

**Comparison of Osseo Public School District's 403(b) Plan and Minnesota State  
Deferred Compensation 457(b) Plan**

**C O N T R I B U T I O N S**

	<b>Osseo Public School District's 403(b)</b>	<b>Minnesota State Deferred Compensation Plan 457(b)</b>
<b>Salary Reduction Agreement</b>	A participant may make, modify, or revoke a salary reduction election at any time before the compensation to which it relates would otherwise become payable.	For new employees, to defer compensation payable during the first month of employment, the deferral agreement must be entered into on or before the first day the participant performs services for the employer.  Existing employees may make, modify, or revoke a deferral agreement before the first day of the month in which the compensation deferred is paid or made available.
<b>Employer Match</b>	Minnesota state law allows an employer to match employee contributions up to one-half (1/2) of the permitted elective deferral to the plan per year. For 2010, the maximum matching contribution is \$8,250. Check your employee contract for actual employer match amount.	Minnesota state law allows an employer to match employee contributions up to one-half (1/2) of the permitted elective deferral to the plan per year. For 2010, the maximum matching contribution is \$8,250. Check your employee contract for actual employer match amount.
<b>2010 Basic Contribution Limit (without catch up contributions)</b>	Lesser of 100% of includible compensation or \$16,500 (indexed).  Applies only to employee contributions.	Lesser of 100% of includible compensation or \$16,500 (indexed).  Applies to employee contributions and employer matching contributions.
<b>15 Years of Service Catch Up</b>	Employees with 15 or more years of full-time service may contribute an additional amount up to lesser of: 1) \$3,000, or 2) Amount equal to years of service with District times \$5,000, minus total of voluntary contributions made to plan through District in prior years.  The maximum for this type of catch-up is \$15,000.	N/A
<b>Last Three Years Catch Up</b>	N/A	During final 3 years of service before the normal retirement age (typically 65-66), the basic contribution limit is increased to the lesser of: 1) Twice the contribution limit in effect for year (e.g., \$33,000 in 2010), or 2) Contribution limit in effect for year (e.g., \$16,500 for 2010) plus unused contribution limit amounts from prior years.  In last three years before normal retirement age, participant may take greater of last three years catch up or age 50 or older catch up, but not both.
<b>Age 50 or Older Catch Up</b>	Participants who are 50 or older may contribute an additional amount up to \$5,500 (indexed) per year.  Applies in addition to catch up contribution for participants with 15 years of service.	Participants who are 50 or older may contribution an additional amount up to \$5,500 (indexed) per year.  In last three years before normal retirement age, participant may take greater of last three years catch up or age 50 or older catch up, but not both.

**Note:** Contribution limits for each plan do not offset each other. Accordingly, an employee participating in both plans may contribute maximum amount to each plan.

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**D I S T R I B U T I O N S**

	<b>Osseo Public School District's 403(b)</b>	<b>Minnesota State Deferred Compensation Plan 457(b)</b>
<b>Loans</b>	Available	No
<b>Portability</b>	Rollovers to and from 401(k), 401(a), 403(b), governmental sponsored 457(b) plans, and IRAs are usually available. Check with the plan administrator of both plans before attempting to rollover funds. If rolled into 457(b), early withdrawal restrictions outlined below still apply.	Rollovers to and from 401(k), 401(a), 403(b), governmental sponsored 457(b) plans, and IRAs are usually available. To make a rollover out of the Minnesota State Deferred Compensation Plan, an individual must be separated from employment. Check with the plan administrator of both plans before attempting to rollover funds. If rolled into other plans (e.g., 403(b)), early withdrawal restrictions outlined below will apply.
<b>Withdrawals While Employed</b>	<p>Permitted:</p> <ol style="list-style-type: none"> <li>1) After attaining age 59 ½ (only in limited cases)</li> <li>2) In event of disability</li> <li>3) For hardship – e.g., home foreclosure, unreimbursed medical expenses, major property loss, purchase of a principal residence, funeral expenses, and payment of education expenses.</li> </ol> <p>Pre-59 ½ withdrawals for hardship may be subject to 10% IRS penalty.</p> <p>Following distribution for hardship, must cease contributions for 6 months.</p>	<p>Permitted in event of:</p> <ol style="list-style-type: none"> <li>1) Unforeseeable emergency – e.g., bankruptcy, home foreclosure, unreimbursed medical expenses, disability, and major property loss.</li> <li>2) Distribution of entire account balance if account is \$5,000 or less, no deferrals made within 2 years prior to distribution, and no similar prior distributions.</li> <li>3) Distribution of assets rolled into the plan.</li> </ol> <p>No 10% penalty tax applies to these withdrawals, regardless of age.</p> <p>Following distribution for unforeseeable emergency, must cease contributions for 6 months.</p>
<b>Withdrawals After Separation from Service or Retirement</b>	Pre-59 ½ withdrawals may be subject to 10% IRS penalty tax. Certain exceptions apply. After 59 ½, full or partial withdrawals may be made without penalty; or funds may be left in account without action until 70 ½, at which time some form of scheduled withdrawal must begin.	At the election of the Participant, payments may begin as early as 30 days following separation without penalty; or funds may be left in account without action until 70 ½, at which time some form of scheduled withdrawal must begin.
<b>Payout Options</b>	<ol style="list-style-type: none"> <li>1) Full or partial lump sum</li> <li>2) Installment payment</li> <li>3) Annuity payments</li> </ol> <p>Also subject to minimum required distributions at age 70 ½.</p>	<ol style="list-style-type: none"> <li>1) Full or partial lump sum</li> <li>2) Installment payments</li> <li>3) Annuity payments</li> </ol> <p>Also subject to minimum required distributions at age 70 ½.</p>

**MISCELLANEOUS**

	<b>Osseo Public School District's 403(b)</b>	<b>Minnesota State Deferred Compensation Plan 457(b)</b>
<b>Payroll Taxes</b>	FICA and FUTA apply to employee elective deferrals only, not to employer matching contributions.	FICA and FUTA apply to all contributions, whether employee elective deferrals or employer matching contributions.
<b>Administrative Charges</b>	Fund operating expenses, which vary based on the investments selected (charged before account values are determined) plus administrative fees collected by MetLife from a participant's account in the amount of 0.20% of account value.	Fund operating expenses, which vary based on the investments selected (charged before account values are determined) plus an annual administrative fee collected by the State from a participant's account in the amount of 0.07% of account value, up to a maximum of \$70 per year.