Maine Medical Center
MaineHealth

Enrollment brochure

VALIC®

DRAFT

Maine Medical Center is dedicated to the health and wellness of our community and your retirement.

The **Maine** Medical Center 403(b) Defined Contribution Retirement Plan

The future is yours to discover and enjoy so be good to yourself. Save for a secure retirement by contributing pretax dollars automatically using convenient payroll deduction. The advantages include possibly lowering current income taxes and benefits from tax-advantaged growth through the Maine Medical Center 403(b) Defined Contribution Retirement Plan.

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

DRAFT

PLAN Highlights

Take advantage of planning and preparation to secure your healthy financial future

Eligibility

Employees are immediately eligible to begin contributing to the plan.

Vesting

You are always 100% vested in contributions made to the plan.

Your contributions

Generally, you may contribute as much as 100% of your annual includible compensation up to the Internal Revenue Service maximum allowance. The Maine Medical Center may establish an annual minimum deferral amount that is no greater than $200.

All contributions are pretax.

You may increase or decrease the amount you contribute once per calendar year.

The Internal Revenue Service allows maximum contributions to $17,500 for 2014.

Catch-up contributions

If you are age 50 or older, you may contribute an additional $5,500 in 2014 toward your retirement savings.

If you have 15 or more years of service and have undercontributed in prior years, you may be able to take advantage of an additional $3,000 catch-up contribution.

Stop/change contributions

You may stop your contributions once quarterly. Once you discontinue contributions, you may only start again as provided under the terms of the plan.

Plan eligible compensation

"Includible Compensation" means an employee's actual wages in box 1 of the Form W-2 for a year for services to the employer, but subject to a maximum of $260,000 (or such higher maximum as may apply under section 401(a)(17) of the Code) and increased (up to the dollar maximum) by any compensation reduction election under Code sections 125, 132(f), 401(k), 403(b), or 457(b), and employee contributions described in Code section 414(h)(2) that are treated as employer contributions.

PLAN Highlights

Enrollment

It's easy and convenient to enroll. After deciding how much you want to save and reviewing the investment options, simply …

Go online

Visit VALIC.com/YourCustomWebsite and click "Enroll" at the top right of the screen. Click on the appropriate location to access the Simplified Online Enrollment System and follow the prompts.

Call us

Call our Enrollment Center at 1-888-569-7055 between 8:30 a.m. and 8 p.m. (ET).

Visit in person

Your VALIC financial advisor can meet with you and walk you through the enrollment process. Visit VALIC.com/YourCustomWebsite for a list of financial advisors in your location.

Personal service

The Client Care Center is available to help you by calling 1-800-448-2542.

Custom website

For additional information about the plan, including access to fund performance, prospectuses, financial planning tools and more, visit VALIC.com/YourCustomWebsite.

Tax-free loans

Tax-free loans make it possible for you to access your account without permanently reducing your account balance, subject to certain limitations. Defaulted loan amounts will be taxed as ordinary income and may be subject to a 10% federal early withdrawal penalty if you are under age 59½.

Withdrawal restrictions

Generally, you may withdraw your employee elective contribution account balance if you meet one of the following requirements:

- Attaining age 59½
- Retirement or severance from employment
- Your death or total disability
- Hardship

Withdrawals prior to age 59½ are generally subject to a 10% federal early withdrawal penalty. The 10% federal early withdrawal penalty does not apply to any distribution made:

- On or after attainment of age 59½
- To you after severance from employment at age 55 or older
- After your death or total disability
- As substantially equal payments after severance from employment for a period of five years or attainment of age 59½, whichever is later

In addition, you must begin taking distributions once you reach age 70½ or you retire, whichever is later.

Distribution options

Depending on your employer's plan provisions, your withdrawal options include:

- Transferring your vested account balance to another tax-advantaged plan that accepts rollovers
- Taking a lump-sum cash distribution

Generally, income taxes must be paid on all amounts you withdraw from your plan. A 10% federal early withdrawal penalty may apply to distributions taken prior to attainment of age 59½.

Consult your VALIC financial advisor for more specific information.

Account access

You can access your account information, 24 hours a day, seven days a week from anywhere, at any time by way of the following:

- VALIC Online at VALIC.com
- VALIC by phone at 1-800-448-2542

Access account information on your mobile device.

