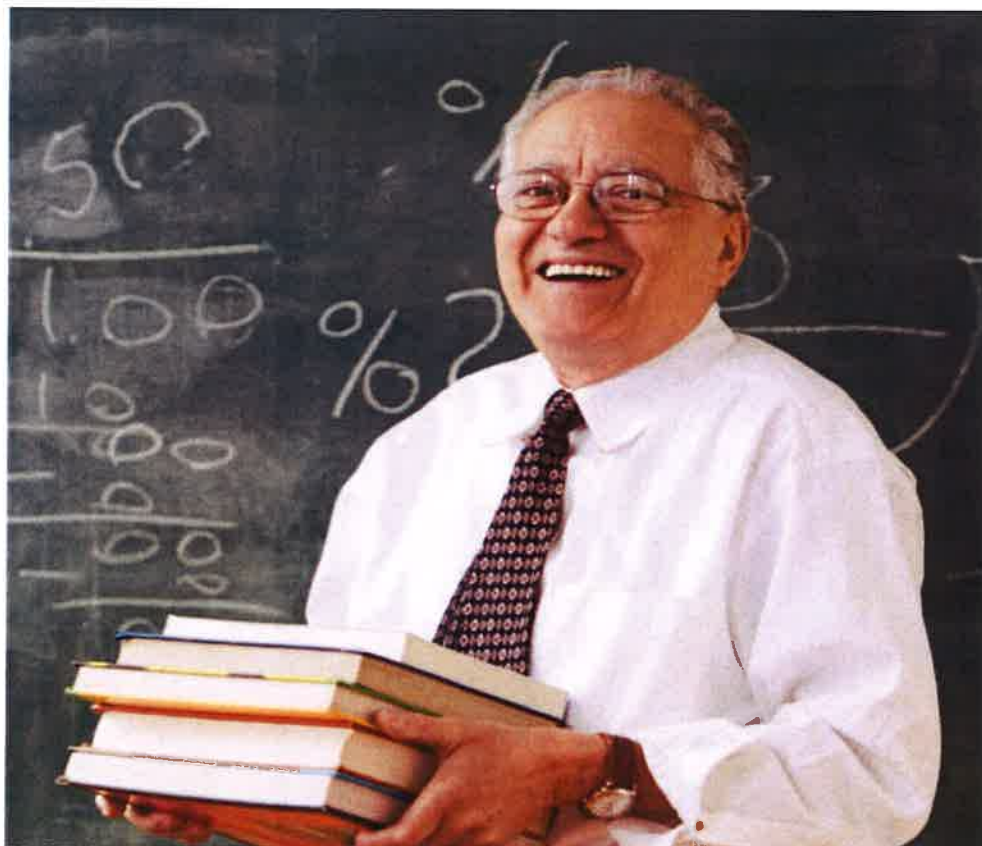


# Your Voluntary Retirement Plans 403b and ROTH 403b



**CREDO HIGH SCHOOL**  
**403(b) Plan Approved Vendor Listings**  
**As of August 1, 2024**

**Approved vendors that have signed an ISA:**

- |                                     |   |
|-------------------------------------|---|
| 1) <b>ASPIRE Financial</b> (#1967)  | 2) <b>National Life Group – LSW</b> (#1036) |
| 3) <b>CalSTRS Pension 2</b> (#1097) | 4) <b>Security Benefit</b> (#1022)          |
| 5) <b>TIAA-CREF</b> (#1203)         | 6) <b>Vanguard</b> (#1102)                  |

**ASPIRE Financial:** Money will be invested with American Funds, and other mutual funds. A liquid fixed interest account is offered. Financial Advisor assistance may be opted for to open account and recommend the right fund investments for you. Total fees including recordkeeping average 1.25% . There is an annual fee of \$40. Purchase of Funds have no Loads or Deferred Sales charges. Online access and statements through ASPIRE. \$20 of TPA fee is covered.

**CalSTRS Pension 2:** Money may be invested in multiple mutual funds. Mutual funds include: PIMCO, Dodge & Cox, Vanguard and others. For a fee of .65% financial consulting may be opted for. Funds fees, including recordkeeping cost .25%. No annual fee. Purchase of Funds have no Loads or Deferred Sales charges. A money market account is available. Online access and statements are provided. TPA fee are not covered.

