The County of Los Angeles Horizons Plan is a powerful tool to help you reach your retirement goals. As a supplement to other County retirement/pension benefits that you may have, this voluntary Defined Contribution Plan allows you to:

- Build a retirement nest egg beyond your Los Angeles County Employees Retirement Association (LACERA) pension.
- Contribute to and potentially earn in tax-deferred accounts.
- Earn a dollar-for-dollar County match of up to 4% of your regular earnings, based on your contribution.

Read these highlights to learn more about the features and benefits of your Horizons Plan.

*If there are any discrepancies between this document and the Plan Document, the Plan Document will govern.*
Eligibility and Contributions

Who is eligible to enroll in the Horizons Plan?
You can enroll in the Horizons Plan if you are a full-time, permanent employee of the County of Los Angeles.

How do I enroll in the Plan?
After reading the Enrollment Planning Guide, enrollment is quick and easy—either online at www.countyla.com or by completing a Participant Enrollment Form.

Follow these three simple steps:
Step 1: Decide what percentage of your pay you wish to contribute;
Step 2: Decide how you want to invest your contributions; and
Step 3: Designate your beneficiary(ies).

It’s that simple. If you complete the paper enrollment forms, return them to Empower Retirement via fax or mail at the number/address indicated on the form.

If you’ve received a Personal Identification Number (PIN), you can also enroll online at www.countyla.com. You can order a PIN by calling the County of Los Angeles Service Center at (800) 947-0845. Questions? Call (800) 947-0845.

When do I become a Horizons participant?
Once your enrollment form is received, your participation will start on the first day of the following pay period (called your “entry date”). Your deferral will be deducted from your first paycheck issued in the pay period that follows your entry date.

For example, if the enrollment form is received by Empower and processed between May 16-31, the entry date will be June 1. The first contribution will be deducted from June 1-15 earnings, which are paid on June 30 and reflected on the June 30th paycheck.

If, however, the enrollment form is received and processed between June 1-15, the entry date will be June 16. The first contribution will be deducted from June 16-30 earnings, which are paid on July 15 and reflected on the July 15th paycheck.

How much may I contribute to the Plan?
Your personal before-tax contribution limit, effective January 1 of each year, is either the amount listed in the table below or 100% of eligible earnings as defined by the Plan, whichever is less.

<table>
<thead>
<tr>
<th>2016 Contribution Limits</th>
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<tbody>
<tr>
<td>Standard Contribution Limit</td>
<td>$18,000</td>
</tr>
<tr>
<td>With Age 50+ Catch-Up</td>
<td>$24,000</td>
</tr>
<tr>
<td>With Special Three-Year Catch-Up</td>
<td>$36,000</td>
</tr>
</tbody>
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- You may contribute from 1% up to 100% of your eligible earnings in any pay period.
- All deductions must be made as a percentage of your eligible earnings and rounded up to the highest tenth of a percentage (e.g., 8.6% but not 8.5%).
- The annual contribution limit may be indexed for inflation in future years. According to Internal Revenue Service (IRS) regulations, the increases can only take place in $500 increments and may not occur every year.

Age 50+ Catch-Up Provision
If you are age 50 or older during the 2016 calendar year, you may be eligible to contribute an additional $6,000 above the standard contribution limit for a maximum contribution of $24,000.

Special Three-Year Catch-Up Provision
If you are within three years of normal retirement age (as defined by the Plan), you may be eligible to contribute up to twice the standard contribution limit (up to $36,000) as defined by the Plan Document. The Special Three-Year Catch-Up contribution option may be used only once in the County’s Defined Contribution Plan to increase contributions in the three consecutive years prior to the year you reach normal retirement age. The amount that you may be eligible to contribute under the Special Three-Year Catch-Up option will depend upon the amounts you under-contributed in previous years.

Although you may be eligible for both catch-up options, you may only participate in one option per year.

Military Leave Make-Up Contributions
Under federal law, the Uniformed Services Employment and Reemployment Rights Act of 1994 (USERRA) gives you certain rights if you voluntarily or involuntarily take a military leave of absence from County employment to serve in any of the United States military services, including the Coast Guard, for active duty training or deployment.

If you are eligible to participate in the Horizons Plan and you take a military leave of absence, upon your return to County employment you may elect to make up all or a portion of the Horizons contributions that were missed during your military leave of absence. If you decide to make up your missed contributions, they must be made within a period of time that begins on the date of reemployment and extends for three times the period of military service, but not more than five years. The County will make matching contributions pursuant to the terms of the Plan Document. To find out how much you can make up, or if you want to enroll in military make-up contributions, contact Empower.

Termination Pay Contribution Option
Many participants find they will receive a significant amount of Termination Pay (i.e., vacation payout, sick leave payout, and holiday pay) on their final paycheck. You may want to consider “boosting” your retirement nest egg by contributing a portion of your Termination Pay to your Horizons Plan. Your contribution can be 1% to 100% of your Termination Pay up to the applicable contribution limit. Any excess Termination Pay amounts will be paid to you in a check from the County.