- VALIC Mobile for iPad®, iPhone® or Android™-based phones
- VALIC Mobile Access for Web-enabled devices at my.valic.com/mobility

Account statement

VALIC 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, Personal***Deliver-@***®. Managing these items electronically is faster and more secure then paper mail. Simply log into your account at VALIC.com/YourCustomWebsite to sign up for this free service.

Administrative fee

An effective annual charge of 0.30% will be assessed on mutual fund assets in the plan for which administrative services are provided. Additionally, fund annual operating expenses apply depending on the mutual fund chosen and are described in the prospectus.

About mutual funds

All contributions to your plan will be invested in the mutual fund options of your choice

Investing in a mutual fund is not like buying securities such as stocks and bonds. Instead, a mutual fund investor buys shares of a fund. The fund pools investor money and then purchases securities that are mutually owned by all the investors. Each mutual fund pursues a specific financial objective such as long-term growth or current income. The objective is defined in the fund's prospectus.

Benefits of mutual fund investing include:

- Broadly diversified investment options.
  Since mutual funds are composed of a diversified mix of securities, investing in more than one mutual fund with different investment objectives provides even broader diversification. Of course, diversification doesn't guarantee a profit or protect against market loss.

- Professional money management.
  Mutual funds are directed by skilled portfolio managers who decide which securities to buy and sell to keep the fund in line with its stated objective.

You select the mutual funds for your retirement plan

You decide how to invest all contributions among the mutual funds offered under Maine Medical Center 403(b) Retirement Plan.

Remember, your 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.

With more people approaching retirement, stand out from the crowd

Don’t worry, it’s not hard to do. That’s because the simple truth is most people haven’t invested the time or money to build a secure financial future.

Recent studies show that:

- 24% of workers say they are not at all confident about having enough money for a comfortable retirement*
- 36% of workers have less than $1,000 in savings, and 56% say their savings and investments total less than $25,000*
- Only one in three (29%) of workers are very confident about having enough money to pay basic living expenses in retirement.*

The good news is that wherever you may be in your working career, you have several sources to access for retirement income, including:

- 403(b) plan
- Social Security
- Savings/investments
- IRAs

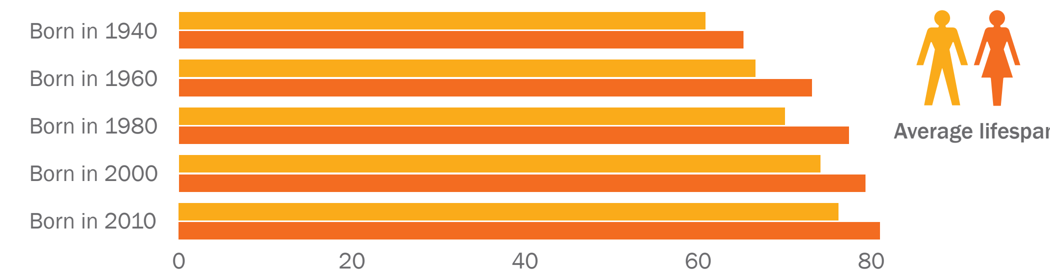
Some of these sources offer a built-in safety net for a small portion of the population. For everyone else, options need to be weighed and decisions made.

* Source: Ruth Helman, Nevin Adams, Craig Copeland, and Jack VanDerhei, “The 2014 Retirement Confidence Survey: Confidence rebounds-for Those With Retirement Plans, “EBRI Issue Brief, no. 397, March 2014.

5 Reasons to save for retirement

1 We're living longer

Life expectancy has increased dramatically and continues to rise. That means you could spend 20 years or more enjoying retirement.



Source: National Center for Health Statistics from birth.

2 Retirement lifestyles are changing

People today are reinventing retirement and staying active longer. That takes more money. For example, a worker earning $50,000 at retirement will need to replace 85% of that amount each year to maintain the same standard of living, according to one study.

Source: Aon Consulting, The Real Deal 2012 Retirement Adequacy at Large Companies.

3 Inflation isn't going away

Inflation diminishes the real annual rate of return on your investment. It also reduces your purchasing power over time. Either way, inflation erodes the value of your money. That means you need a retirement plan that factors inflation into its calculations.

