Town of North Attleborough MASSACHUSETTS

BENCOR OBRA Plan Overview

The BENCOR 457(b) OBRA Plan is a qualified retirement plan under Federal tax law that covers part-time, seasonal and temporary employees of the Town. The Plan provides an alternative benefit to Social Security and exempts you from FICA (Social Security) payroll taxes. You continue to pay Medicare taxes on your wages. Enrollment in the Plan is automatic for every employee who works in a position covered by the Plan.

How much is contributed? An amount equal to 7.5% of your wages is contributed on a *pre-tax basis* (for income tax purposes) to a Plan account in your name. You will not have to pay Social Security taxes on your wages while you are eligible for and participating in the Plan.

What should I do to set up my Plan account? Your employer establishes your Plan account for you. Once your account is created, you should log on to your account at www.bencorplans.com to:

1) select your statement delivery preference (electronic/paper) under **Statements/Forms**;
2) designate the person(s) who should receive the funds in your account in the event of your death by using the **Beneficiaries link** under the **gear icon**; and
3) make an investment election under ***Investments***.

What are the options for investment of my account? The Plan offers different investment options in which you may choose to invest amounts contributed to your account. The options are listed and described on the website. If you do not choose investment options, your account will be invested automatically in your Plan's default option, which may or may not be the best option for your circumstances. Therefore, it is important for you to log on to your account at www.bencorplans.com as soon as possible to obtain information about all the available investments and choose the options that are appropriate for your own objectives and preferences.

Can I withdraw money from my account? Your account is always 100% vested and belongs only to you. The balance of your account will be available after your termination of employment, retirement or total disability. In the case of your death, the beneficiary or beneficiaries you name under the Plan will be able to withdraw your account balance. Funds may be withdrawn as a lump sum cash distribution, which is taxable for the year of withdrawal, or as a direct rollover to an IRA or other eligible retirement plan, which defers your income tax obligation. To request a withdrawal, log on to your account at www.bencorplans.com and submit your request electronically. Additional information about income taxes and rollovers is provided online.

Your account is subject to the IRS Required Minimum Distribution rules after you reach age 72 or retire, whichever is later, or following your death, if earlier.

Will I receive account statements? Annual statements showing your account activity, including beginning balance, contributions made, investment results and ending balance, are provided to you after the close of each calendar year. You may generate a statement on demand at any time by logging in to your account.

Are there any fees? The only fee charged to your account is a monthly administrative fee. Currently, the administrative fee is $1.17 per month.

How can I get more information? To log on to your account for Plan and account information, go to www.bencorplans.com. After creating your account and logging on, select Support from the menu to chat with a BENCOR Customer Service Representative, or dial a BENCOR Customer Service Representative at 866-296-9712. Representatives are available Monday – Friday, 9:00 a.m. through 6:00 p.m., Eastern Time.

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