



Welcome to the
Virginia Hospital Center
**Nonqualified 457(b) Deferred
Compensation Plan.**

Take advantage of another way to add to your future.

You're invited to save even more for retirement through the Virginia Hospital Center Nonqualified 457(b) Deferred Compensation Plan (Plan).

As Virginia Hospital Center management—or highly compensated employees in Grade E-59 and above or Grade EX-1 and above—you can contribute above and beyond what is allowed by the Virginia Hospital Center's 401(k) and 403(b) plans.



What are the benefits?

Accumulate more on a tax-deferred basis

- Defer up to 50% of your includable compensation, up to the annual IRS limits.
- Delay paying taxes on amounts you defer and related earnings.

Save enough to maintain your current lifestyle

Most executives and highly compensated employees like you are likely to need 70% to 80% of their financial income to maintain their preretirement standard of living. Benefits from 401(k) and 403(b) plans and Social Security may not provide this level of income for most executives and highly compensated employees.

To fill any income gap, you may need a more flexible savings program, such as the Virginia Hospital Center Nonqualified 457(b) Deferred Compensation Plan.

Read on to learn how to make the most of this additional benefit.

Get ready to save—even more.
Here’s how to start.

It’s easy to take advantage of this important employee benefit. You can get started in the Virginia Hospital Center Nonqualified 457(b) Deferred Compensation Plan right now at **rps.troweprice.com**. If you prefer, you may call **1-800-922-9945** to enroll by phone.

During enrollment, you elect how much of your salary you would like to defer into the Plan. You can defer up to 50% of your includable compensation, up to annual IRS limits.

Then choose your investment approach. The Plan has options to suit your style and needs, whether you want a portfolio that automatically adjusts over time or if you prefer to build your own custom mix of investments.

Once enrolled in the Plan, you may change your salary deferral percentage, investment mix, or stop or restart your participation in the Plan at any time. Any changes will take effect with the first pay period of the month following your action.

Don’t forget your beneficiary

Even if you have a designated beneficiary for your Virginia Hospital Center’s 401(k) and 403(b) plans, you will need to provide a beneficiary for this Plan.

A snapshot of the plans

Here’s a side-by-side comparison of key features of the 401(k)/403(b) and the 457(b) nonqualified plans.

Principal Characteristics	457(b) Plan	401(k)/403(b) Plans
Deferral on a pretax basis	Yes	Yes
Earnings accumulate income tax-deferred	Yes	Yes
Distributions subject to income taxes	Yes	Yes
Lump-sum payments	Yes	Yes
Unforeseeable emergency/hardship withdrawals	Yes	Yes
Loans	No	Yes
Protected by ERISA	No	Yes
Roll over balances from previous employers’ plans	No	Yes

Checklist reminder?

To enroll, visit **rps.troweprice.com** or call **1-800-922-9945**. Then take these steps.

- 1 Elect your deferral amount
- 2 Select your investment allocation
- 3 Name your beneficiary



Important features about the Plan.

Investment options

The Plan allows you to allocate your account among investments offered through the Plan. Your account is credited with earnings and/or losses according to the performance of the investments you select. You may change your investment allocations at any time. To see the list of investment options, log in to your account at rps.troweprice.com.

Note: The company makes no guarantee about the level of return that may be generated by any of the investment options. All investing is subject to risk. The amounts in your Plan account may or may not be invested in accordance with your investment allocations.

Distributions

You will receive a distribution from the Plan upon separation from service—unless prior to 120 days following your separation from service you further defer your distribution. Distribution of your account balance in this Plan can be made for the following events:

- Separation from service (retirement or otherwise)
- Disability
- Death

Your options for the form of distribution are:

- A single lump-sum payment
- Monthly installments paid over five years
- Monthly installments paid over 10 years

The default distribution election is a lump-sum payment 120 days after separation of service. If you do not make a different election before the 120th day as to form or timing of payment, the default will apply. You have the ability to change your form of distribution option one time before payments begin.

Consider taxes

Deferred compensation, as well as attributable earnings, accumulate in the Plan on a tax-deferred basis until the date of distribution. Social Security and Medicare (FICA) taxes are deducted from the compensation you defer.

Additional tax-related information to keep in mind

- Amounts distributed from the Plan are generally treated as supplemental wages for income tax purposes on the date of distribution.
- Unlike the taxation of amounts from a qualified retirement plan (e.g., a 401(k) plan), there is no 10% penalty tax on amounts received from a nonqualified deferred compensation plan prior to age 59½.
- You may not roll over money received from a nonqualified deferred compensation plan into another vehicle on a tax-favored basis.

Connect with us.

We'll help you feel confident about saving and investing for retirement.



YOUR RETIREMENT PLAN WEBSITE:

Go to rps.troweprice.com.



DEDICATED REPRESENTATIVES:

Call **1-800-922-9945**.



MOBILE SOLUTIONS:

Visit troweprice.com/mobilesolutions to choose the option that's best for you.



T. Rowe Price Retirement Plan Services, Inc.

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We're here to help.

If you need a hand getting started, give us a call at **1-800-922-9945**. We can answer questions about your plan features, investment options, and more.

