

Make the Most of Your 457

Customizing Solutions
for First Responders,
Government, and
Nonprofit Employees.



Helping those
that help us.



Responding to Your Future

While defined-benefit (DB) pension plans may still be a cornerstone of many public sector retirement plans, national statistics show 457 plans becoming more popular for public service employees to save on a tax-deferred basis with benefits like “catch-up contributions” and more diversification.

Because employee participants are often already enrolled in a defined benefit plan (where only the employer contributes), they may not know of the additional benefits a 457 plan can offer for retirement planning, including catch-up contributions for saving and even early retirement options.

Opening a Window of Investment Options

Employers, wanting to give their employees additional choices within their retirement plans, have chosen to augment retirement plans (401k, 403b, and 457s) over the years by offering a brokerage window, also referred to as a **Self-Directed Brokerage Account (SDBA)**.

SDBA windows have been integrated into more than 100,000 group retirement plans for participants across the United States, and these windows give employees more options, for more customized planning.

Most SDBA options also allows employees to seek professional in-plan financial advice on their assets.

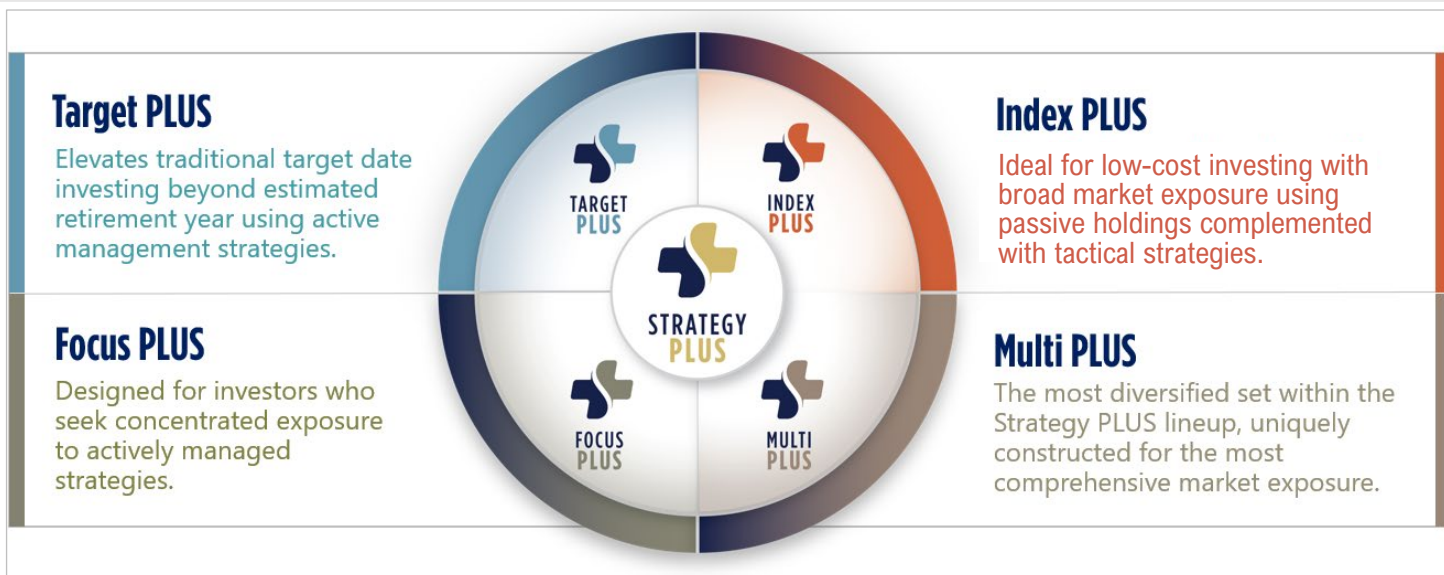
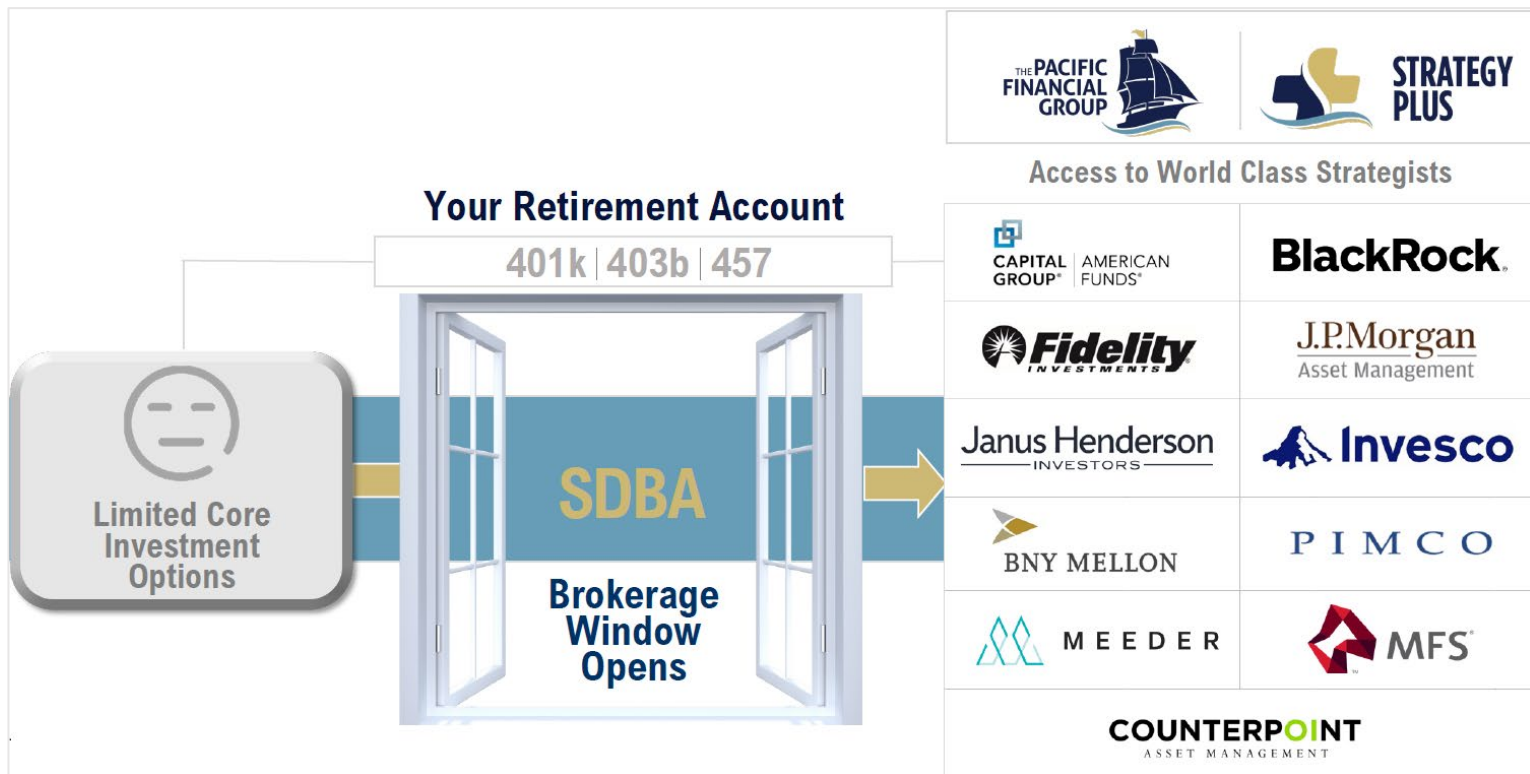
Employees using financial professionals for advice often make more informed investment decisions for a more holistic, goals-based approach to retirement, inside and out of their group plan.



