Plan Highlights
South Carolina State Optional Retirement Program

The South Carolina State Optional Retirement Program affords you an excellent opportunity to help accumulate money for retirement. In addition to the fact that the South Carolina State Optional Retirement Program contributes to your account, that account benefits from the opportunity for tax-advantaged growth.

This is not your plan document. The administration of each plan is governed by the actual plan document. If discrepancies arise between this summary and the plan document, the plan document will govern.

Enrolling is easy! Here’s how …
Simply decide how much you want to save and how you want to invest contributions to your account. There are two convenient ways to enroll:
• **Online** go to https://scstateorp.AIGRS.com then click “Enroll.” Select your employer from the list provided and then follow the online instructions.
• **By phone** call 888-569-7055. Please provide the Enrollment Representative with the SC State ORP Group Number: 25000.

Enrollment form — If you prefer, you may complete the enrollment form and return it to AIG Retirement Services at the address provided on the form.

Additionally, you will need to notify PEBA through the EES System or by completing the SC Peba Retirement Plan Enrollment Form (Form 1100) and returning it to your employer. If you do not notify PEBA within 30 days of employment, you will default into the SCRS Defined Benefit Retirement Plan.

**Personal service**
For assistance, please call our Client Care Center at 1-800-448-2542. We also have 17 financial advisors working throughout SC who will assist you on a more personal level. To find the advisor in your area, please contact Mandy Pittman in our South Carolina District Office by phone at: 1-803-743-2020 or by email at mandy.pittman@aig.com.

3710 Landmark Drive, Suite 104 Columbia, SC 29204

**Custom website**
For additional information about the plan, including access to fund performance, prospectuses, financial planning tools and more, visit: scstateorp.AIGRS.com

**Eligibility**
Newly hired public school (kindergarten through grade 12), higher education, and certain state agency employees, are eligible to participate in the State ORP. This includes permanent, full-time employees, temporary and part-time employees, and political appointees.

**Your contributions**
Employee contribution rates are established by the South Carolina General Assembly. The contribution rate effective on July 1, 2017 is 9.00% of your gross pay on a pretax basis. The General Assembly may change the rate.

**Employer contributions**
Your employer will contribute 5% of your compensation on a pretax basis.
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**Vesting**
You are immediately 100% vested in both your contributions and your employer’s contributions. As of July 1, 2017 the total contribution equals 14.00% of your compensation.

**Fee disclosure information**
Obtain specific fee disclosure and fund performance information by visiting scstateorp.AIGRS.com and clicking on “Fee Disclosure” in the dark box at the bottom of the screen.

**Account consolidation**
You might be able to transfer your vested retirement account balance from a prior employer’s plan to your South Carolina State Optional Retirement Program with AIG Retirement Services. This may be a way to simplify your financial profile and to ensure your overall investments are suitably diversified and consistent with your investment preferences. However, before moving funds, check with your other provider to determine if your account has any restrictions, imposes a withdrawal penalty or provides favorable terms.

**Investment flexibility**
You decide how to invest all contributions among the mutual funds and the Fixed-Interest Option* offered under the South Carolina State Optional Retirement Program.

Remember, this plan represents a long-term investment. Investment values of the mutual funds you choose will fluctuate, and there is no assurance that the objective of any fund will be achieved. Mutual fund shares are redeemable at the then-current net asset value, which may be more or less than the original cost. Bear in mind that investing involves risk, including possible loss of principal.

*Policy Form series GFUA-398, a group fixed unallocated annuity issued by The Variable Annuity Life Insurance Company, Houston, Texas.

**Guided Portfolio Services®**
Guided Portfolio Services (GPS) offers two approaches to help you achieve your retirement goals. One approach is for do-it-yourselfers. The other is great for those who prefer to have someone else do it for them. Both approaches deliver objective advice from independent financial expert, Morningstar Investment Management LLC, including how much to save, which investments to choose, and how much to invest in each.

GPS is offered through VALIC Financial Advisors, Inc. and is available for an additional fee. For more information, contact your local financial advisor.

