

**Franklin Northeast Supervisory Union 403(b) Plan**  
**Provisions Summary**

Provisions effective January 1, 2009

**Eligible Employees:**

- All employees.

**Participation Date:**

- For employee pre-tax salary deferral contributions: date of hire

**Employee Salary Deferral Contributions:**

- Contributions are made with pre-tax compensation through payroll deduction; maximum dollar amount may not exceed the amount indicated below.
  - up to \$16,500 for 2009 (\$2,200 if age 50 or older by year-end)
  - may stop deferrals anytime or change your deferral amount monthly (a request for change must be in writing and received by the payroll administrator at least seven days prior to the effective date of the change)
  - minimum annual deferral amount is \$200

**Rollover Contributions:** amounts which participants received from a prior employer's plan (including 401(k), profit sharing, 403(b), money purchase, and defined benefit plans) may be rolled over tax-free to this plan.

**Vesting:** - all contributions and earnings are 100% vested immediately

**Hardship Withdrawals:** permitted from cumulative salary deferrals (not the earnings) for purchase of principal residence (part of the down payment), payment of medical expenses, prevention of foreclosure or eviction, college expenses, catastrophic loss to your home, or funeral expenses. Employee must cease contributions to the plan for 6 months following a withdrawal. You must maximize your loan from this plan (see "Loans" above) before taking a "hardship withdrawal." Hardship withdrawals are taxed as regular income plus a 10% excise tax penalty if you withdraw the money before age 59½.

**Loans:** Loans are permitted for qualifying financial hardship reasons only, per Participant Loan Program. The minimum loan amount is \$1,000. Only one loan may be outstanding at a time.

**Benefit Payments:**

- Timing: as soon as reasonable following the participant's termination of employment or in-service upon attainment of age 65

- Form: any options available under the investment contract(s) you have selected

**Questions:** contact Bill Samuelson for additional information or if you need the Salary Deferral Election Forms and supporting materials.

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