

Clemson University
Supplemental Retirement Plan Options 401(k), 403(b), 457

Tax Year:	2008	2009
Regular Contributions: 401(k) & 403(b) Coordinated Limit 457 Not Coordinated	\$15,500 \$15,500	\$16,500 \$16,500
Catch-up Contributions: 401(k) & 403(b) Over age 50 Coordinated Limit 457 Over age 50 Not Coordinated 457 Within 3 years of Retirement-Special Eligibility Rules and Calculation Apply	Possible \$5,000 \$5,000 \$15,500	Possible \$5,500 \$5,500 \$16,500

Eligibility: All Clemson University employees may participate in the supplemental retirement plans, except those in student employment positions.

Company Listing: The company listing may be obtained from the Payroll & Benefits website or by contacting the Benefits Office at 864-656-2713. Annuity companies and representatives have met CU's enrollment requirements by being licensed with The SC Department of Insurance and by having 10 or more employees enrolled in payroll deduction for the supplemental retirement plan they represent. The 401k, 457, and 403b plans have met IRS requirements. The University neither endorses nor recommends one investment vehicle over another. Additional companies may be added as space permits in the CU computer system and as long as the companies meet all the requirements which include being able to accept and track employee and employer contributions separately. New additions also require that a company agent be available to complete enrollment paperwork and the CU Request for Reduction in Salary form for annuity transactions.

Enrollment, changes, or cancellations of contributions: Employees need to use the SC Deferred Comp web site address or 800 number for 401k and/or 457 transactions. Employees need to contact the appropriate representative from the company listing to start, change or cancel their 403b deferrals at Clemson University. If there is not an agent listed, employees may contact the CU Benefits office for assistance to start, change or cancel deferrals. The effective date of an annuity is the first day of the month immediately following the month in which the first payroll deductions are made.

Deferral Limits: The maximum amount which can be diverted is determined by Internal Revenue Service regulations. It is the responsibility of the participating employee and 401k, 403b, 457 company handling the contract to make certain the authorized maximum is not exceeded. Total compensation (gross before salary reduction) is subject to contributions to the South Carolina Retirement Systems and to prescribed deductions for Social Security or Federal Retirement. Please reference the Supplemental Retirement Plan Options Chart for limits.

Deadlines: Forms for enrollments, changes, and cancellations received at the Clemson University Benefit's Office by the 15th of the month are processed the first check date of the following month. This deadline maybe adjusted when the payroll process is accelerated due to holidays (i.e. Forms with an effective date for the first check of January must be received no later than Dec. 1st). Special requests for hardship situations may be considered.

Payroll Deduction Schedule:

9 Month Employees (16 deferrals allowed annually: Jan thru April, & Sept thru Dec 1st & 2nd check dates)

12 Month Employees (24 deferrals allowed annually: Jan thru Dec 1st & 2nd check dates)

Rollovers: Rollovers in and out of 401(k), 403(b), and 457 plans may be allowed. Employees need to discuss distribution rules and impact on their account with the company they are rolling the money from and the company accepting the rollover.

403b Plan Document: In accordance with IRS regulations effective 01/01/2009, Clemson University has adopted a 403b Plan Document. Under the plan, loans and financial hardship distributions are **not** permitted.

Purchasing Service Credit: Employees may use money in 401(k), 403(b), and 457 plans to purchase eligible service credit as defined by SCRS/PORS guidelines.

Tax Information: Possible tax credits are available for contributions made to IRA, 401(k), 403(b), or 457 plans. Employees should discuss tax credits and IRA limits with their tax consultant. No Federal or State income tax is payable on the amount of salary that is "diverted" for the purchase of an annuity until the proceeds are received. Annuity payments are "reportable income" in the year(s) received for both Federal and State Income. Any portion of annuity contract payments which includes an amount of life insurance premium payments does not qualify for tax-deferred treatment under Internal Revenue Service regulations, and the amount of the cost of life insurance is "reportable income" for tax purposes. It is the responsibility of the insurance company to furnish Clemson University (the employer) the "cost of life insurance" in order that it be reported on the employee's Form W-2 each year

This document is for informational purposes only and is provided with the understanding that Clemson University is not rendering legal/tax/investment advice. If such advice is desired, employees should consult their independent legal counsel, tax consultant, and/or financial planner.