



Important Information about Investing in MaineSaves (the State of Maine’s Deferred Compensation Plan)

MaineSaves provides an opportunity to develop a solid program of saving for your future. As a participant in the plan, you decide how to invest your money from among the investment choices offered in the plan (the plan’s “investment options”).

This booklet provides:

1. Basic information about reviewing your investment options that can help you make investment decisions
2. Information about fees associated with participating in MaineSaves
3. Details about the investment options available to you in MaineSaves so you can compare your choices

These materials do not require you to take any action; however, this booklet can help you make informed investment decisions. Please review it carefully and retain it for your records.

If you have additional questions, contact your local representative.

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Section 1: Reviewing Your Investment Options

The table in Section 4 of this booklet provides information about the investment options available to you in MaineSaves. As you review your options, here are some things to consider:

| | |
|-----------------------------|---|
| Type of Investment | <p>Investments that do not have a set rate of return are called variable return investments. These include funds that invest in stocks (also referred to as equities), certain bonds and cash. Their rate of return fluctuates based on a range of factors such as market performance, interest rates, inflation, natural disasters, currency rates of exchange and the condition of the economy in general, among other factors.</p> <p>Investments that have a set rate of return are called fixed return investments. These include Fixed Accounts and government bonds that pay a stated interest rate until they mature.</p> |
| Investment Objective | <p>Investment options within the plan have different strategies. Some seek growth; some are designed to generate income; while others aim to keep your money intact without focusing on returns.</p> |
| Rate of Return | <p>For a variable return investment, the performance of the investment will change over time. To help you evaluate a particular investment option, one or more benchmarks are included in the Fund Performance Table in Section 4. (A benchmark is a standard against which the performance of a portfolio or investment manager can be measured. Learn more about benchmarks.) However, it's important to keep in mind that past performance is no guarantee of future results.</p> |
| Fees | <p>There are several types of fees associated with participating in MaineSaves. Fees will affect your rate of return and your long-term investment results. More information on fees is included in Sections 3 and 4 of this booklet.</p> |

Section 2: Investing in the Plan

MaineSaves provides a variety of investment alternatives so you can create a portfolio that best meets your needs, subject to certain restrictions listed below.

| | |
|--|---|
| Investment Alternatives | <p>Each of the three plan providers – MassMutual, VALIC, and Voya, offers the same variable return investments along with a proprietary Fixed Account fund. You can find more information on each of the investment alternatives available in MaineSaves in the charts in Section 4.</p> |
| Self-Directed Account or Brokerage Window | <p>In addition to participating in the plan's core investment alternatives, each provider offers a Self-Directed Account (SDA). The SDA offers you investment alternatives beyond the plan's core funds. For more information or to request an SDA kit, please contact your plan provider.</p> |
| Making and Changing Investments | <p>You may direct any future contributions to the plan in 1% increments among the available investment alternatives. You can also move your existing account balance among the various investment alternatives at any time. To make changes to your investment elections, please log on to your provider's website or contact their Customer Service Center.</p> <p>All transactions received by the close of trading, normally 4 p.m. ET, are processed the same business day. Transactions received after the close of trading are processed the next business day.</p> |

Managing Your Account

You have online access to your account 24 hours a day. You can track your investments, get up-to-date account information, and perform most account transactions by logging on to your provider's website.

Section 3: Fee Information

Plans like MaineSaves may have the following types of fees, some of which may be charged to participants:

- Investment management fees
- Plan administrative fees
- Individual fees

These types of fees are defined further in this section. As you review this information, you may want to think about whether an investment in a particular alternative, along with your other investments, will help you achieve your financial goals. Keep in mind that the cumulative effect of fees can substantially reduce the growth of your retirement savings but is only one of many factors to consider when investing.

Investment Management Fees

Each investment alternative available through the plan is managed by investment professionals who oversee that fund's portfolio of investments. Investment management fees cover the cost of managing the fund, including salaries for staff, research, overhead expenses and certain administrative expenses.

Typically, the investment management fee is calculated as a percentage of the assets you have invested in that fund. The percentage is commonly referred to as the *expense ratio*. It may also be described in *basis points* — one basis point is 1/100th of one percent, or 0.01%.

