



## FREQUENTLY ASKED QUESTIONS

**Q: Why is Topeka USD 501 moving to Horace Mann as a single provider for the District's 403(b) and 457(b) plans?**

**A:** Horace Mann was chosen after an extensive search for a retirement plan provider having both the experience to administer our plan effectively and provide personalized service to our retirement plan participants. The Horace Mann Retirement Advantage<sup>®</sup> platform is designed to help you set and achieve your retirement goals.

**Q: What is the benefit of contributing to the 403(b) or 457(b) if I currently have an Individual Retirement Account (IRA)?**

**A:** While there are several benefits to an Individual IRA Account (IRA), an employer sponsored plan has additional features not available in an IRA. A few of these features include:

- A negotiated lower cost investment fee schedule with institutional mutual fund share classes
- A professional third-party fiduciary investment consultant (ProActive Capital) has been retained by Topeka USD 501 for ongoing review of the investments offered within the Horace Mann Retirement Advantage<sup>®</sup> plan
- Loans are available to participants from their 403(b) and/or 457(b) account
- Higher annual contribution limits, which can be pre-tax and/or post-tax. As a participant, you can contribute to both the 403(b) and 457(b)

**Q: Can I keep my money with my current financial professional?**

**A:** Yes. However, Hilary Aubey, your dedicated Horace Mann representative will be happy to help you with your retirement strategy and any other question you may have regarding your retirement. You are not required to move your 403(b) assets from another provider to Horace Mann.

**Q: Can I stop my contributions?**

**A:** Yes. You may start or stop your contributions at any time. You will need to complete a Salary Reduction Agreement form and submit to Topeka USD 501 30 days before you would like the change to occur.

**Q: Is there a fixed account option with Retirement Advantage<sup>®</sup>?**

**A:** Horace Mann currently provides Horace Mann Stable Value Solution as a fixed account. Its current rate is 1.25% which resets every Jan. 1 and July 1. The rate is declared in advance of these dates.

**Q My financial professional is suggesting that I stop my contributions to my 403(b) money and redirect the contribution to an IRA. What should I do?**

**A:** You have many options when it comes to choosing what to do with your retirement saving. Many financial experts feel that you should consider tax qualified plans offered by your employer, such as 403(b), 457(b) and 401(k) plans. Some of the reasons employees take advantage of their employer programs include (some of these are also available through an IRA):

- Convenient payroll deductions
- Contributions can be changed at any time
- Higher annual pretax and/or post tax (Roth) deferral limits
- Tax deferred growth of your assets in the plan
- Fiduciary oversight by a third-party investment consultant – when available
- Institutional share classes with low expenses

**Q: My financial professional is suggesting for me to move my 403(b) money to an IRA. What should I do?**

**A:** You have many options when it comes to choosing what to do with your current 403(b) account:

- You may choose to roll the money over to 403(b) Horace Mann Retirement Advantage®
- You may choose to leave the money in the current account
- You may choose to roll the money into an IRA with Horace Mann or your current financial professional
- You may choose to withdraw (cash out) your account and any associated taxes\*

Hillary Aubrey, your dedicated Horace Mann representative can help you understand your options. If you decide a rollover is right for you, Hilary can walk you through every step and answer any questions you may have.

\*Funds may not be available for rollover or distribution from the existing plan unless you have a qualifying event. You should consult a tax advisor when making decisions about what may be best for you and your financial situation.

**Q: I currently have a Retirement Protector account, why should I move my account to Retirement Advantage® ?**

**A:** Horace Mann has agreed to waive any surrender charges if you move your Retirement Protector account to Retirement Advantage®. With Retirement Advantage® you receive:

- A wide range of institutional mutual funds which generally have lower costs
- Target date funds to help make things easy with a “set it and forget it” strategy, as well as a guaranteed fixed account
- A user-friendly website with easy-to-understand retirement planning tools that are accessible 24/7
- Personal and automated customer service support
- Convenient online and mobile application (app) planning tools to help you stay on track for retirement



- One-on-one assistance from a Horace Mann representative to discuss your specific savings goals

**Q: What happens to my loan that I currently have with the previous 403(b) provider?**

**A:** Your current loan will remain with the previous provider. Any new loans going forward would be through Horace Mann Retirement Advantage®.

**Q: Can I transfer my current 403(b) if I have an outstanding loan?**

**A:** Once your current loan is repaid you may seek to transfer your account to Horace Mann Retirement Advantage®. In some scenarios you may be able to transfer a portion of your current assets with an outstanding loan, please check with your provider to see if this option is available. As with any transfer from individual 403(b) program please consult your current provider to confirm if there will be any fees associated with the transfer.

**Q: Will I be charged a fee from my provider if I want to roll my money into Retirement Advantage®?**

**A:** If you are a current Horace Mann Retirement Protector account holder and wish to move to Horace Mann Retirement Advantage®, you may do so without surrender charges.

