

East Bay Innovation Academy's 403(b) Plan

403(b) & ROTH 403(b) Voluntary Retirement Benefits

You have the opportunity to use a 403(b) pre-tax and/or a ROTH 403(b) after tax compensation retirement plan to add additional value to your retirement savings. A 403(b) and ROTH 403(b) is an employer-sponsored retirement plan, so you can't open either on your own, as you can with an IRA. It is a benefit provided to you by EBIA. Every EBIA employee is eligible to participate in the plan.

When it comes to saving for retirement, either employer-sponsored retirement plan offers many advantages:

Generally, you pay no federal or state income taxes on the money you put into the 403(b) plan until it is time to take withdrawals. You pay no federal or state income taxes on any interest or earnings until you take withdrawals and with a ROTH 403(b) interest or earnings may be tax free. You have the advantage of investing in professionally managed accounts available to your particular plan or you may seek the safety of a fixed annuity. Participating in an employer-sponsored plan is a quick and easier way to save towards retirement.

How much can I contribute?

Employees may contribute up to \$17,500 in 2014 (adjusted annually for cost of living) in pre-tax salary or deferred compensation. If employees have at least 15 years of service with their employer or are at least 50 years old, they may be able to contribute more of their income under one or more of the special catch-up provisions, up to an additional \$8,500.

How do I enroll?

The first step in the enrollment process is to establish a 403(b) and/or a ROTH 403(b) account with one of the EBIA's approved vendors. You may obtain a list by contacting your Employee Benefits Department and request that a list be sent to you. To learn about your approved vendors, you may contact our local Plan representative by calling 888-763-2252. You may also read about your options by going on-line at 403bcompare.com.

Once you have selected a vendor you will need a Salary Reduction Agreement. If you wish to terminate, change the amount of your contribution or change vendor(s) selections, you must inform the Business Office in writing by using a Salary Reduction Agreement.

Employee Investment Decisions

You are responsible for choosing the investment that is appropriate for your personal circumstances. Investment choices are solely the responsibility of the employee. The SAEL makes no recommendations and is not responsible for any gains or losses attributed to your investment, nor for any actions of the investment manager or custodian.

Transaction Approval

Once you have opened a 403(b) account you will at sometime need to complete a transaction of your accumulated funds. This may include a loan, transfer, exchange, distribution or RMD. Whatever it may be, the IRS requires that it be approved under the written provisions of the Plan. This approval is gained through your Payroll Department.

Plan Assistance Hotline – 888-763-2252, Glen Guglielmina