Today	In 20 years	In 40 years
$40,000	$72,244	$130,482

Inflation has averaged around 3% annually for the past 20 years, which may not sound like much, but it can take a big bite. For example, in 40 years you'll need $130,482 to equal $40,000 today.

Source: U.S. Department of Labor, Bureau of Statistics CPI-U, 1979-2009.

4 Social Security outlook

Social Security was never designed to do more than supplement retirement income.

Average annual benefit paid to retired worker in 2014	$15,528
Average annual benefit paid to couple in 2014	$25,332
Maximum annual benefit for a worker at full retirement in 2014	$31,704

Social Security is also under increasing stress as baby boomers retire and fewer workers remain to support the system. With less money coming in and more retirees collecting benefits, current projections are that future benefits could be reduced.

As of January 2014. Average amounts can change monthly.
Sources: socialsecurity.gov and 2014 Social Security Trustees Report.

5 Rising healthcare expenses

As we age, more of our money is likely to be needed for healthcare and related medical expenses. And according to many studies, the rate of inflation for healthcare is likely to continue for years to come.

Sources: Study by Towers Watson, New York City, July 2012.
Survey by Healthcare Cost Institute, May 2012.

Why start today?

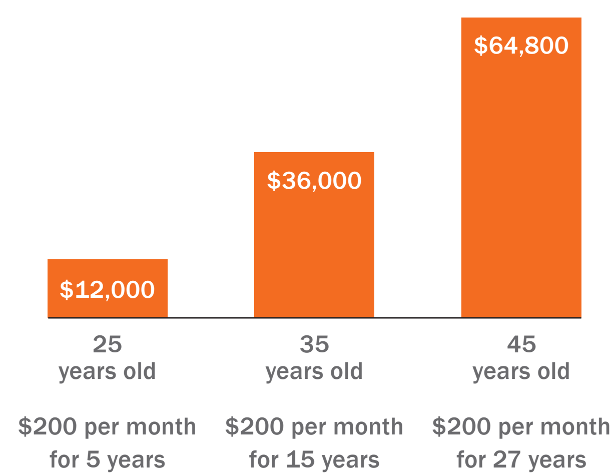
Time is money. Every day you delay in starting to save for retirement means less time to benefit from compound interest. And the only way to make up for that lost time is to save more in the time remaining until retirement.

Consider a hypothetical 25-year-old investor who saved $200 a month through pretax salary-reduction contributions to a tax-qualified retirement plan. She saved for five years, then left the money invested. Assuming an 8% annual rate of return on investment, our young investor would have accumulated $200,000 by the time she was 65. And her out-of-pocket cash outlay was just $12,000!

However, a 35-year-old investor in the same plan would have to save at the same rate for 15 years to accumulate $200,000 by age 65, and would have to contribute about $36,000 out of pocket.

A 45-year-old contributing the same amount would have to save for 27 years to reach $200,000. His out-of-pocket cash outlay? $64,800. And he wouldn't reach his goal until age 72! (See chart.)

Your out-of-pocket cost to accumulate $200,000



NOTE: $200 in pretax contributions would equal about $267 out of pocket if paid with after-tax dollars.

This chart compares the total out-of-pocket costs required to fund the retirement goals of three tax-qualified plan investors who began contributing $200 a month at different ages. The example assumes an 8% annual rate of return. Tax-qualified plan accumulations are taxed as ordinary income when withdrawn. Federal restrictions and a 10% federal penalty can apply to early withdrawals. This chart is hypothetical, only an example, does not reflect the return of any specific investment and is not a guarantee of future income.

Why enroll in your retirement plan?

Reduce current taxes while saving for retirement

Participating in a tax-deferred retirement plan is an easy way to set aside money for your future. You contribute to the plan through a convenient payroll reduction program — before withholding tax is calculated. This reduces your taxable income and income taxes while you save for retirement.

