

LEARN ANNUAL ELIGIBILITY NOTICE 403(b) and 457(b) Retirement Plans

1. General

LEARN makes available to eligible employees the option to defer a portion of their salary into a 403(b) and/or a 457 plan. These retirement plans are covered under Internal Revenue Code Section 403(b)(1)(A)(ii) and IRC Section 457.

2. Who can participate in a 403(b) and/or 457 Plan?

All employees of LEARN. Employee participation is completely voluntary.

3. What is a 403(b) Plan?

A 403(b) Plan, also known as a tax-sheltered annuity (TSA) Plan, is a retirement plan for certain employees of public and private schools, employees of certain tax-exempt organizations, and certain ministers. Individual accounts in a 403(b) Plan can be either of the following types:

- an annuity contract, which is a contract provided through an insurance company
- a custodial account which is an account invested in mutual funds

4. What is a 457 Plan?

A 457 Plan is a deferred compensation plan described in the IRC section 457. This plan is available to certain state and local governments and non-governmental entities that are tax exempt under IRC 501.

5. What are some of the benefits of contributing to a 403(b) and/or 457 Plan?

You do not pay tax on the contributions in the year they are made. You do not pay tax until you begin making withdrawals from the plan, usually after you retire. The earnings on amounts in your 403(b) and/or your 457 account are not taxed until you withdraw them.

For more detailed information on the 403(b) Plan, see IRS Publication 571.

For more detailed information on the 457 Plan, see IRS Section 457.

6. Involvement

LEARN's involvement is strictly limited to:

- Permitting authorized investment providers (see back page) to publicize their products to employees under each school principal's guidelines and authorization.
- Collecting employee contributions as required by salary reduction agreements
- Remitting the contributions to the authorized investment providers
- Administering 403(b) and 457 distributions

7. 403(b) and 457 Plan procedures

Employees interested in participating in a 403(b) and/or 457 Plan are provided with a list of authorized investment providers. It is the employee's responsibility to contact the providers, review the information, and decide which of the providers offer the appropriate investment product for them.

8. Contribution Limits

The Internal Revenue Code imposes a series of limits on the amount an employee may contribute to either a 403(b) and/or a 457 Plan. The Payroll Department will monitor deferral amounts on a calendar year basis in order to comply with the IRS limits.

403(b) and 457 Plan Contribution Limits	Year	Amount
Elective Voluntary Deferral Limits	2016	\$ 18,000
	2017	\$ 18,000
Over 50 Catch-up: Participants age 50 and over can make additional pre-tax deferrals	Year	Amount
	2016	\$ 6,000
	2017	\$ 6,000
Special Catch-Up provisions are available under both the 403(b) and 457 plans. See authorized investment providers for more information		

The following are authorized investment providers for LEARN:

403(b) Plan

Provider

VALIC

USAA

MetLife

AXA Equitable Life Insurance Company

Ameriprise

VOYA Life Insurance and Annuity Company

Telephone Number

800-892-5558 ext 88093

800-531-8292 opt. 2

315-477-4010

800-269-1292

860-635-4800 ext 109

457 Plan

Provider

Prudential

Telephone Number

800-803-2913