Fee levels can vary widely among investment alternatives depending in part on the type of investment, its management (including whether it is actively or passively managed), and the risks and complexities of the investment's strategy. Investment management fees are taken from the fund's investment return, so the earnings posted to your account are already reduced by the asset management fee. There isn't necessarily a correlation between fees and investment performance, and fees are just one component to consider when determining which investment alternatives are right for you.

For each variable return fund in MaineSaves, the fund's investment management fee is included in Table 1 in Section 4 under the category, "Total Annual Operating Expenses."

Plan Administrative Fees

Plan administrative fees are costs associated with operating the plan and ensuring that it meets legal and tax requirements. This includes costs for processing contributions and distributions, calculating account balances, generating transaction statements, maintaining the plan's website and operating the call center.

Historically, some of the plan funds netted out a separate administration charge before posting returns to your account. This meant fees were not transparent and varied by participant depending on how plan balances were invested. Effective May 2019, a separate plan administration fee, calculated as a uniform percentage of assets, will be applied by each provider to the participants in the plan. The administrative fee will be assessed each quarter and reflected on your account statement.

The plan administrative fees assessed by each provider are as follows:

| Provider | Annual Administrative Fee |
|--|--------------------------------------|
| MassMutual | 0.24% of assets (\$2.40 per \$1,000) |
| AIG Retirement Services (formerly VALIC) | 0.23% of assets (\$2.30 per \$1,000) |
| Voya | 0.21% of assets (\$2.10 per \$1,000) |

Individual Fees

Individual fees may be associated with certain activities in your account. If you use a service or request a transaction listed in the chart below, the associated fee may be deducted from your account. Keep in mind that fees are subject to change.

| Type of Fee | MassMutual | AIG Retirement Services (formerly VALIC) | Voya |
|---|---------------------|--|---------------------|
| Stop payment on plan distribution | No charge | \$25 per occurrence | \$50 per occurrence |
| Overnight Mailing | \$40 per occurrence | \$25 per occurrence | \$50 per occurrence |
| Participant initiated wire transfer | \$15 per occurrence | No charge | \$50 per occurrence |
| Personal Asset Manager (as a percentage of assets under management) | Not offered | 0.60% of first \$100,000 0.50% of next \$150,000 0.45% above \$250,000 | Not offered |
| Self-Directed Brokerage Annual Account Maintenance (Note: Trading fees will also apply. Check with your provider for more details.) | No annual fee | No annual fee | \$50 annual fee |

If any individual fees are deducted from your account, they will be reflected on account or transaction statements provided by the recordkeeper.

Section 4: Fund Performance and Fee Charts

This section contains important information to help you compare the investment alternatives in MaineSaves by providing performance history for the plan's variable and fixed return investments.

These tables also include the fees you will pay if you invest in an investment alternative. The cumulative effect of fees can substantially reduce the growth of your retirement savings. If you want more information, the U.S. Department of Labor has published a booklet titled "[A Look at 401\(k\) Plan Fees](#)" available on the DOL's website at <https://www.dol.gov/ebsa>. Fees are only one of many factors to consider when you decide to invest. You may also want to think about whether an investment in a particular fund, along with your other investments, will help you achieve your financial goals.

The investment information shown is the average annual returns as of March 31, 2019. Returns less than one year are not annualized. Results are historical and not intended to portray future performance.

Table 1 — Variable Return Investments

Table 1 outlines the performance of investment alternatives that do not have a fixed or stated rate of return. It illustrates how these investment alternatives have performed over time and allows you to compare them with an appropriate benchmark for the same time periods. Please note that past performance does not guarantee how the investment alternative will perform in the future. Your investment in these funds could lose money.

This table also outlines the Total Annual Operating Expenses of each of the investment alternatives listed. Total Annual Operating Expenses are expenses that reduce the rate of return of the investment alternative

Additional information about the plan's investment options is available online at MaineSaves457.com or from your financial services advisor.

