

# Universal Availability Notice

## First Baptist Church of Windsor 403(b)

### PLAN HIGHLIGHTS

Visit [NBSbenefits.com/403b](http://NBSbenefits.com/403b) for additional information



Congratulations! You are eligible to participate in the 403(b) retirement plan provided by the **First Baptist Church of Windsor 403(b)**. Contributing to a 403(b) plan will give you peace of mind through financial security during your retirement. A 403(b) plan allows you to contribute a portion of your compensation as a pre-tax or post-tax (Roth) contribution (if allowed by your Employer) in order to save for retirement. Participation in the 403(b) plan is completely voluntary. If you are already contributing to the 403(b) plan, now is a perfect time to increase your contributions.

#### What is a 403(b) Plan?

A 403(b) plan, also known as a Tax-Sheltered Annuity (TSA), is a tax-deferred retirement plan provided for employees of certain tax-exempt, governmental organizations or public education institutions.

#### What are the benefits of contributing to a 403(b) Plan?

##### LOWER TAXES

The 403(b) contributions you make can be on a pre-tax basis. This means that the money used to invest in the 403(b) plan is not taxed until the funds are withdrawn. For example, if your federal marginal income tax rate is 25%, and you contribute \$100 a month to a 403(b) plan, you have reduced your federal income taxes by nearly \$25. In effect, your \$100 contribution costs you only \$75. The tax savings grow with the size of your 403(b) contribution.

##### TAX-DEFERRED GROWTH

In your 403(b) plan, interest and earnings grow tax-deferred. This means that your interest will grow tax-free until the time of your withdrawal. The compounding interest on your 403(b) plan allows your account to grow more quickly than money saved in a taxable account where interest and earnings are taxed each year.

##### TAKING THE INITIATIVE

Contributing to a 403(b) retirement plan helps you take control of your future retirement needs. Other sources of retirement income, including state pension plans and Social Security, often do not adequately replace a person's salary upon retirement. A 403(b) plan can be a great way to supplement your income at retirement.

##### POSSIBLE TAX CREDITS

Pre-tax contributions may put you in a lower tax bracket reducing your overall tax rate.

##### DISTRIBUTIONS FROM THE PLAN

You or your beneficiary will be able to withdraw your vested balance when one of the following occurs:

1. Retirement
2. Termination of Employment
3. Attainment of Age 59 ½
4. Total Disability
5. Death

The vendors may require additional paperwork.

##### LOANS

You may borrow up to 50% of your vested balance up to \$50,000 (whichever is less). Contact your current vendor about their specific loan provisions.

##### HIGHER LIMITS

Annual contribution limits are much higher than those of an IRA.

##### How much can you contribute to a 403(b) Plan?

You may elect to save:

- 100% of your income up to \$18,500 (2018)
- Extra \$6,000 if age 50+

##### HOW TO ENROLL IN THE PLAN

Your employer has provided investment option(s) for you. A list of approved vendor(s) and the Salary Reduction Agreement ("SRA") can be found by visiting the National Benefit Services (NBS) website at [NBSbenefits.com/403b](http://NBSbenefits.com/403b) or by contacting NBS (contact information below).

Once you have chosen an approved vendor, please open a 403(b) account directly with them. To begin investing, send the completed SRA form to NBS who will work with your employer to begin contributions.

##### INVESTMENT CHOICES

Annuity contracts made available through insurance companies or custodial accounts through a retirement account custodian are allowed in 403(b) plans. You will need to contact the vendor for a comprehensive listing and information regarding the available investment options.

##### EXCHANGES

As a participant in the 403(b) plan, you have the option to move funds, or "exchange" tax-free between different vendors within the same plan.

##### ROLLOVERS

You also have the option of rolling retirement funds from previous employers to your current employer's plan thus simplifying retirement management.

##### REQUIRED MINIMUM DISTRIBUTIONS (RMD)

Distributions are required at age 70 ½. Exceptions may apply.

##### HARDSHIP DISTRIBUTIONS

An in-service hardship distribution may be allowed if you satisfy certain criteria. Contact NBS for more information about the requirements. If you take a hardship distribution you are required to stop making contributions for 6 months.

#### NBS Retirement Service Center

8523 S. Redwood Rd.  
West Jordan, UT 84088  
800.274.0503 ext. 5  
Fax - 1.800.597.8206

Contact NBS if you have questions about  
the retirement plan



#### First Baptist Church of Windsor

##### Plan Contact Person:

Carol Misson  
PO Box 1880  
Windsor, CA 95492  
1.707.838.3757