

Shepaug Valley Regional School District No. 12

403 (b) Tax Shelter

Annual Eligibility Notice

As an employee of the Regional School District No. 12 you are eligible to contribute to the Shepaug Valley Regional School District No. 12 - 403(b) Plan.

The approved providers for the Shepaug Valley Regional School District No. 12 - 403(b) plan are listed below:

- Ameriprise Financial
- AXA Equitable
- ING
- L A Hertberg/Compass Capital Management
- MetLife
- 20th Century Mutual
- Franklin Templeton

If you are currently contributing to the plan and wish to increase your contributions, please complete a new salary reduction agreement and return the form to the payroll department at the Region 12 Central Office.

If you would like to begin contributing to the plan, complete and return a salary reduction agreement to the payroll department at the Region 12 Central Office. **Please note that in addition to completing and returning a salary reduction agreement, you must also establish an account with the appropriate investment provider that you have selected on the salary reduction agreement and you may also need to provide any additional information that your Region 12 employer may require after a review of the completed form.**

Of course, you can keep your contributions at their current level. In the alternative, if your current financial situation means that you need to lower your saving for retirement, you can change your contribution rate by completing and returning a salary reduction agreement as described above.

In general, you may elect to contribute up to \$16,500 in 2011. This amount is the general limit on what you can elect to defer under the 403(b) plan and such amount may be adjusted annually. Additional catch-up contributions may be permitted if certain criteria are met. Specifically, if you are at least 50 years old by year's end, you may also be able to make additional catch-up contributions up to \$22,000 in 2011. Other catch-up options may also be available.

This Notice is not intended as tax or legal advice. Neither your employer nor the investment providers offering retirement savings products under the plan can provide you with tax or legal advice. Employees are encouraged to contact their financial representative or tax professional with any questions.

Rev 9/30/2011