| TABLE 1 - VARIABLE RETURN INVESTMENTS | | | | | | | |
|--|--|------------------|------------------|-------------------------------------|--------------------------------|--------------------------------|-----------------|
| Investment (Ticker Symbol) ¹ Benchmark ² | Investment Returns as of March 31, 2019 ³ | | | | | Total Annual Operating Expense | |
| | 3 Mnths | 1 Year | 5 Years | 10 Years/ Inception ⁴ | Inception Date ⁵ | % | \$ Per 1,000 |
| Target Date Funds | | | | | | | |
| American Funds 2010 Target Date Retirement R-6 (RFTTX) <i>S&P Target Date Through 2010 Index</i> | 5.96% 6.61% | 4.37% 3.84% | 4.94% 4.60% | 9.24% 8.35% | | 0.33% | \$3.30 |
| American Funds 2015 Target Date Retirement R-6 (RFJTX) <i>S&P Target Date Through 2015 Index</i> | 6.49% 7.12% | 4.58% 3.81% | 5.23% 5.15% | 9.80% 9.39% | | 0.33% | \$3.30 |
| American Funds 2020 Target Date Retirement R-6 (RRCTX) <i>S&P Target Date Through 2020 Index</i> | 6.82% 8.15% | 4.61% 3.74% | 5.70% 5.60% | 10.67% 10.30% | | 0.34% | \$3.40 |
| American Funds 2025 Target Date Retirement R-6 (RFDTX) <i>S&P Target Date Through 2025 Index</i> | 7.86% 9.05% | 4.42% 3.74% | 6.27% 6.07% | 11.82% 11.08% | | 0.36% | \$3.60 |
| American Funds 2030 Target Date Retirement R-6 (RFETX) <i>S&P Target Date Through 2030 Index</i> | 9.01% 9.91% | 4.48% 3.69% | 7.12% 6.48% | 12.63% 11.71% | | 0.38% | \$3.80 |
| American Funds 2035 Target Date Retirement R-6 (RFFTX) <i>S&P Target Date Through 2035 Index</i> | 10.66% 10.51% | 4.61% 3.63% | 7.77% 6.81% | 13.03% 12.16% | | 0.39% | \$3.90 |
| American Funds 2040 Target Date Retirement R-6 (RFGTX) <i>S&P Target Date Through 2040 Index</i> | 11.18% 11.11% | 4.63% 3.55% | 7.98% 7.03% | 13.20% 12.50% | | 0.40% | \$4.00 |
| American Funds 2045 Target Date Retirement R-6 (RFHTX) <i>S&P Target Date Through 2045 Index</i> | 11.29% 11.37% | 4.61% 3.44% | 8.12% 7.13% | 13.26% 12.59% | | 0.40% | \$4.00 |
| American Funds 2050 Target Date Retirement R-6 (RFITX) <i>S&P Target Date Through 2050 Index</i> | 11.46% 11.51% | 4.66% 3.49% | 8.19% 7.20% | 13.30% 12.69% | | 0.41% | \$4.10 |
| American Funds 2055 Target Date Retirement R-6 (RFKTX) <i>S&P Target Date Through 2055 Index</i> | 11.50% 11.54% | 4.64% 3.39% | 8.18% 7.17% | 10.63% 9.95% | 3/01/2010 | 0.42% | \$4.20 |
| American Funds 2060 Target Date Retirement R-6 (RFUTX) <i>S&P Target Date Through 2060 Index</i> | 11.43% 11.66% | 4.55% 3.50% | | 8.23% 7.11% | 4/01/2015 | 0.44% | \$4.40 |
| Bond Funds | | | | | | | |
| PGIM Total Return Bond Fund R6 (PTRQX) <i>Bloomberg Barclays US Aggregate Bond Index</i> | 4.02% 2.94% | 4.78% 4.48% | 3.92% 2.74% | 6.62% 3.77% | | 0.41% | \$4.10 |
| Vanguard Total Bond Market Index Fund Admiral (VBTLX) <i>Bloomberg Barclays US Aggregate Bond Index</i> | 2.94% 2.94% | 4.45% 4.48% | 2.67% 2.74% | 3.69% 3.77% | | 0.04% | \$0.35 |
| U.S. Large Cap Stock | | | | | | | |
| MFS Value Fund R6 (MEIKX) <i>Russell 1000® Value Index</i> | 12.82% 11.93% | 4.94% 5.67% | 8.31% 7.72% | 13.90% 14.52% | | 0.48% | \$4.80 |
| Vanguard Institutional Index Fund Institutional Shares (VINIX) <i>S&P 500® Index</i> | 13.65% 13.65% | 9.47% 9.50% | 10.88% 10.91% | 15.90% 15.92% | | 0.04% | \$0.35 |
| Harbor Capital Appreciation Fund Institutional Class (HACAX) <i>Russell 1000® Growth Index</i> | 17.54% 16.10% | 11.52% 12.75% | 13.94% 13.50% | 17.21% 17.52% | | 0.66% | \$6.60 |

