

Universal Availability Notice

Adams 12 Five Star Schools 403(b)

PLAN HIGHLIGHTS



Visit www.missionsq.org/enroll for additional information

Congratulations! You are eligible to participate in the 403(b) retirement plan provided by **Adams 12 Five Star Schools** plan through MissionSquare Retirement. Contributing to a 403(b) plan will give you peace of mind through financial security during your retirement. A 403(b) plan allows you to contribute a portion of your compensation as a pre-tax or post-tax (Roth) contribution in order to save for retirement. Participation in the 403(b) plan is completely voluntary. If you are already contributing to the 403(b) plan, now is a perfect time to increase your contributions.

What is a 403(b) Plan?

A 403(b) plan, also known as a Tax-Sheltered Annuity (TSA), is a tax-deferred retirement plan provided for employees of certain tax-exempt, governmental organizations or public education institutions.

What are the benefits of contributing to a 403(b) Plan?

LOWER TAXES

The 403(b) contributions you make can be on a pre-tax basis. This means that the money used to invest in the 403(b) plan is not taxed until the funds are withdrawn. For example, if your federal marginal income tax rate is 25%, and you contribute \$100 a month to a 403(b) plan, you have reduced your federal income taxes by nearly \$25. In effect, your \$100 contribution costs you only \$75. The tax savings grow with the size of your 403(b) contribution.

TAX-DEFERRED GROWTH

In your 403(b) plan, interest and earnings grow tax-deferred. This means that your interest will grow tax-free until the time of your withdrawal. The compounding interest on your 403(b) plan allows your account to grow more quickly than money saved in a taxable account where interest and earnings are taxed each year.

TAKING THE INITIATIVE

Contributing to a 403(b) retirement plan helps you take control of your future retirement needs. Other sources of retirement income, including state pension plans and Social Security, often do not adequately replace a person's salary upon retirement. A 403(b) plan can be a great way to supplement your income at retirement.

POSSIBLE TAX CREDITS

Pre-tax contributions may put you in a lower tax bracket reducing your overall tax rate.

DISTRIBUTIONS FROM THE PLAN

Either you or your beneficiary will be able to withdraw your vested balance when one of the following occurs:

1. Retirement
2. Termination of Employment
3. Attainment of Age 59 ½
4. Total Disability
5. Death

HIGHER LIMITS

Annual contribution limits are much higher than those of an IRA.

How much can you contribute to a 403(b) Plan?

You may elect to save:

- 100% of your income up to \$22,500 (2023)
- Extra \$7,500 if age 50+

HOW TO ENROLL IN THE PLAN:

Adams 12 Five Star Schools investment options and plan information can be found at:

<https://www.msqplanservices.org/myplan/400018>



Join your plan using your computer, tablet, or mobile device. To enroll, or view your plan's features and investment options, scan the QR code or visit:

www.missionsq.org/enroll

All you need to get started is your Employer, Plan Name, or Plan State to visit your plan resource site.



- Control over how much you save
- Investing strategies that fit your goals
- Plenty of withdrawal options
- No taxes on earnings until you withdraw your money
- Access to your MissionSquare representative for personalized help

By joining your 403(b) Defined Contribution Plan, you've taken an important first step on your retirement journey. For more information, visit: www.missionsq.org/403b

EXCHANGES

As a participant in the 403(b) plan, you have the option to move funds, or "exchange" tax-free between different investment options within the same plan.

ROLLOVERS

You also have the option of rolling retirement funds from previous employers to your current employer's plan, thus simplifying retirement management.

Required Minimum Distributions (RMD)

Distributions are required at age 72. Exceptions may apply.

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