualified birth or adoption distribution process date as a rollover into your 403(b) account, as long as you are eligible to make contributions to your account.

WEA TSA Trust withdrawal policy

As indicated above, there are legal restrictions on withdrawals. In certain circumstances, the group 403(b) contract may impose further limits. The WEA TSA Trust agreement also authorizes the WEA TSA Trust to impose reasonable limitations on the withdrawal of less than all of an account and to establish reasonable rules governing participants' requests for withdrawals. Currently, the WEA TSA Trust permits you to make three withdrawals from your account each calendar year. In general, each withdrawal must be at least $500 or 100% of your combined account value. Withdrawals of less than $500 are permitted with the required minimum distribution option. The minimum withdrawal option amount is $100.

Furthermore, the WEA TSA Trust will withdraw from each of your investment types in the same proportion as they exist in your account at the time of distribution, unless otherwise specified.

The Guaranteed Stable Investment also has Participant Level Protections (PLPs). The PLP preserves the guarantee of the fund by restricting the movement out of the Guaranteed Stable Investment (GSI) when three conditions exist at the same time. Participants may make transfers for or take participant withdrawals from the GSI during a calendar year until the PLPs are activated.

Participants in the TSA Program will always be able to receive their guaranteed amount upon retirement, disability, termination of employment, in-service withdrawals after age 59½ (if allowed by the plan), required minimum distributions, and upon death.

On page 9 is a chart explaining what counts toward the PLP limit and what is restricted after the limit is met.

Transaction type	Counts toward PLP limit	Restricted after limit is met
Benefit-responsive withdrawals from the GSI	Yes	No
Transfers between GSI 403(b) and IRA	No	No
Transfers from Guaranteed Stable Investment inside or outside of the WEA TSA Trust 403(b) and WEA Member Benefits IRA	Yes	Yes
Auto-rebalance or initial enrollment in model portfolio resulting in transfer out of GSI	Yes	No
All other non-benefit-responsive transfers or withdrawals from GSI	Yes	Yes

If your yearly withdrawal/transfer amount from the GSI has not reached the maximum of 20% of the GSI, any withdrawals or transfers will process as usual until it reaches the maximum amount. If you have already met the maximum amount, you will only be able to make benefit-responsive withdrawals from the GSI for the remainder of the year. The 20% PLP limit is tracked separately between the 403(b) and IRA programs.

It is important to remember that the PLP only applies to the GSI.

A participant may take transfers from or take participant withdrawals for the GSI during a calendar year until the following conditions exist all at the same time:

1. The yield on any one of the following benchmarks is greater than or equal to the Credited Interest Rate of the GSI.
   a) The Barclays Capital U.S. Aggregate Index yield to maturity.
   b) The iMoneyNet Money Fund Average/All Taxable 7-Day yield.
   c) The yield of the benchmark of any fixed income fund available under the Contract (as defined by such fixed income fund's Morningstar category).
2. The cumulative value of the sum of each day's negative net cashflow from the GSI in that calendar year from both the 403(b) contract and the IRA contract exceeds 5% of the total combined book value of the GSI for both the 403(b) and IRA programs as of January 1 of that calendar year. If the next cashflow of the GSI is positive on any given day, such positive cashflow cannot offset a different day's negative net cashflow for purposes of calculating the 5% cumulative value of this paragraph.
3. The total combined market value of the experience rating funds of the 403(b) contract and the IRA contract is less than the total combined book value of the GSI in the 403(b) contract and the IRA contract.

On and after the date that EIC notifies WEA TSA Trust that all three conditions listed above exist at the same time, the PLP is activated and is in effect for the remainder of the calendar year.

Required minimum distributions

Required minimum distributions (RMDs) from your 403(b) account must begin by April 1 of the year following the later of: (1) the calendar year in which you reach age age 73 (effective January 1, 2023) or (2) the calendar year in which you retire. The penalty for failing to comply with these rules is a 50% excise tax on the difference between the amount that was required to be distributed and the amount actually withdrawn. As long as you maintain a 403(b) account under the TSA Program, you will be notified of your RMD annually beginning the year you reach age age 73 (effective January 1, 2023). Distributions must also comply with the incidental death benefit rules contained in Section 401(a)(9) of the IRC.

Unless instructed otherwise, the WEA TSA Trust will automatically disburse, prior to year-end, amounts sufficient to satisfy your RMD attributable to your 403(b) account. Due to the CARES Act, however, no RMD will be required for 2020 (and anyone who reached age 70½ in 2019 is not required to begin an RMD by April 1, 2020).