**National Life Group & Security Benefit:** Money will be invested in a fixed annuity or indexed annuity. Advisor assistance is required to open the account. The Fixed annuity and Indexed annuities offer you a principal preservation that pays you interest, with no fees. Accounts requires a surrender period that limits your access to the funds without penalty. Interest Rates can and do change often based on market conditions. TPA fees are covered.

**TIAA-CREFF & Vanguard:** Money will be invested in mutual funds. Funds fees including recordkeeping average .95%. There are no loads or deferred sales charges. A money market account is available. Online access. TPA fees are not covered.

**Scan this QR for Quick Access to your 403b Plan Resources:**



**For Plan Support, Investment Options & Education, Please Call:**

**Glen V. Guglielmina**  
**707-225-2251**

Securities Offered Through Arkadios Capital, Member FINRA/SIPC CA. Lic. #0E43727

# CREDO High School - 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 CHS. Every CHS 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 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 \$22,500 in 2024 (adjusted annually for cost of living) in pre-tax salary or deferred compensation. Employees who are 50 years old are able to contribute more of their income under the special catch-up provision, \$7,500 for 2024.

## **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 CHS'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 support by calling 707-225-2251.

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. CHS 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.

### **Transactions & Approval**

Once you have opened a 403(b) account you will at some time 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 NBS, the Plan's Third Party Administrator. They can be accessed through their website: <https://www.nbsbenefits.com/> or by calling 800-274-0503.

Note: Distributions from these types of accounts normally require a qualifying event. This includes: death, retirement, age 59 ½ years old or separation from service. Hardship withdrawals are available in the event of a financial hardship. Please consult with your tax advisor regarding these provisions. Loans are permissible under the Plan if your contract allows for it up to \$50,000 or 50% of the account balance. Certain loan restrictions are applicable. You may transfer or rollover other tax qualified account balances into or out of your 403(b) account, subject to distribution plan rules.

### **IRS Early Withdrawal Penalties:**

The IRS may assess a 10% early distribution penalty in the event a distribution takes place prior to your age of 59 ½ years old. There are waivers to this penalty, but generally it will be assessed. Please consult with your tax advisor for information regarding this penalty. All distributions are considered taxable income by the IRS in the year they are taken.

Use this QR to reach your Exclusive 403b Plan Resource Portal



\* Glen Guglielmina is our 403(b) Plan Support person. He is also an Investment Advisor and works with 403b Plans, Retirement Accounts, Estate Planning and Tax Planning for Individuals and Employers. If you have questions regarding your 403b, IRA, 401k, 457b accounts; you may call him at TF# 888-763-2252.

All securities are subject to risk and fluctuation in value. Past performance is no guarantee of future results. Read the prospectus carefully before any investment.

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CA Insurance Lic. # 0E43727

## **Investment Products Available in a 403(b)**

There are two categories of investment products available: 403(b)(7) custodial account made up of mutual funds and annuity products.

### **MUTUAL FUNDS**

A mutual fund is an investment that pools money from many participants and invests in stocks, bonds, short-term money-market instruments or some combination of the three. The combined holdings of stocks, bonds, or other assets that the fund owns are known as its portfolio. Each investor in the fund owns shares, which represent a part of these holdings. There are two kinds of mutual funds: loaded mutual funds and no-load mutual funds. A load is a commission the investor must pay in order to purchase and/or to sell that fund. All mutual funds have operating costs. Mutual funds are securities regulated by the Securities and Exchange Commission (SEC) but are not guaranteed or insured by the Federal Deposit Insurance Company (FDIC).

### **FIXED ANNUITIES**

A fixed annuity works much like a certificate of deposit but is not insured by the Federal Deposit Insurance Company (FDIC). Generally, investors are given two interest rates: the current rate and the guaranteed rate. The current rate is the return that the insurance company promises to pay for a set period of time, typically between one and five years. The guaranteed rate, usually lower, is the minimum rate that investors will likely receive after the current rate expires, regardless of market conditions.

