

2021 HIGHLIGHTS

ANN ARBOR PUBLIC SCHOOLS 457 DEFERRED COMPENSATION PLAN

(as of January 1, 2021)

Ann Arbor Public Schools (“AAPS”) established the Ann Arbor Public Schools 457 Deferred Compensation Plan (“Plan”) for certain eligible employees. This 2021 Highlights document has been prepared to generally highlight certain important provisions of the Plan. Please note that this document does not give the full details of the Plan, nor any separate plans or programs of AAPS. This document is not meant to interpret, extend, or change the Plan in any way. In case of a conflict between this document and the actual provisions of the formal Plan document, the provisions of the Plan document shall control.

Basic Plan Information

Plan Name: Ann Arbor Public Schools 457 Deferred Compensation Plan

Plan Sponsor: Ann Arbor Public Schools, 2555 South State Street, Ann Arbor, Michigan 48104; EIN 38-6004028

Plan Administrator: AIG / VALIC, Retirement Manager, 1-866-294-7950

Agent for Service of Legal Process: Ann Arbor Public Schools, 2555 South State Street, Ann Arbor, Michigan 48104

Plan Year: January 1 to December 31

Benefits Generally Available

The following benefits are generally available to eligible participants in the Plan:

- Pre-Tax Deferrals -- pre-tax salary reduction contributions can generally be made from an employee’s compensation into the Plan
- Roth Deferrals – post-tax salary reduction contributions can generally be made from an employee’s compensation into the Plan
- Rollover Contributions – an active participant in the Plan may generally rollover money from a plan that is eligible to be rolled into the Plan.

Eligibility Requirements

Employees are generally eligible to participate in the Plan and make pre-tax deferrals and/or Roth deferrals as of the first day of the month following their hire date.

Eligible employees may make or change their deferral elections by returning a deferral election form to the Plan Administrator.

Contributions Limits

The maximum pre-tax deferral and Roth deferral that a participant may make to this Plan is 100% of his or her compensation or the applicable Internal Revenue Code limit (\$19,500 in 2021) (as indexed), whichever is less.

Age 50 catch-up contributions are allowed (\$6,500 for 2021) (as indexed).

Special 457(b) catch-up contributions may also be allowed for a participant for three years prior to the normal retirement age.

Vesting

Participants are fully vested in their elective deferral and rollover account balances.

Distributions and Loans

Distributions can generally be made upon termination of employment with AAPS in accordance with the terms and conditions of the Plan.

Additionally, the following in-service distributions are generally available from fully vested account balances in accordance with the terms and conditions of the Plan:

- After attainment of age 59 ½
- At any time for rollover contributions
- Upon an unforeseeable emergency
- In conjunction with death or disability during qualified military service
- Upon birth or adoption of a child

Loans can also generally be taken by active employees from vested account balances.

Investments

Participants can generally invest in the various investment choices made available under the Plan.

Please note that these Plan Highlights are intended to be a very concise overview of Plan features. For a detailed description of Plan features, please review the applicable Plan documents or contact the Plan Administrator and/or Plan Sponsor for additional information. The Plan features described in these Plan Highlights are subject to change. In the event of a discrepancy between the applicable Plan documents and this Plan Highlights document, the Plan documents shall control.