Distributions after death

In the event of your death, each of your relevant beneficiaries will be notified of his or her rights and options with respect to your 403(b) account balance. For more information, call WEA Member Benefits at 1-800-279-4030.

Beneficiaries may be able to keep the 403(b) account at the WEA TSA Trust, choose from a number of distribution options, or they may disclaim the inherited account. They will be entitled to make investment decisions and trades with a tax-deferred account in the same manner as regular participants.

Post-death RMD rules generally require distributions to your beneficiaries either (a) by the end of the fifth calendar year after the year in which you die, (b) over the life expectancy of the relevant beneficiary, or (c) by the end of the 10th calendar year after the year in which you die. The RMD rules favor naming your spouse as beneficiary. In the case of deaths occurring on or after January 1, 2020, non-spouse beneficiaries are generally required to withdraw 100% of the balance of your account by the end of the tenth calendar year after the year in which you died. The ten-year rule does not apply to minor children (while they are minors), disabled or chronically ill beneficiaries, or beneficiaries who are less than 10 years younger than you. Certain non-spouse beneficiaries are also required to take, at a minimum, a life expectancy payment each year before liquidating the entire account by the end of the 10th calendar year after the year in which you die.

For instructions involving nonperson trusts, charities, or other complex beneficiaries, and for information about how the post-death RMD rules affect your personal estate planning, you should seek appropriate legal counsel. WEA Member Benefits does not provide legal advice.

14. TSA rollovers

Depending on the terms of your employer's plan and the withdrawal restrictions described in this portfolio, you may make a tax-free rollover from the before-tax portion of your 403(b) account to another 403(b) account, traditional deductible IRA, SEP IRA, 401(a), 401(k), or governmental deferred compensation 457(b) plan, if you are eligible. You may also make a tax-free rollover from the Roth portion of your 403(b) account may be rolled over to a Roth 401(k), Roth 403(b), or Roth IRA account. However, to ensure that a rollover is not subject to current taxes, complicated rules must be followed. Please contact us for information and assistance before initiating a rollover of your account.

All distributions eligible for rollover are subject to 20% federal income tax withholding unless they are directly rolled over to another 403(b) contract, 403(b)(7) custodial account, 401(a), 401(k), governmental deferred compensation 457(b), SEP IRA, traditional deductible IRA, or Roth IRA, if eligible. Because the direct rollover rules change the way distributions from retirement plans are handled, please contact the WEA Member Benefits before initiating a request for distribution or withdrawal.

15. TSA exchanges or transfers

Please check your employer's plan document to confirm that exchanges or transfers of your 403(b) account are permitted. Subject to the withdrawal restrictions described below, the IRC allows a tax-free exchange or transfer from the before-tax or Roth portions of your 403(b) account to another employer's 403(b) plan. An exchange is money movement within the same employer plan from one 403(b) vendor to another employer-approved 403(b) vendor. A transfer is 403(b) money movement from one employer plan to another employer plan. A transfer is still considered to occur regardless if the money is staying within the same 403(b) vendor.

16. Withdrawal restrictions

Your elective contributions to the Guaranteed Stable Investment (GSI), and interest earnings thereon, are subject to more restrictive withdrawal rules than the rules applicable to other amounts in your 403(b) account. All contributions invested in mutual funds on or after January 1, 1989, are also subject to more restrictive rules. The chart on the following page illustrates the rules and related penalties. In-service distributions are limited by the terms of the employer plan.

See page 11 for tables:

- ***Elective contributions to the GSI and income thereon as of December 31, 1988***
- ***Elective contributions to the GSI and income thereon and all amounts in mutual funds on or after January 1, 1989***
- ***Reason for withdrawal***

Elective contributions to the GSI and income thereon as of December 31, 1988[1] (Pre-1989 account balance)

Reason for Withdrawal	Eligible To Withdraw	10% Excise Tax
Separated From Employment Before Age 55	Yes	Yes
Retirement (separation from service) at Age 55 or Older*	Yes	No
Purchase Lifetime Annuity	Yes	No
Divorce Decree/Court Order (QDRO)	Yes	No
Medical Expense Deductible on Tax Return	Yes	No
Death or Disability	Yes	No
Any Other Reason and Younger Than Age 59½	Yes	Yes
Any Reason and Age 59½ or Older	Yes	No

Elective contributions to the GSI and income thereon and all amounts in mutual funds on or after January 1, 1989[2] (Post-1989 account balance)

