



NJ TRANSIT Management 401(a)

Non-Agreement Money Purchase Pension Plan 98973-05

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

Am I eligible to participate in the 401(a) Plan?

All full-time management employees of NJ TRANSIT hired after June 30, 2006, are eligible to receive the employer contribution to your pension Plan. All members of the UWUA hired after July 27, 2007, are eligible to receive the employer contribution to your pension Plan. You are 100% vested in the Plan after three years.

What is the employer contribution?

NJ TRANSIT will contribute 6% of your gross wages to the Plan on your behalf.

How do I enroll?

1. Personal Identification Numbers¹ (PINs) for online enrollment are sent to new employees. Visit www.25GONJT.com.
 - Pick your investments.
 - Complete the beneficiary form and send it in, or add your beneficiary information on your Plan's website after you log in to your account.

If you would like to request enrollment forms to complete via mail, call the voice response system toll free at (800) 25-GO-NJT (800-254-6658). You can also obtain a PIN through the voice response system.

2. Call the voice response system at **(800) 25-GO-NJT**.
3. Obtain an enrollment kit from the NJ TRANSIT Pension Department office in Maplewood.

How do I keep track of my account?

You will receive a quarterly account statement at your address on file showing your account balance and activity for the quarter. Your statement will include the following features: account balance at a glance, graphics of asset allocation, an account summary by contribution source, and more. It's quick and easy to check your account balance and move money among investment options on the website or by calling **(800) 25-GO-NJT**.² You will receive a separate statement from TD Ameritrade if you enroll in the self-directed brokerage account.

What is the contribution limit for the 401(a) Plan?

You cannot contribute to the 401(a) Plan. Rather, NJ TRANSIT contributes to the 401(a) on your behalf.

How do I change my primary or contingent beneficiary?

You can change this on the website at www.25GONJT.com, or call the voice response system at **(800) 25-GO-NJT** to speak with a Retirement Plan Specialist. Your beneficiary information will print on your quarterly statements.

If you divorce your spouse, he/she will no longer be your beneficiary for the 401(a) Plan. You must submit another beneficiary form to designate your former spouse as a beneficiary.

What do I do if I forget or lose my PIN?

You can order a new PIN at www.25GONJT.com or by calling **(800) 25-GO-NJT**.¹

Do I report any current earnings or losses on my account to the IRS?

No. Do not report any current earnings or losses from your Plan on your federal income tax forms. Any earnings on your contributions are tax-deferred until withdrawn, usually at retirement.

Transfers/Rollovers

Can I transfer or roll over my account balance if I leave employment with NJ TRANSIT?

You may roll over your 401(a) account balance to a governmental 457, 401(a), 401(k) or 403(b) plan or Individual Retirement Account (IRA) that accepts these kinds of transfers. However, in some circumstances, rollovers from certain accounts into others may be prohibited as some types of distributions are not eligible for a rollover. There is a mandatory 20% federal income tax withholding on eligible rollover distributions that are not directly rolled over. 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. If you leave your employer, you may find it beneficial to leave your money in the NJ TRANSIT Plans and continue to take advantage of the low fees, diverse selection of investment options, and account management tools.

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Investment Options

What are my investment options?

Your NJ TRANSIT Plan offers a diverse array of core investment options. In addition to the core investment options, your Plan offers three Profile Portfolios and a self-directed brokerage (SDB) account. Offered through TD Ameritrade, the SDB allows you to select from numerous investment options for additional fees. It is intended for knowledgeable investors who acknowledge and understand the risks associated with the investments in the SDB account.

Withdrawals

When can I withdraw the money from my account?

In-service withdrawals are not allowed. A withdrawal is allowed only upon your:

- Retirement
- Death (Your designated beneficiary(ies) will receive your benefits.)
- Termination of employment with NJ TRANSIT

All withdrawals are subject to ordinary income tax. Withdrawals from the Plan prior to age 59½ may be subject to a 10% federal tax penalty. For more information, please contact an Empower Retirement representative at **(800) 25-GO-NJT**.³

What happens to my money upon my death?

If you previously selected a payment distribution method, your designated beneficiary(ies) will receive the remaining value of your account, if any, under the method you chose. If no payment distribution method was selected, your designated beneficiary(ies) will receive the remaining value of your account. Your beneficiary(ies) must contact Empower Retirement to request a distribution. If a beneficiary is not chosen, your account balance goes to your surviving spouse. If there is no spouse, the money is paid to your estate.

Where can I find more information on withdrawals and retirement?

Visit **www.25GONJT.com** for information related to making the transition into retirement. You may also contact an Empower Retirement representative at **(800) 25-GO-NJT**.³

Fees

What fees do I pay to participate in the Plan?

Recordkeeping and Administrative Fees

There are currently no explicit recordkeeping or administrative fees charged to participants in the Plan.

Investment Management Fees

There are investment management fees (also known as expense ratios) that vary by investment option. These fees, which are deducted by each investment option's management company (not by NJ TRANSIT or Empower Retirement) before the daily price or performance is calculated, pay for trading and other management expenses. You can find your Plan's collective trust investment option expense ratios on the website or in your Plan's performance reports. Funds may impose redemption fees on certain transfers, redemptions or exchanges if assets are held for less than the period stated in the fund's prospectus.

Loans

Can I take a loan from my Plan account?

Loans are not allowed for this Plan.

Not intended to be a complete description of the Plan. For more information, please see the Plan document.

- 1 The account owner is responsible for keeping the PIN/Passcode confidential. Please contact Client Services immediately if you suspect any unauthorized use.
- 2 Transfer requests received on business days prior to close of the New York Stock Exchange (4:00 p.m. Eastern 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.
- 3 Representatives of Empower Retirement do not offer investment, fiduciary, financial, legal or tax advice, or act in a fiduciary capacity, for any client unless explicitly described in writing. Please consult with your investment advisor, attorney and/or tax advisor as needed.

Core securities, when offered, are offered through GWFS Equities, Inc. and/or other broker-dealers.

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