

# Universal Availability Notice

*First Financial Group of America*

## **Did You Know That Regardless of Your Position and Hours Worked, That You Are Eligible to Contribute to a Retirement Plan?**

In compliance with the requirements of IRC §403(b)(12)(A)(ii) this Notice will advise you of the voluntary 403(b) Program established and maintained for the benefit of all employees.

### **Take Advantage Now**

You have the opportunity to save for retirement by participating in your employer's 403(b) plan. We recommend that all employees review the following 403(b) information. If there are any questions, you may contact First Financial Administrators at 1-800-523-8422.

**Eligibility** - All employees who are employed by the Employer, including full and part-time employees.

### **How Can I Participate?**

You can participate in the Plan with pre-tax or after-tax Roth contributions (if your employer's plan allows) by completing and submitting a Salary Reduction Agreement (SRA) form to First Financial Administrators either by fax to 1-866-265-4594 or by mail at PO Box 670329, Houston, TX 77267-0329 after your agent has established an account for you with an approved 403(b) provider.

### **How Much Can I Contribute Annually?**

You may contribute up to \$18,500 in 2018; this amount is subject to change annually. If you are at least 50 years old, you may also be able to make additional catch-up contributions of \$6000. For appropriate limits for your particular circumstances, please contact First Financial Administrators' Retirement Services Department at 1-800-523-8422.

### **What If I Already Have an Account?**

If you are already contributing to the Plan, and you want to change your contribution amount or service provider, simply complete a new SRA. If you are changing service providers, please make sure your agent has established a new account with the new provider. See directions above for SRA submission options.

**Rollovers:** (If your plan allows) You may also rollover funds from another employer's plan if you receive an eligible rollover distribution.

**Plan Investment Options** - Your contributions to the 403(b) Plan must be made to an investment provider approved by your Employer. Before enrolling in the plan, you must first establish an account with one of the Providers listed. Once you have executed an investment contract and established an account, you can begin making contributions.

### **How Can I Get More Information?**

You can receive assistance with these provisions by contacting the plan's Third Party Administrator, First Financial Administrator, Inc. Additional information about the provisions and options in your plan are available by contacting First Financial Administrators at (800) 523-8422 or from the plan's web site, [www.ffga.com](http://www.ffga.com).

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The following are some guidelines to assist you with your decisions. Note that any changes you make now will continue, unless a new SRA is submitted. So please review IRS changes to the contribution limits for 2019 and re-adjust your contribution accordingly.

### 403(b) Retirement Plan

The tax structure of a 403(b) is similar to 401k. As you make contributions through your salary, on a pre-tax basis, they attract interest. It is when you start receiving monthly payments from the plan on maturity that you are required to pay taxes, just like any other ordinary income. This is why 403(b) is also known as Tax Sheltered Annuity (TSA). This plan is popular among non-profit organizations, and employers opt for it, as it is exempt from Employer Retirement Income Security Act which allows the employer to offer this plan to all employees.

### 457(b) Retirement Plan

A 457(b) is a retirement benefit plan that is open for mostly government sector employees. The employer may offer this plan which is also similar to a 401k. The contributions made by an employee are exempt from tax until the employee receives a benefit from the plan, this is also known as a tax deferred plan. But unlike 401k or 403b, there is no penalty for withdrawal before the age of 59 ½ (subject to a qualifying event under 457(b) provisions). However, the amount withdrawn is subject to ordinary taxation. This plan allows employees to save a part of their income without paying tax on contributions, or the earnings that accrue in the form of interest, until funds are distributed from the plan based on a qualifying event.

### Difference between 403(b) and 457(b)

*Both are tax deferred plans.*

*In 457(b), there is no minimum retirement age which means there is not a 10% penalty upon withdrawal of money based on a qualifying event. An early withdrawal penalty does apply to both 403(b) and 401k plans.*

*What is notable is that if an employer offers both 457(b) and 403(b), an employee can choose to contribute to both from his salary.*

*While under 403(b), an employee can withdraw money for hardship circumstances such as buying a home or for the education of himself or a qualified dependent. Such withdrawals are not allowed under the unforeseen emergency provisions of a 457(b) plan.*

**Questions?** Contact First Financial at  
(800) 523-8422 or visit us at [www.ffga.com](http://www.ffga.com).