What is the County matching contribution?
To support your efforts to save for retirement, the County will match your contributions dollar for dollar up to 4% of your regular earnings (code PP099 on your paystub) as defined by the Plan. While you are not required to contribute 4% to participate in the Plan, you must contribute at least 4% of your regular earnings to receive the full County match.

What is vesting?
Vesting refers to the percentage of your account balance that you are entitled to receive at the time you withdraw your money. You are always fully and immediately vested in both your Horizons contributions and the County's matching contributions.
Do I have to file my contributions with the IRS?*

Your contributions to the Horizons Plan are made with before-tax dollars. Your contributions are not included in the gross wages category on your W-2 Form, but they are reflected as a before-tax deduction on your bimonthly paycheck statements. You may have to disclose your cumulative before-tax deductions when you file your IRS income tax returns.

How may I take withdrawals from the Plan?

The money you have invested in the Plan, as well as your County matching contributions, can be withdrawn upon the following events:

- Retirement
- Death of participant
- Bona fide separation of employment from the County (in other words, there is no prearrangement or understanding that you will be rehired by the County)

You may also be eligible to access your money via a loan, in-service withdrawal or unforeseeable emergency withdrawal.

Loans

As an active participant, you may take out a loan against your account if your account balance is $2,500 or more.

There are two types of loans available—general purpose loans and real estate/home purchase loans (for the purchase of your principal residence only). General purpose loans must be repaid within five years. Real estate/home purchase loans must be repaid within 15 years. Loans are repaid through payroll deductions.

You may have only two loans outstanding at any time, with a maximum amount of $50,000 in outstanding balances for the last 12 months from all County-sponsored Defined Contribution Plans combined.

In-Service Withdrawals and Transfers

You may be eligible for an in-service withdrawal or transfer from Horizons to a defined benefit plan, such as LACERA, to purchase service credit or to redeposit funds. Contact Empower at (800) 947-0845 to determine eligibility for taking an in-service withdrawal. Contact LACERA at (800) 786-6464 to determine eligibility for purchasing service credit.

Unforeseeable Emergency

You may be eligible for a withdrawal due to an unforeseeable emergency resulting in severe financial hardship, as defined by the IRS, that cannot be satisfied by any other source, subject to Plan approval.

What are my payout options?

You have a variety of payment methods from which to choose. One is sure to meet your needs. If your account balance is $1,000 or less when you leave County service, you must take a lump-sum distribution. If you do not provide alternate distribution directions, your account balance may be automatically sent to you. If your account balance is more than $1,000 up to $5,000, you may leave your money in the Plan or elect a lump-sum distribution to be distributed on a date of your choice (subject to IRS minimum required distribution rules). If your account balance is more than $5,000, you may leave your money in the Plan or elect to have your distribution from the Plan paid to you in one or a combination of the following payment methods (subject to IRS minimum required distribution rules):

- Periodic payments made directly from your Horizons Plan account, not extending for more than 20 years
- Purchase an annuity contract from an insurance company
- A partial or full lump-sum payment of your account
- Rollover to your new employer's plan (if allowed), to a Traditional IRA account, or convert to a Roth IRA account. Rollover/conversion transactions are reported to the IRS and may be taxable to you. Please consult your tax advisor. You are encouraged to discuss rolling money from one account to another with your financial advisor/planner, considering any potential fees and/or limitation of investment options.

*Representatives of GWFS Equities, Inc. cannot offer investment, fiduciary, financial, legal or tax advice. Please consult with your financial planner, attorney and/or tax advisor as needed.
Fees and Disclosures

What are the participant fees?
The County of Los Angeles and Empower provide a wide range of administrative services for Plan participants. Each participant shares in the costs of these services through the fees discussed below.

These fees are reviewed annually by the Plan Administrative Committee and are deducted monthly from each participant’s account. Fees will be deducted on or about the 10th of each month if the 10th is a business day. Otherwise, fees will be deducted on the first business day following the 10th of the month.

Plan Administrative Fees
The monthly Plan administrative fee for recordkeeping, marketing and other services provided by Empower is $2.87.

County Administrative Fees
County administrative fees reflect direct County expenses for administering the Horizons Plan and include contractor and County department costs. The monthly County administrative fee for fiscal year 2015-2016 is $0. The total annual Plan and County administrative fees charged to you for fiscal year 2015-2016 will not exceed $34.44.