If you are moving from another provider, you will need to contact them to see if they have any fees or charges associated with a rollover to Retirement Advantage®.

**Q: What is a Target Date fund?**

**A:** The target date investment option method is based on an investment time horizon. These types of investment options are designed to help you move through the stages of your life. The investment option you select automatically becomes a little less risky as you move closer to retirement, meaning you don't have to reassess it annually. Target date investment options utilize the investment expertise and continual oversight of a fund manager to keep your asset allocation on track. The Qualified Default Investment Alternative (QDIA) selected by your employer is the Target Date Fund.

**Q: Who is my new contact at Horace Mann**

**A:** Hilary Aubey: [Hilary.aubey@horacemann.com](mailto:Hilary.aubey@horacemann.com) (785) 380-3737 or to schedule an appointment with Hilary click here <https://go.oncehub.com/NEKansasEducatorsInsurance>



**Q: Where can I go to get additional information on our retirement plan and Horace Mann?**

**A:** You have several options to gather additional information.

- **Plan Website** [www.horacemann.com/retire/topeka](http://www.horacemann.com/retire/topeka)  
Log in to the Horace Mann-Topeka USD 501 website to obtain additional information regarding the plan, enroll, access a Salary Reduction Agreement form to update your contributions, request a rollover to Horace Mann and much more. If you enroll via mobile or phone, you will be placed into a Target Date fund that is closest to your normal retirement age. You may revise your investment at any time.
- **Schedule an appointment with Hilary Aubey**  
[Hilary.aubey@horacemann.com](mailto:Hilary.aubey@horacemann.com)  
785-380-3737  
<https://go.oncehub.com/NEKansasEducatorsInsurance>
- Log on to [www.horacemann.com/retirementadvantage](http://www.horacemann.com/retirementadvantage)

*Horace Mann Investors, Inc. offers Horace Mann Retirement Advantage™ as 403(b), 457(b) and as IRA investment options through accounts provided by MSCS Financial Services Division of Broadridge Business Process Outsourcing, LLC, a DE Limited Liability Company. Horace Mann Investors, Inc., member FINRA, is located at 1 Horace Mann Plaza, Springfield, IL 62715. You can receive prospectuses from your Horace Mann representative, by calling 877-602-1870 or by visiting [horacemann.com/retirementadvantage](http://horacemann.com/retirementadvantage). You should read the prospectuses carefully and consider the investment objectives, risks, charges and expenses carefully before you invest or send money. The prospectuses will provide complete information about these subjects. As with all securities, mutual funds involve a risk of loss, including a loss of principal.*

*Custodial services are provided by Matrix Financial Solutions, 717 17th Street, Denver, CO 80202.*

*The information provided here is for general informational purposes only, and should not be considered a recommendation or investment, tax or legal advice. Retirement Advantage is not structured to the individualized needs of a particular plan, participant or beneficiary. The plan sponsor is responsible for selecting and monitoring investment options in which participants and beneficiaries may invest. Each investor needs to create an investment strategy for his or her own particular situation before making any investment decisions.*



*The cumulative effect of fees and expenses can substantially reduce the growth of retirement savings. For more information on Horace Mann's retirement product fees and expenses, contact your Horace Mann representative or go to [www.horacemann.com](http://www.horacemann.com).*

*Withdrawals from a 403(b) and 457(b) account are restricted by the Internal Revenue Code and may be further restricted by your employer's plan. Generally, you may make a withdrawal from a 403(b) account only upon reaching age 59½, severance from employment, disability or certain hardships (if allowed by the plan) and a 457(b) account only upon reaching age 59½, severance from employment, disability or an unforeseeable emergency (if allowed by the plan). If you take money out before age 59½, you could be subject to a federal penalty tax of 10% (except for 457(b) accounts) in addition to income taxes. You should consult with a tax advisor regarding any tax-favored products.*

*Target date funds are managed for investors planning to retire (or to begin withdrawing substantial portions of their investments) in a particular year. These funds provide both asset allocation and rebalancing for investors following an investment strategy that grows more conservative as the target date approaches. It is important to note the principal value of target date funds is not guaranteed at any time.*

*HMSVS is not a mutual fund or other security. In an unallocated annuity, the recordkeeper maintains the records for the individual not the insurance company. Horace Mann Life Insurance Company has a financial interest in the HMSVS retaining the investment earnings in its general account that exceed the interest rate credited to individual accounts under the HMSVS (also referred to as the spread).*

*The factors which affect your decision and ability to contribute to a traditional or Roth IRA are complicated and can change each year. Contributions to traditional and Roth IRAs are aggregated for purposes of the annual limits. If you take money out before age 59½, you could be subject to a penalty tax of 10% in addition to income taxes. You should consult with a tax adviser for more information and to determine if an IRA is best for you.*



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