How Does SDBA Work?

Before Self-Directed Brokerage Accounts were offered, participants of defined contribution group retirement plans were limited to a certain number of investment options to choose from in the Core part of the plan. These options are usually either mutual funds, or annuities, and sometimes "target-date" fund models that an employee can choose from based on their expected retirement date.

For employees wanting to work with a personal advisor, the Core options aren't necessarily suitable to accommodate their needs, objectives, or specific risk tolerance. By opening the brokerage window option of a plan, advisors can show plan participants a larger, more diverse world of investment options outside of the Core plan. This allows for further customization for an advisor to help diversify their client's assets.



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Make Your Money Work for You

A 457(b) plan is like a 401(k), but for state/local government employees, and tax-exempt organizations. You can save for your retirement through before-tax salary reductions. The normal annual contribution limit for a 457 plan is currently set at \$23,000 for 2024. Employees over the age of 50 are eligible to contribute even more.

For more details, see this link to the [IRS site](#).

Making Informed Decisions

Planning for retirement is a crucial aspect of personal finance, and a 457 plan can be a vital component of your retirement savings strategy. With its flexibility and tax deferred benefits, a 457 plan can help provide a solid foundation for your future financial security.

Working with a knowledgeable, professional advisor can help participants choose the best retirement savings option, save enough for their future, and help build clarity and confidence that is needed especially when the financial markets are volatile.

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