The State of Hawaii Deferred Compensation Plan

Q3 2020

Newsletter

ISLAND $AVINGS PLAN

Last chance—Attend a Lunch-and-Learn Virtual Workshop!

Reminder, the Island $avings Plan is hosting a nine-week lunch-and-learn series that will run through mid-October.

Select a topic and attend a live webinar during your lunch hour. Remaining sessions for October are as follows:

Morningstar Investment Advice and Managed Accounts	
Tuesday, October 6 12:00 p.m. Thursday, October 15 11:00 a.m.	You have two options in the Island $avings Plan. This workshop reviews the two levels of service available from Morningstar®: The Managed Accounts solution is designed for participants who want professional account management; and the Investment Advice option is designed for a participant who wants to play an active role in managing their own plan account.

Plan Overview (Prudential)	
Tuesday, October 13 12:00 p.m.	Attend this session for a general overview of the features and benefits of the plan, the need to save for retirement and the investment options available.

Pre-Retirement (Prudential)	
Tuesday, October 6 11:00 a.m.	This workshop emphasizes the various financial considerations for those approaching retirement and examines strategies to help you maximize your contributions and the various distribution options available once you retire.

See "Lunch-and-Learn" on pg. 2 for more workshops.

New Appointment to the Board

The Board of Trustees welcomes Reiko Matsuyama who was appointed to the Board by Governor Ige and confirmed by the Senate during the 2020 Regular Session of the Legislature.

Ms. Matsuyama is currently the Finance Director from the County of Kauai and is responsible for managing diverse areas of the County such as real property assessments, information technology, and accounting and budgeting. Having previously served as the director of finance at the Grove Farm Company, Inc. and as a senior auditor at Deloitte & Touche LLP, she possesses a wealth of auditing and financial management knowledge and experience. The Board looks forward to having Ms. Matsuyama share her extensive knowledge in finance and management skills.

Reiko Matsuyama

Lunch-and-Learn (continued)

Understanding Market Behavior (Prudential)	
Thursday, October 15 12:00 p.m.	Reviews the history of the markets, including downturns and recovery periods, as well as long-term trends and returns. Learn about the concepts of diversification and asset allocation to assist you with your investment strategy.

Vanguard—Target Date Funds	
Wednesday, October 7 12:00 p.m. Wednesday, October 14 11:00 a.m.	This workshop reviews the Vanguard Target Retirement Funds* offered and explains how the investment strategy is built using four (4) or five (5) of Vanguard's broad-based index funds that cover all major worldwide asset classes.

*Registered mutual fund.

To attend a webinar....

- Go to the Plan News & Announcements section of the Island $avings Plan's website at: **www.prudential.com/islandsavings**
- Click the link to the webinar you would like to attend.
- Try to register 15 minutes in advance of the start time.
- Webinars sessions are approximately 45 minutes.
- Employees must use their own time to attend the webinar session (e.g., personal lunch hour).
- Individuals who require special needs or accommodations may contact Grace Baracao via email at **PR.ISP.Hawaii@prudential.com** at least three days in advance of the webinar session.

On-demand Workshops

Also, there is a section on the Plan's website that will allow you to view workshops on demand whenever your schedule allows.

The following Prudential webinars are available for playback:

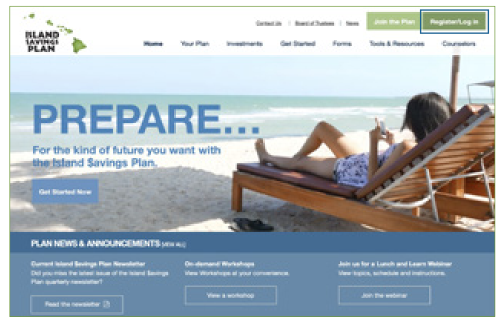
- **Pre-Retirement** (Prudential)
- **Understanding Market Behavior** (Prudential)
- **Plan Overview** (Prudential)
- **Exploring the Big Picture of Retirement Income** (Prudential)
- **The Power of Ahupuaʻa** (Prudential)

If you have any questions, please send an email to:
PR.ISP.Hawaii@prudential.com

Secure your account

If you have not already registered your plan account, this is a key cybersecurity measure toward protecting your assets in the Plan.

On occasion, fraudsters have been known to set up online accounts with financial services companies using personal information from actual account holders. If you set up and register your account, an imposter will not be able to duplicate that action, because you already have the account secured.



