

403(b) Plan Eligibility Announcement to Employees

To: All Eligible Employees

Date: 2/22/17

Re: Notice of your right to participate in the 403(b) Retirement Plan sponsored by:

Columbus Grove Local School District

(Name of Employer)

In compliance with the 403(b) regulations, we are pleased to offer eligible employees the opportunity to voluntarily save for retirement by participating in the 403(b) Plan (“the Plan”). All employees who receive compensation reportable on an Internal Revenue Service (IRS) Form W-2 are eligible to participate in the plan, with the exception of those specifically excluded by the Plan.

If eligible, you may participate in this Plan by establishing a 403(b) account with one of the Plan’s approved Investment Providers and then completing a salary reduction agreement to make pre-tax contributions or (if permitted by the Plan) Roth 403(b) after-tax contributions.

Generally, salary reduction contributions can be made in an amount up to the lesser of 100% of includable compensation or the annual limitations set by the IRS. For the 2017 tax year, the annual contribution limit is \$18,000 with a catch up contribution of up to \$6,000 for employees that are age 50 or older. If you have completed 15 years of service or more with the school district, you may qualify for an additional catch-up contribution of up to \$3,000. In order to determine eligibility, a Maximum Allowable Contribution (MAC) must be completed with your sales agent along with a completed salary reduction agreement and returned to the payroll department for approval.

If you participate in more than one 403(b) plan or another qualified plan such as a 401(k) or 401(a), you will be responsible for tracking and reporting the amount of your total contributions to the school district so you do not exceed the annual contribution limitation permitted by the IRS.

By electing to participate in the Plan, you are acknowledging and agreeing to abide by the Plan’s rules and all IRS regulations related to 403(b) Plans. To learn more about the 403(b) Plan, including, but not limited to, (1) exclusions to participation, (2) Plan distribution/transfer/rollover rules, and (3) a list of approved Investment Providers, please contact the school district or call our 403(b) administrative services provider, AFPlanServ at 866-560-6415.

For information about the 403(b) investment products and services offered by each of our Plan’s approved Providers, it will be the employee’s responsibility to contact each company directly.

If you have questions regarding this Notice or if you would like assistance, please contact the school district or call AFPlanServ® at 866-560-6415.

Please be sure to consult with your legal or tax advisor before participating in the 403(b) Plan. AFPlanServ® does not provide tax or legal advice.