| TABLE 1 - VARIABLE RETURN INVESTMENTS | | | | | | | |
|---|--|------------------|-----------------|-------------------------------------|-----------------------------|--------------------------------|--------------|
| Investment (Ticker Symbol) ¹ Benchmark ² | Investment Returns as of March 31, 2019 ³ | | | | Inception Date ⁵ | Total Annual Operating Expense | |
| | 3 Mnths | 1 Year | 5 Years | 10 Years/ Inception ⁴ | | % | \$ Per 1,000 |
| Neuberger Berman Sustainable Equity Fund R6 (NRSRX) <i>S&P 500® Index</i> | 11.88% 13.65% | 5.13% 9.50% | 8.78% 10.91% | 14.57% 15.92% | | 0.57% | \$5.70 |
| U.S. Mid Cap Stock | | | | | | | |
| Vanguard Extended Market Index Fund Institutional (VIEIX) <i>S&P Completion Index</i> | 15.99% 15.99% | 4.97% 4.76% | 7.88% 7.75% | 16.62% 16.49% | | 0.06% | \$0.60 |
| U.S. Small Cap Stock | | | | | | | |
| Neuberger Berman Genesis Fund R6 (NRGSX) <i>Russell 2000® Index</i> | 15.10% 14.58% | 6.95% 2.05% | 8.50% 7.05% | 14.89% 15.36% | | 0.75% | \$7.50 |
| Global Stock | | | | | | | |
| American Funds New Perspective Fund® R-6 (RNPGX) <i>MSCI All Country World Index (ACWI)</i> | 13.99% 12.48% | 5.34% 4.01% | 9.18% 6.78% | 14.07% 12.38% | | 0.45% | \$4.50 |
| International Stock | | | | | | | |
| Vanguard Developed Markets Index Fund Admiral (VTMGX) <i>FTSE Developed All Cap ex US Index</i> | 10.16% 10.10% | -4.72% -4.64% | 2.72% 2.56% | 9.15% 9.04% | | 0.07% | \$0.70 |
| American Funds EuroPacific Growth Fund® R-6 (REGX) <i>MSCI All Country World Index (ACWI) ex USA</i> | 13.20% 10.31% | -4.66% -4.22% | 4.27% 2.57% | 9.94% 8.85% | | 0.49% | \$4.90 |

Notes

- ¹ A ticker symbol is a single letter or group of letters that designate a particular security, such as a stock or mutual fund. Because mutual fund providers sometimes offer multiple funds with similar names, it is important to know a fund's correct ticker symbol when looking up its price online to avoid confusion. Funds which are not publicly traded, such as the Fixed Account, do not issue ticker symbols.
- ² Underneath each of the plan's investment option is an applicable investment benchmark(s) for that option. A benchmark is a standard against which the performance of a security, mutual fund, or investment manager can be measured. Keep in mind that you cannot directly invest in a benchmark index.
- ³ The investment information shown is the average annual returns as of the end of the reporting period. Returns less than one year are not annualized. Returns are not inclusive of each provider's administrative expenses described above.
- ⁴ Returns reported are the 10-year average annualized returns or Inception to Date where funds lack a 10-year performance history.
- ⁵ The inception date for funds which lack a 10-year performance history.

Table 2 — Fixed Return Investments

Table 2 focuses on the performance of investment options that have a fixed or stated rate of return. Table 2 shows the annual rate of return of each such option, the term or length of time that you will earn this rate of return, and other information relevant to performance.

| TABLE 2 - FIXED RETURN INVESTMENTS | | | | |
|--|-----------------------|---------------------|----------|--|
| Provider | Investment Name | Return ¹ | Term | Other Information |
| MassMutual | General Account | 4% | Annually | The return is determined annually but will never fall below a guaranteed minimum rate of 4%. |
| AIG Retirement Services (formerly VALIC) | Fixed-Interest Option | 3% | Annually | The return is determined annually but will never fall below a guaranteed minimum rate of 3%. |
| Voya | Fixed Account | 3% | Annually | The return is determined annually but will never fall below a guaranteed minimum rate of 3%. |

¹Please note these returns are not inclusive of each provider's plan administration charge described above.