

# Retirement Plan Highlights

SAVING : INVESTING : PLANNING

## City Of Sarasota 401(a) Retirement Plans Portfolio Director® Fixed and Variable Annuity Issued by The Variable Annuity Life Insurance Company

Your employer's 401(a) and 414(h) retirement plans with VALIC afford you an excellent opportunity to help accumulate money for a secure retirement. Contributions to your retirement account benefit from the opportunity for tax-advantaged growth.

This is not your plan document. The administration of each plan is governed by the actual plan document. If discrepancies arise between this insert and the plan document, the plan document will govern.

### Eligibility

You are immediately eligible to receive contributions from your employer.

### Contributions

Employer contributions shall be made based on non-elective employee contributions in the amount of 6% of compensation to this plan. In addition to the non-elective employee contribution, the employer will contribute a fixed amount equal to 6% of your compensation to the plan.

Additionally, if you also contribute 2% of compensation into the 457b deferred compensation plan, your employer will match 100% up to 2%. This match on elective deferrals into the 457(b) plan will be contributed to the 401(a) defined contribution plan.

### Vesting

You will always be 100% vested in your contributions to the plan. If you were hired before September 7, 2011, you will be

100% vested in the employer contributions credited to your account. If you were hired on or after September 7, 2011 you will be 100% vested in the employer contributions after 5 years of service.

### Personal service

For assistance, please contact our Client Care Center at 1-800-448-2542 or your local advisor listed below.

Carolyn Garvey  
941-228-2822 or  
800-982-5558 x 88603

### Investment flexibility

All contributions to your plan will be invested in the Portfolio Director Fixed and Variable Annuity (Portfolio Director). You can invest in one or a mix of up to 20 options at a time. And with Portfolio Director, you have the freedom to transfer money among the variable and fixed options without charges or tax consequences, subject to certain limitations as detailed in your prospectus. Fixed options can restrict when and how

much you can transfer to other investments and how much you may withdraw from the plan in a single year. Remember that annuities are long-term investments, and the value of the variable options you choose will fluctuate so that your investment values might be worth more or less than the original cost. Bear in mind that investing involves risk, including loss of principal.

### **Guaranteed death benefit**

In the event of your death prior to annuitization, your Portfolio Director contract provides for a death benefit. Whether you contribute to fixed or variable investment options, your contract guarantees that your beneficiary will never receive less than the amount contributed provided no withdrawals have been made from the account. Withdrawals will reduce the death benefit, depending on the account value at the time of withdrawal. All guarantees are backed by the claims-paying ability of The Variable Annuity Life Insurance Company. See your prospectus for details.

Also, in the event of your death, the benefit passes directly to your named beneficiary. This generally avoids the costs and delays of probate. Your beneficiary can leave all or a portion of the account balance on deposit, depending on the circumstances. Usually, your beneficiary can make withdrawals at any time without incurring charges from VALIC, subject to tax laws that might require distributions to occur within certain time frames. There also will be no charges from the company if the beneficiary chooses to withdraw the entire account balance.

### **Portfolio Director features and benefits**

- Choose up to 20 options from a pool of up to 30 fixed and variable investment options
  - Spanning major asset categories and classes
  - Managed by well-known investment managers
- No initial sales charge
- No account maintenance fees
- Easy access to your account

- No-cost systematic and random transfers among investment options
- No-cost withdrawals or surrenders
- Fixed Account Plus in-service transfers are limited to 20% each contract year
- Income taxes must be paid at withdrawal and a 10% federal early withdrawal penalty may apply if you are under age 59½
- Multiple income options at retirement
- Portability to maintain continuity if you relocate or change jobs (Portfolio Director may not be available in some states or in some employers' retirement plans)
- Separate Account fees (0.55% to 1.05%) and Fund Annual Expenses apply depending on the variable option selected. The total current Annual Net Fund Expense is 0.15% to 1.27%. The current Annual Net Fund Expense is the current annual total fund expense less expense waivers or reimbursements. Fees are subject to change based on expense waivers and reimbursements received.