Register your account:

1. If you have not registered your account, visit **www.prudential.com/islandsavings**
2. Click on **"Log in,"** then **"Register Now"**
3. Follow the on-screen prompts to complete the registration process
4. Registering your account online makes it fast and easy to take control of your retirement planning. **It is also an important step in helping to safeguard the security of your account.**

Note: To complete security-sensitive actions, like assigning beneficiaries, for example, you'll need to enter a unique verification code to authenticate your account. You'll receive that verification code at your physical address and then enter it online.

Financial Wellness Insights

The current coronavirus pandemic and the recession that the U.S. is experiencing are reminders to stay on the road to financial wellness.

There is a wealth of interactive resources and content available when you log in to your retirement account and click the My Financial Life tab. It is your gateway to tools like the Financial Wellness Assessment, Plan a Budget, Debt Manager and Retirement Calculator. Plus, there are articles and videos on topics such as Retirement Planning, Family & Finances, and Life Events. Content is personalized to reflect your needs each time you return! Log in to your account and check it out today.

Another way to stay on the road to financial security and wellness is to stay on course with your contributions and keep your retirement goals on track. If you anticipate receiving a pay increase or even a lump sum payment, you may want to consider giving your Island $avings Plan account a boost by putting the extra money, or a portion, toward your retirement savings. Your contributions come out of your paycheck before state and federal income taxes are assessed, so you are able to invest more of your income without feeling it as much in your monthly budget. A small increase now can make a big difference in your future!

Visit the Island $avings Plan website to:

Make a change to your contributions

www.prudential.com/islandsavings › Log in ▸ **Your Plan**

Schedule an appointment with a counselor

www.prudential.com/islandsavings › Log in ▸ **Counselors**

Access deferral schedules

To determine the pay dates when your contributions will be processed into your account.

www.prudential.com/islandsavings › Log in ▸ **Your Plan**

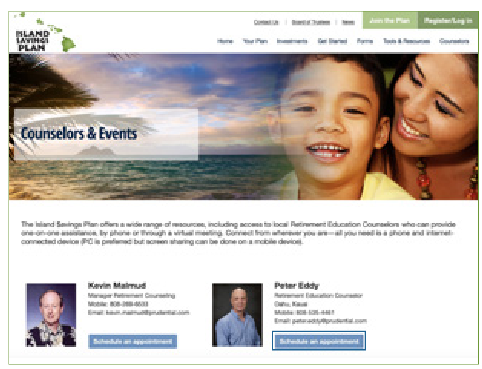
Local Office Changes

The Local Office bids aloha to Al Lee who retired on September 15, 2020 to spend time with family.

Virtual One-on-One Assistance

If you have a question about how to use a certain plan feature, want to measure your financial wellness progress, or need some personalized assistance to set your financial goals, you have a direct line of access to Retirement Education Counselors through virtual meetings. As an Island $avings Plan participant, you can contact them directly using the below information, or schedule a virtual session for when it works for you—and then attend from wherever you are. All you need is a phone and an internet-connected device (we recommend using a computer) to access your private, secure online meeting room.

www.prudential.com/islandsavings › Counselors ▸ **Schedule appointment**



Fund Updates

Stable Value Fund: Effective October 1, 2020, the fourth-quarter 2020 rate is 2.58%.

Island $avings Plan Info Line: **888-71-ALOHA** (888-712-5642)

Automated toll-free phone number is available 24/7.

- **Select "1" to speak with a Participant Service Representative**
  Monday through Friday, 2:00 a.m. to 3:00 p.m. HST (Daylight Savings), or 3:00 a.m. to 4:00 p.m. HST (after Daylight Savings ends).
- **Select "2" to contact a local Island $avings Plan Retirement Education Counselor**
  Monday through Friday, 8:00 a.m. to 5:00 p.m. HST, and Saturdays, 8:00 a.m. to 12:00 p.m. HST.
- **Website:** **www.prudential.com/islandsavings**

Prudential Retirement Honolulu Office
1100 Alakea Street, Suite 1550
Honolulu, HI 96813

Office Hours
8:00 a.m. to 5:00 p.m. HST
Monday through Friday
8:00 a.m. to 12:00 p.m. HST, Saturdays

Free Parking
Entrance on Alakea Street, parking ticket validated at the local office.

Prudential

Investors should carefully consider the fund investment objectives, risks, charges and expenses before investing. The prospectus and (if available) summary prospectus contain complete information about the investment options available through your plan. Please call 888-712-5642 for a free prospectus and (if available) a summary prospectus containing this and other information about our mutual funds. You should read the prospectus and summary prospectus (if available) carefully before investing. It is possible to lose money by investing in securities.

Shares of registered mutual funds are offered through Prudential Investment Management Services LLC (PIMS), Newark, NJ, a Prudential Financial company. Retirement Education Counselors are registered representatives of PIMS.

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