

Coventry Public Schools – OMNI plan reference #7989

IMPORTANT BENEFIT INFORMATION 403(b) UNIVERSAL AVAILABILITY NOTICE

The Opportunity:

You have the opportunity to save for retirement by participating in your Employer's 403(b) retirement plan. If there are any questions, you may contact the Plan's administrator, The OMNI Group at 877-544-6664.

We recommend that all employees view a brief, 3-minute video presentation called, '403(b). Why me?' explaining a 403(b) plan, and how to contribute. The video can be viewed on OMNI's website at www.omni403b.com.

What is a 403(B) retirement plan?

A 403(B) is a tax-deferred retirement plan for employees of public educational institutions and certain other non-profit organizations. A 403(B) plan allows you to contribute a portion of your compensation on a pre-tax basis in order to save for your retirement. Contributions are made to the plan via payroll deduction.

What are the benefits of contributing to a 403(B) plan?

- Contributing helps ensure that you will have funds to provide yourself with an income during retirement
- The pre-tax elective deferrals that you make to the plan now are not taxed until you withdraw them. This means you are lowering your taxable income now, and will potentially lower the amount of income tax you will pay on those funds at the time of withdrawal when you may be in a lower tax bracket.
- Both your pre-tax elective deferrals and earnings grow tax free until they are withdrawn.

How Can I Participate?

Follow the instructions outlined in the Approved 403(B) Plan Vendor List. To access this list visit our website then HR>OMNI 403(B) Forms>Approved Plan Vendor List.

How Much Can I Contribute Annually?

You may contribute up to \$18,000.00 in 2016; this cap is subject to change annually. If you have at least 15 years of service with your employer or you are at least 50 years old, you may be entitled to make additional contributions. The catch up allowable contribution for 50+, if you qualify, is \$6,000.00. If you have at least 15 years of service with your employer you may be entitled to contribute an additional \$3,000.00.

For appropriate limits for your particular circumstances, please contact OMNI's Customer Care Center at 877-544-6664.

What If I Already Have An Account?

If you are already contributing to the Plan, and you want to change your contribution amount or investment provider, simply complete and submit a new SRA. See directions in the Approved Plan Vendor list on how to change your contribution amount in an already existing account.

When can funds be withdrawn from a 403(B) plan?

A 403(B) retirement plan is intended as a way to save over the long-term for your retirement. Therefore, distribution of the funds are only allowed when you separate from service, are disabled, die or are at least age 59 ½ .

Taking a non-taxable loan or a hardship withdrawal are options available to you, should it be necessary for you to withdraw funds from your 403(B) plan prematurely. Taking a hardship withdrawal must meet the requirements that be an immediate and heavy financial need. However, certain income taxes and tax penalties may apply depending on the situation.

How can I get more information?

You can access further information at www.omni403b.com or call the OMNI Group at 1-877-544-6664 Monday-Friday.

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