

**Annual Notice of Availability
January, 2017**

To: All Employees
From: SAU #19 Human Resources Office
Date: January 4, 2017
Subject: Annual notice of availability to participate in 403(b) Plan

SAU #19 offers a 403(b) Tax Sheltered Account Plan, and is required by law to provide an annual notification of this benefit. As an eligible employee you have the ability to participate in this Plan by making voluntary salary reduction contributions to the Plan.

INVESTMENT PROVIDERS

Ameriprise Financial
Horace Mann Life Insurance Company
Metlife Investors Insurance Company
Security Benefit
Valic

How do I know if I am eligible to participate in a 403b?

SAU #19 and its districts offer a 403b plan benefit to every employee, regardless of whether they are full-time, part-time, substitute or temporary in nature. Employees are eligible to participate in a 403b plan immediately upon hire.

What kinds of contributions may be made to this plan?

This plan provides for both pre-tax and post-tax (Roth) salary reduction contributions. Pre-tax contributions are deducted **before** you pay current income taxes while post-tax contributions occur **after** the payment of current income taxes. Both types of investments grow tax-deferred and pre-tax contributions and any earnings are taxed when you take a distribution from this plan. Roth contributions and earnings will, under certain circumstances not be taxed when distributed. You may roll over pre-tax benefits from a former employer's eligible retirement plan into this plan.

How much may I contribute?

You can contribute up to 100% of your compensation to this plan up to the limit allowed under the Internal Revenue Code (\$18,000 in 2017). If you are age 50 or older you can contribute a "catch-up" contribution of up to \$6,000 (2017).

Can I ever lose my benefits?

You are always 100% vested in your salary reduction contributions. This means the value of your contributions and earnings are yours when you terminate employment with your employer, without respect to your years of service.

What do I have to do to start contributing?

Automatic payroll deduction withdraws your contributions directly from your paycheck after you complete a Salary Reduction Agreement and return it to your financial representative. You may commence making contributions or modify the amount of your current contributions at any time by modifying your Salary Reduction Agreement.

Where are my contributions invested?

You may choose the 403(b) custodial account or annuity contract you want from the list of approved investment providers located at the top of this page.

How are my contributions invested?

You select how you want your contributions to be invested from the investment options available under each approved investment provider's product. Your investment provider's custodial account or annuity contract will determine how often you may change your investment mix.

When can I take a distribution from this plan?

You may request a distribution when you retire, terminate your employment with the employer, or become disabled. If you do not request a distribution, IRS rules will generally require that you commence distributions soon after you turn 70½ or retire, if later.

Can I get money from the plan while I am still employed?

Depending on the provisions of the custodial account or annuity contract you select to hold your contributions, certain other distributions may be allowed, such as Hardship withdrawals for certain financial emergencies; In-Service withdrawals if you are at least 59 ½ years old; and Loans.

Will I be taxed on my distribution?

You may be able to avoid current income taxes by rolling over your distribution to another tax-qualified retirement plan or Individual Retirement Account (IRA). Some distributions, such as hardship withdrawals, cannot be rolled over, and will therefore be subject to income taxation. If you have a Roth account, your contributions and, in certain circumstances, income earned on the contributions will not be taxed when distributed.

Can I transfer my accounts to a new custodial account or annuity contract?

You may transfer your account tax-free to any approved investment providers under this plan. Certain charges may apply.

What fees are associated with my 403(b) account?

Your investment provider may charge a variety of fees for investment products available under the plan. These fees are usually required to be disclosed to you. Refer to the prospectus and other materials associated with the custodial account or annuity contract you select. These fees may include: a periodic (such as quarterly or annual) record keeping fee; a fee to cover investment management and administration, and for annuity contracts, risk charges and charges for riders, such as guaranteed income benefits. These types of fees may be deducted prior to determining the share or unit price of your investments, so you may want to ask your financial representative to point them out to you. Some investment providers may charge a fee when you take a distribution from this plan.

Before investing, you should carefully consider the investment objectives, risks, and charges and expenses of the mutual funds or annuity contracts available under this plan.

How can I get information about my account?

You may obtain account information through your financial representative or the investment provider of your custodial account or annuity contract. You may also view other information about the plan at www.tsacg.com/individual/plan-sponsor/new-hampshire/.

If you have further questions, please feel free to contact the Human Resources Office at 497-4818.