Reason for Withdrawal	Eligible To Withdraw	10% Excise Tax
Separated From Employment Before Age 55	Yes	Yes
Retirement (separation from service) at Age 55 or Older*	Yes	No
Purchase Lifetime Annuity	Yes	No
Divorce Decree/Court Order (QDRO)	Yes	No
Hardship as Defined by IRS (contributions only)	Yes	Yes
Death or Disability	Yes	No
Any Other Reason and Younger Than Age 59½	No	N/A
Any Reason and Age 59½ or Older	Yes	No

[1] You must pay state and federal income taxes on the distributions from your 403(b) account. The 10% federal excise tax is in addition to these income taxes. Some states also impose an additional early withdrawal penalty.

[2] It will become increasingly important for you to maintain records of your pre- and post-1989 contributions and interest if you wish to make any withdrawal prior to age 59½ or retirement at age 55 or older.

The rules governing the withdrawal of employer contributions to the Guaranteed Stable Investment are less restrictive than those for employee elective contributions and those for all contributions to mutual funds

Reason for Withdrawal	Eligible To Withdraw	10% Excise Tax
Separated From Employment Before Age 55	Yes	Yes
Retirement (separation from service) at Age 55 or Older*	Yes	No
Purchase Lifetime Annuity	Yes	No
Divorce Decree/Court Order (QDRO)	Yes	No
Death or Disability	Yes	No
Any Other Reason and Younger Than Age 59½	Yes	Yes
Any Reason and Age 59½ or Older	Yes	No

*If you are between the ages of 55 and 59½, you will need to file IRS form 5329 to claim your exception from the premature withdrawal penalty.

For any transfer made into or out of a 403(b) account after January 1, 1989, you should keep records that show your remaining December 31, 1988, balances.All materials contained herein have been carefully prepared and includes the most reliable information available to us on the date indicated. The legal rules regarding 403(b) plans are complicated and constantly changing. information provided herein does not constitute legal advice by WEA Member Benefits. We recommend that you consult with your tax, legal, or financial advisor.

Glossary

Group annuity contract
The WEA Tax Sheltered Annuity (TSA) Trust investment choice referred to as the Guaranteed Stable Investment.

Custodial account
Collectively, the investment choices referred to as mutual funds held on a custodial basis for all participants.

Guaranteed Stable Investment
An investment choice only available to WEA TSA Trust participants. The principal amount is guaranteed. The annual rate of return is declared in October for the following year.

Mutual funds
Regulated investment companies owning securities of other companies for the mutual benefit of individual investors.

Elective contributions
Voluntary employee contributions to a 403(b) plan through salary reduction. Elective contributions may include pre-tax and/or Roth (after-tax) contributions.

Employer contributions
Employer-paid contributions to an individual's 403(b) account. Employer contributions may be matching contributions (based on employee elective contributions) or non-matching.

Excess contributions
Contributions to a 403(b) plan in amounts greater than allowed during a given calendar year.

Rollover
Transactions (e.g., moving money in and/or out) between tax-advantaged plans such as 403(b) to IRA or IRA to 403(b) after a qualifying event.

QVEC (Qualified Voluntary Employee Contributions)
A pre-1987 tax- deferred employee savings program. New contributions are no longer permitted; however, existing accounts follow rules similar to IRA rules.

QDRO (Qualified Domestic Relations Order)
Instructions from a court regarding 403(b) account ownership, often part of divorce proceedings.

IRC (Internal Revenue Code)
The body of laws governing taxation and related subjects.

Redemption fee
A fee collected by an investment company from traders practicing mutual fund timing. This penalty is used to discourage short-term, in-and-out trading of mutual fund shares. Generally, the fee is in effect for a holding period from 30 days to one year, but it can be in place for longer periods.

Required Minimum Distribution (RMD)
Annual IRS requirement to withdraw certain amounts from your 403(b) account, starting at the later of age 73 (effective January 1, 2023) or the year you retire. The amount is a function of your account balance and life expectancy.

Participant Level Protection (PLP)
Preserves the guarantee of the fund by restricting the movement out of the Guaranteed Stable Investment (GSI) when three conditions exist at the same time. Participants may make transfers for or take participant withdrawals from the GSI during a calendar year until the PLPs are activated. Participants in the 403(b) program will always be able to receive their guaranteed amount upon retirement, disability, termination of employment, in-service withdrawals after age 59½ (if allowed by the plan), required minimum distributions, and upon death.

WEA Member Benefits

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