We’re happy to announce that beginning August 1, 2018, UMPhysicians will be transitioning from our current 401(k) plan administrator, Bank of America Merrill Lynch, to Empower Retirement. This decision follows an extensive review process to ensure we are bringing the best services, user experience and educational tools to our providers and employees.

At the same time, we will be introducing a 457(b) Deferred Compensation Plan, providing another vehicle to defer taxes and save for the future. The University of Minnesota will continue to offer a 457(b) Plan. The UMPhysicians 457(b) plan gives you another option, however, you may only contribute up to $18,500 (indexed annually by the Internal Revenue Service) between the two plans. The UMPhysicians 401(k) and 457(b) plans will both be administered by Empower.

**Who is Empower?**
Empower Retirement is the second-largest recordkeeping provider by participants\(^1\); serving 8.3 million participants and more than 33,500 clients, as of December 31, 2017\(^2\). Empower Retirement is a brand of Great-West Life & Annuity Insurance Company. Empower was selected as our new plan administrator and is well positioned – with a suite of retirement services, innovative financial tools and more ways to access your account – to help you manage your retirement savings and plan for your future retirement.

**What are the highlights?**

- Automatic transfer of your assets, investments, beneficiaries, loans and distribution arrangements from Bank of America Merrill Lynch to Empower on August 1, 2018.
- A continued broad range of investment choices (as determined by the UMPhysicians Investment Committee) to help you build a diversified portfolio.
- A new and robust website with 24-hour access to your account, retirement calculators and state-of-the-art planning tools once your account goes live in August.
- Easy-to-understand online investment performance and information.
- A new toll-free plan phone number to access service representatives who are ready to assist you.
- UMPhysicians will continue to invest in your future with a competitive retirement contribution.

**What to expect during the transition to Empower**
There will be a required “blackout” period as part of the transition to the new administrator to allow for account transfers to be made into the new plan. We will notify you in June when the short blackout period will occur, as you will not be able to change your elective deferrals or investment allocations, request a loan, withdrawal, or take distribution from your account during that time. Deductions from your paycheck will continue during the blackout
period to keep you on track toward your retirement goals. Once the blackout period ends, you will have access to your retirement plan accounts at Empower.

**Look for more information soon**

If you are currently participating in the retirement plan or are eligible to enroll, additional information will be provided in the coming weeks, including opportunities to attend education sessions, the transition timeline and details about the 457(b) Deferred Compensation Plan. If you have immediate questions, please email benefits@umphysicians.umn.edu.

We’re excited about the transition to Empower and confident you’ll be pleased with your enhanced retirement services.

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1 Information based on total number of participant accounts for all retirement businesses of Great-West Life & Annuity Insurance Company and its subsidiaries on the Empower Retirement recordkeeping system. (Source: PLANSPONSOR Magazine, June 2017.)

2 Information refers to all retirement business 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.