**Withdrawal restrictions**
Your plan was established to encourage long-term savings, so withdrawals prior to age 59½ may be subject to federal restrictions and a 10% federal early withdrawal tax penalty.

Generally, depending on plan provisions, you may withdraw your vested account balance if you meet one of the following requirements:

- Retirement or severance from employment
- Your death or total disability

The following are some events upon which you may withdraw vested amounts without incurring a 10% federal early withdrawal tax penalty:

- Reaching age 59½
- Severance from employment on or after age 55
- Your death or total disability
- Taking substantially equal payments for a period of five years or reaching age 59½, whichever is later

In addition, you must begin taking distributions once you reach age 72 (age 70½ if born before July 1, 1949) or you retire, whichever is later.

**Distribution options**
Your plan offers many distribution options, allowing you to tailor your benefits to meet your individual needs.

Depending on plan provisions, your withdrawal options include:

- Transferring or rolling over your vested account balance to another tax-advantaged plan that accepts transfers of rollovers
- Electing systematic or partial withdrawals
- Taking a lump-sum distribution
- Choosing one of the many annuity options available
- Deferring distributions until the later of age 70½ or severance of employment, and allowing your account to continue to grow on a tax-deferred basis
Generally, income taxes must be paid on all amounts you withdraw from your plan.

Consult your financial advisor for more specific information.

**Administrative fee**
The gross annual administrative fee assessed on mutual fund assets in the plan is 0.19%. This may be offset, in whole or in part, by reimbursement received from mutual fund companies. Additionally, mutual fund annual operating expenses apply based on the funds chosen. Mutual fund expenses and fund reimbursements are described in the prospectus.

**Fee transparency**
AIG Retirement Services provides fee transparency by outlining all revenue sources and plan fees in the Fee Disclosure document.

**Fee equalization**
Administrative fees for plan services if applicable are assessed to each participant in the plan. These fees are structured in proportion to each participant’s account balance so that expenses are equitably distributed among participants. This method of fee equalization includes revenue sharing from some mutual funds and reimburses the applicable portion to participants who are invested in those funds.

**Here’s how it works:**
Administrative fees are charged to individual participants in proportion to their account balance each quarter. For investments where the fund company provides reimbursements, amounts are credited each quarter to individual participants with active accounts that had assets in those funds during the quarter. The amount credited is based on a daily average balance in that fund. Therefore, participants will see a charge for the administrative fee and a credit for their reimbursement, if applicable.

**Account statement**
AIG Retirement Services sends all active participants a comprehensive account statement every calendar quarter. This account statement documents all activity for the preceding period, including total contributions and transfers among investment options.

You can choose to “go paperless” if you wish. Receive secure, paperless, electronic notification when your retirement account statements, transaction confirmations and certain regulatory documents are available online through our secure connection, PersonalDeliver®. Managing these items electronically is faster and more secure than paper mail. Simply log in to your account at scstateorp.AIGRS.com to sign up for this free service.

**Account access**
Once you are enrolled, you can access your account information and perform certain transactions, 24 hours a day, seven days a week from anywhere at any time:

- scstateorp.AIGRS.com
- By phone at 1-800-448-2542

Access account information on your mobile device.

- AIG Retirement Services Mobile for iPad®, iPhone® or Android™-based phones
- AIG Retirement Services Mobile Access for web-enabled devices at my.valic.com/mobility
Investors should carefully consider the investment objectives, risks, fees, charges and expenses before investing. This and other important information is contained in the prospectus, which can be obtained from your financial professional or at www.scstateorp.aihrs.com. You can also request a copy by calling 1-800-428-2542. Read the prospectuses carefully before investing.

Your Future is Calling. Meet It with Confidence.
CLICK scstateorp.aihrs.com CALL 1-800-426-3753 VISIT your financial advisor

Securities and investment advisory services offered through VALIC Financial Advisors, Inc. (VFA), member FINRA, SIPC and an SEC-registered investment adviser.

Annuities are issued by The Variable Annuity Life Insurance Company (VALIC), Houston, TX. Variable annuities are distributed by its affiliate, AIG Capital Services, Inc. (ACS), member FINRA.

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