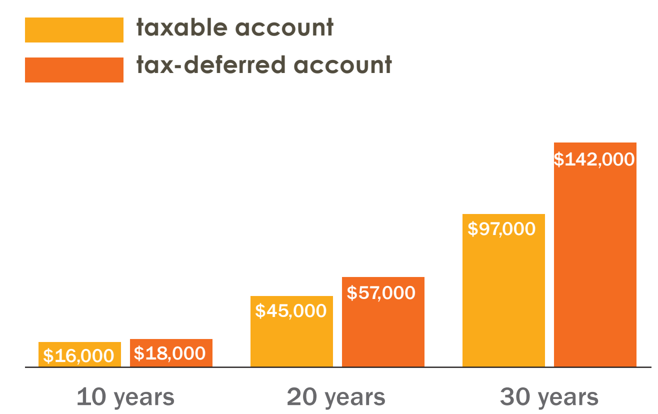
Taxes on all interest and earnings from your account are deferred until withdrawal, usually at retirement. (Remember that income taxes are payable upon withdrawal, and federal restrictions and tax penalties can apply to early withdrawals, depending on your contract.)

Lower maximum capital gains rates may apply to certain investments in a taxable account, which would reduce the differences between the changes of the accounts shown in the chart. You should consider your personal investment horizon and current and anticipated income tax brackets when making investment decisions, as they may further affect the results of the comparison.

Control your investments

Your retirement plan through the Maine Medical Center offers you access to investment options that cover a broad spectrum of asset categories and classes. This gives you the flexibility to create a diversified investment mix to suit your individual needs and goals. Keep in mind that investments in mutual funds fluctuate in value, so they could, when redeemed, be worth more or less than the original cost.

The advantages of a tax-deferred retirement plan



This chart compares the hypothetical results of contributing $100 each month to (1) a taxable account and (2) a tax-qualified retirement account. Bear in mind that a $100 pretax contribution to a tax-qualified account has a current cost of $75 (assuming a 25% income tax bracket) and also reduces current taxable income.

The chart assumes an 8% annual rate of return. Fees and charges, if applicable, are not reflected in this example and would reduce the amount shown. Income taxes on tax-deferred accounts are payable upon withdrawal. Federal restrictions and a 10% federal early withdrawal penalty may apply to withdrawals prior to age 59½. This information is hypothetical and only an example. It does not reflect the return of any investment and is not a guarantee of future income.

Enrolling in your retirement plan is easy

Online – Visit VALIC.com/YourCustomWebsite and click "Enroll" at the top right of the screen. Click on the appropriate location to access the Simplified Online Enrollment System and follow the prompts.

By phone – Call our Enrollment Center at 1-888-569-7055 between 8:30 a.m. and 8 p.m. (ET).

In person – Your VALIC financial advisor can meet with you and walk you through the enrollment process. Visit VALIC.com/YourCustomWebsite for a list of financial advisors in your location.

Personal service

For assistance, please contact our Client Care Center at 1-800-448-2542.

Custom website

For additional information about the plan, including access to fund performance, prospectuses, financial planning tools and more, visit VALIC.com/YourCustomWebsite.

Notes

VALIC has more than half a century of experience helping Americans plan for and enjoy a secure retirement. We provide real solutions for real lives by consistently offering products and services that are innovative, simple to understand and easy to use. We take a personal approach to retirement plans and programs, offering customized solutions for individual needs.

We are committed to the same unchanging standard of one-on-one service we have delivered since our founding. Our goal is to help you live retirement on your terms.

To view or print a prospectus for a currently offered fund, visit www.valic.com/[xxx] and access "Prospectuses and Other Materials." Click on the appropriate link in this section. Click on "Funds" at the left-hand side of the screen, and the funds available for your plan will be displayed. The prospectus contains the investment objectives, risks, charges, expenses and other information about the respective investment companies that you should consider carefully before investing. Please read the prospectus carefully before investing or sending money. You can also request a copy by calling 1-800-428-2542.

This information is general in nature and may be subject to change. Neither VALIC nor its financial advisors or other representatives give legal or tax advice. Applicable laws and regulations are complex and subject to change. Any tax statements in this material are not intended to suggest the avoidance of U.S. federal, state or local tax penalties. For legal or tax advice concerning your situation, consult your attorney or professional tax advisor.

Securities and investment advisory services are offered by VALIC Financial Advisors, Inc., member FINRA and an SEC-registered investment advisor.

VALIC represents The Variable Annuity Life Insurance Company and its subsidiaries, VALIC Financial Advisors, Inc. and VALIC Retirement Services Company.

iPad and iPhone are registered trademarks of Apple Inc.
Android is a trademark of Google Inc.

VC 26152 (04/2014) J92892 EE

VALIC.com

VALIC®