The Plan and County administration fees are deducted from fund balances in this order:

1. Horizons Stable Income Fund
2. Bank Depository Fund
3. Horizons Inflation Protection Fund
4. Horizons Bond Fund
5. Horizons Balanced Fund
6. Horizons Large Cap Equity Fund
7. Horizons Mid Cap Equity Fund
8. Horizons Small Cap Equity Fund
9. Horizons Non-U.S. Equity Fund
10. Horizons Retirement Income Fund
11. Horizons 2010 Target Date Fund
12. Horizons 2015 Target Date Fund
13. Horizons 2020 Target Date Fund
14. Horizons 2025 Target Date Fund
15. Horizons 2030 Target Date Fund
16. Horizons 2035 Target Date Fund
17. Horizons 2040 Target Date Fund
18. Horizons 2045 Target Date Fund
19. Horizons 2050 Target Date Fund
20. Horizons 2055 Target Date Fund

Fund Management Fees
Fund management fees (also known as fund operating expenses for trading and other management expenses) vary by investment option. These fees are deducted from the fund assets and reflected in the daily price, also known as net asset value. You can find the fund operating expenses in the Fund Data Sheets or in the fund performance report on the website.

Self-Directed Brokerage Account Fee
In addition to the Plan Administrative Fees previously described, there is a $50 annual fee to participate in the SDB account. This fee is deducted from your core investment options pro rata on a quarterly basis. Transactional fees will also apply.

Loan Initiation Fee
At the time of the request, there is a one-time $75 loan initiation fee for each loan processed, which is deducted from the proceeds of the loan.

1. Access to the County of Los Angeles Service Center and/or any website may be limited or unavailable during periods of peak demand, market volatility, systems upgrades/ maintenance or other reasons. Transfer requests received on business days prior to close of the New York Stock Exchange (1:00 p.m. Pacific Time or earlier on some holidays or other special circumstances) will be initiated at the close of business the same day the request was received. The actual effective date of your transaction may vary depending on the investment option selected.
2. The account owner is responsible for keeping the assigned PIN confidential. Please contact Empower Retirement immediately if you suspect any unauthorized use.
3. If there are restrictions if you attempt to contribute 100% of your eligible earnings in any pay period. Contributions to the LACERA or Judges Retirement System and any your designated beneficary program are taken out before Horizons Plan contributions are made. Savings Plan participants should also be aware that Savings Plan contributions take precedence over Horizons Plan contributions—you should make an allowance in your Savings Plan contribution for the dollar amount you plan to contribute to the Horizons Plan.
4. Rebalancing does not ensure a profit and does not protect against loss in declining markets.
5. The PAC approved a fee holiday for the monthly County Administrative Fee. This means that no County Administrative Fee will be deducted from your Horizons Plan account during a whole year beginning August 2015.
6. The Plan and County Administrative Fee. This means that no County Administrative Fee will be deducted from your Horizons Plan account for a whole year beginning August 2015.
7. Funds may impose redemption fees, and/or transfer restrictions, on certain transfers, redemptions or exchanges if assets are held for less than the period stated in the fund’s disclosure documents. For more information, please refer to the fund’s disclosure documents.
8. Assets invested in the Bank Depository Fund are insured by the Federal Deposit Insurance Corporation (FDIC) up to $250,000.
9. A bond fund’s yield, share price and total return change daily and are based on changes in interest rates, market conditions, economic and political news, and the quality and maturity of its investments. In general, bond prices fall when interest rates rise and vice versa.
10. Equity securities of small and mid-sized companies may be more volatile than securities of larger, more established companies.
11. Foreign investments involve special risks, including currency fluctuations, taxation differences and political developments.
12. The date in a Target Date Fund’s name represents an approximate date when an investor is expected to retire and/or begins withdrawing money. The principal value of the funds is not guaranteed at any time, including the target date. Asset allocation and balanced investment options and models are subject to the risks of the underlying funds, which can be a mix of stocks/stocks funds and bonds/bond funds. For more information, see the prospectus and/or disclosure documents.

Investment options and their underlying funds have been selected by the Plan Administrative Committee. Core securities are offered through GWFS Equities, Inc., Member FINRA/SIPC.

Securities available through Schwab Personal Choice Retirement Account are offered through Charles Schwab & Co., Inc. (Member SIPC), a registered broker-dealer. Additional information can be obtained by calling (888) 385-7722. Charles Schwab & Co., Inc. and GWFS Equities, Inc. are separate and unaffiliated. GWFS Equities, Inc., or one or more of its affiliates, may receive a fee from the investment option provider for providing certain recordkeeping, distribution and administrative services. Core investment options offered through separately managed accounts and a bank depository fund. Empower Retirement refers to the products and services offered in the retirement markets by Great-West Life & Annuity Insurance Company (GWL&A), Corporate Headquarters: Greenwood Village, CO; Great-West Life & Annuity Insurance Company of New York (GWL&A of NY), Home Office: NY, NY; and their subsidiaries and affiliates. Other than those owned by the County of Los Angeles, the trademarks, logos, service marks, and design elements used are owned by GWL&A. ©2016 Great-West Life & Annuity Insurance Company. All rights reserved. Form CB1004PH-01 (01/16) F2540102