



ABOUT YOUR 403(B) RETIREMENT PLAN

As an eligible employee, you are permitted to participate in a 403(b) tax deferred retirement program.

What is a 403(b) plan?

A 403(b) plan is a tax-deferred retirement plan available to employees of educational institutions and certain non-profit organizations. In this plan, you can make pre-tax contributions for retirement savings. Distributions generally are only available when you reach age 59 ½ or experience a severance of employment. However, distributions can also be available in the event of financial hardship, death, or disability. Short-term needs also can sometimes be met by non-taxable loans.

Why contribute to a 403(b)?

Participating in your plan can provide a number of benefits, including:

- **LOWER TAXES TODAY.** Your 403(b) contributions are made on a pre-tax basis which can greatly reduce your current income tax bill. For example, if your federal marginal income tax rate is 25%, and if you contribute \$100 a month to a 403(b) plan, you've reduced your federal income taxes by roughly \$25 (assuming a 25% tax bracket). In effect, your \$100 contribution costs you only \$75. The tax savings can grow with the size of your 403(b) contribution.
- **TAX-DEFERRED GROWTH.** Your account in the 403(b) plan is tax-deferred. This means that your account can grow tax-free until time of withdrawal.
- **ENHANCED RETIREMENT.** Other sources of retirement income, including state pension plans and, if applicable, Social Security, often do not adequately replace a person's salary upon retirement. A 403(b) plan can provide a healthy supplement to an employee's retirement income.

How do I get more information?

To obtain more information, including information about how to participate, and about the savings products made available under the plan, contact the Human Resources Office.

Not intended as tax or legal advice. Neither your employer nor the investment providers offering savings products under the plan can provide you with tax or legal advice.