Retirement plans and accounts that satisfy relevant qualification rules, such as 403(b)s, IRAs, 401(k)s, etc., can be tax deferred regardless of whether or not they are funded with an annuity. If you are considering funding a tax-qualified retirement plan or account with an annuity, you should know that an annuity does not provide any additional tax-deferred treatment of earnings beyond the tax deferral of the tax-qualified retirement plan or account itself. However, annuities do provide other features and benefits.

### **Investment options**

**An investment in a money market fund is not insured or guaranteed by the Federal Deposit Insurance Corporation (FDIC) or any other government agency. While the fund seeks to preserve the value of your investment at \$1 per share, it is possible to lose money while investing in the fund.**

### **Account consolidation**

You might be able to transfer your vested retirement account balance from a prior employer's plan to your current employer's retirement plan with VALIC. This can be an excellent way to simplify your financial profile and to ensure your overall investments are suitably diversified and consistent with your investment preferences. However, before you make that decision, check to see if the other provider's contract imposes surrender charges.

### **Withdrawal restrictions**

Generally, depending on your employer's plan provisions, you may withdraw your vested account balance if you meet one of the following requirements:

- Retirement or separation from service
- Your death or total disability
- Termination

The following are events upon which you may withdraw vested amounts without incurring a 10% federal tax penalty:

- Attaining age 59½ after separation from service
- Separation from service on or after age 55
- Your death or total disability
- Taking substantially equal payments after separation from service for a period of five years
- Unreimbursed, tax-deductible medical expenses

In addition, you must begin taking distributions once you reach age 70½ or you retire, whichever is later.

### **Guided Portfolio Services®**

Guided Portfolio Services (GPS) is a fee-based program with two approaches to help you achieve your retirement goals. One approach is for do-it-yourselfers. The other is great for those who prefer to have someone else do it for them. Both approaches deliver objective advice from independent financial experts, including how much to save, which investments to choose, and how much to invest in each.

For more information, contact your local financial advisor.

### **Distribution options**

VALIC offers many distribution options, allowing you to tailor your benefits to meet your individual needs. Depending on your employer's plan provisions, your withdrawal options include:

- Transferring or rolling over your vested account balance to another tax-advantaged plan that accepts rollovers
- Receiving systematic or partial withdrawals
- Taking a lump-sum distribution
- Choosing one of the many annuity options available from VALIC
- Deferring distributions until a later date (but no later than attainment of age 70½), allowing your account to continue to grow tax deferred

### **Account access**

Once you are enrolled, you can access your account information and perform certain transactions, 24 hours a day, seven days a week from anywhere at any time:

- VALIC Online at VALIC.com
- VALIC by Phone at 1-800-448-2542

Access account information on your mobile device.

- VALIC Smartphone App for iPhone® or Android™-based phones
- VALIC Mobile Access for Web-enabled devices at [my.valic.com/mobility](http://my.valic.com/mobility)

iPhone is a registered trademark of Apple Inc.  
Android is a trademark of Google Inc.

### **Account statement**

VALIC sends all active participants a comprehensive account statement every calendar quarter. This account statement documents all activity for the preceding period, including total contributions and transfers among investment options.

You can choose to "go paperless" if you wish. Receive secure, paperless, electronic notification when your retirement account

statements, transaction confirmations and certain regulatory documents are available online through our secure connection, Personal Deliver-e<sup>®</sup>. Managing these items

electronically is faster and more secure than paper mail. Simply log in to your account at VALIC.com to sign up for this free service.

**To obtain a Portfolio Director prospectus and underlying fund prospectuses, visit [www.valic.com](http://www.valic.com) or call 1-800-428-2542 and follow the prompts. The prospectuses contain the investment objectives, risks, charges, expenses and other information about the respective investment companies that you should consider carefully before investing. Please read the prospectuses carefully before investing or sending money. Policy Form series UIT-194, UITG-194 and UITG-194P.**

This information is general in nature and may be subject to change. Neither VALIC nor its financial advisors or other representatives give legal or tax advice. Applicable laws and regulations are complex and subject to change. Any tax statements in this material are not intended to suggest the avoidance of U.S. federal, state or local tax penalties. For legal or tax advice concerning your situation, consult your attorney or professional tax advisor.

Securities and investment advisory services are offered by VALIC Financial Advisors, Inc., member FINRA and an SEC-registered investment advisor.

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