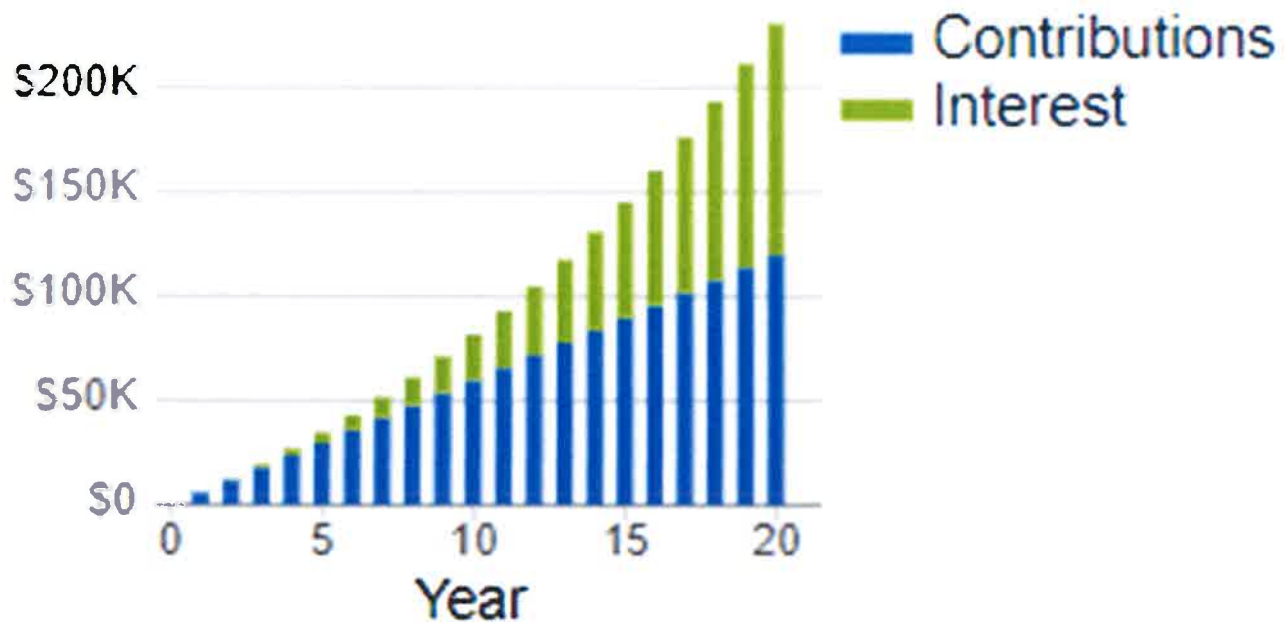
### **EQUITY INDEXED ANNUITIES**

Also known as a Fixed Indexed Annuity or an Indexed Linked Annuity, this product is sub-class of the fixed annuity. Interest in an Equity Indexed Annuity is linked to a market index such as the S & P 500, the Dow Jones Industrial Average, or the NASDAQ. A participant's money is not actually invested in the index. Instead, the interest rate paid is determined by a formula created by the insurance company that is tied to a market index. This product is not insured by the Federal Deposit Insurance Company (FDIC). There have been numerous warnings about the cost and suitability of these products.

### **VARIABLE ANNUITIES**

A variable annuity offers a range of investment options, such as mutual funds that invest in stocks, bonds, short-term money-market instruments or some combination of the three. These investment options are referred to as the sub account. The value of the investment will vary depending on the performance of the investments in the sub account. There is usually a death benefit that will pay a beneficiary the greater of the account value or a guaranteed minimum amount, such as total purchase payments. Variable annuities are securities regulated by the Securities and Exchange Commission (SEC) but are not guaranteed or insured by the Federal Deposit Insurance Company (FDIC).

## \$231,000 Value of \$500/month for 20 years at 6%



Starting Amount is \$0

Investment Period is 20 Years

Rate of Return is 6%, Compounded Monthly

Monthly Contribution is \$500 for 12 months/year

### Variables involved

For any typical financial investment, there are four crucial elements that make up the investment.

- **Return rate** – For many investors, this is what matters most. On the surface, it appears as a plain percentage, but it is the cold, hard number used to compare the attractiveness of various sorts of financial investments.
- **Starting amount** – Sometimes called the principal, this is the amount apparent at the inception of the investment. In practical investing terms, it can be a large amount saved up for a home, an inheritance, or the purchase price of a quantity of gold.
- **Investment length** – The length of the life of the investment. Generally, the longer the investment, the riskier it becomes due to the unforeseeable future. Normally, the more periods involved in an investment, the more compounding of return is accrued and the greater the rewards.
- **Monthly Contribution** – The amount you contribute monthly.

<https://www.calculator.net/investment-calculator.html?ctype=endamount&ctargetamountv=1%2C000%2C000&cstartingprinciplev=0&cyears=20&cinterestratev=6&ccompound=monthly&ccontributeamountv=500&cadditionat1=end&ciadditionat1=monthly&printit=0&x=Calculate#calresult>