your future is in your hands

Planning for retirement used to be a simple matter. Work until age 65, begin receiving retirement benefits, and enjoy the worry-free days of retirement. This was the dream of the average worker.

The real world is quite a different story. Most of today's retirees find that Social Security alone isn't enough to make ends meet. And many have no other retirement savings to speak of. Thus, too many people spend what they had hoped would be a comfortable retirement struggling to put food on the table or a roof over their heads. For them, retirement can be a financial nightmare.

These people have learned the hard way that Social Security by itself cannot be counted on to provide a secure retirement. Most end up regretting not having put more money away when they were working.

The simple fact is this: To obtain the money you'll need for a financially secure retirement, you have to take matters into your own hands. You need to put money aside now for the years ahead.

No matter whether you have 20, 30, or more years before retirement or whether retirement is just around the corner, your retirement security is something to think about today.

On the following pages, we show you why saving regularly for retirement and starting as soon as you can are two of the most important things you can do for yourself and your future. We also show you an easy way to put money away for the time when you stop working — and how you can develop an investment strategy that can help you meet your personal retirement savings goals.

do you believe these retirement myths?

- **Social Security will be enough for me.** Social Security is providing a smaller percentage of most retirees' financial needs than in the past. According to a recent study, Social Security provides only 37% of the total income of those age 65 or older.*

- **I won't need much when I retire.** Older people are generally in better health than ever before. Many retirees have very active lifestyles — and need the money to pay for them. So while some expenses (such as commuting costs) will go down in retirement, others (like travel and entertainment) might go up.

- **I'll only be retired a short time.** People are living longer these days. And they're retiring earlier. As a result, your retirement may last almost as long as your working years. Most people should plan to have a retirement income that will last at least 15 years, and probably a lot more.

- **I've got plenty of time to save for retirement.** Probably not. Most people underestimate how much they'll need to save to provide an adequate retirement income. The earlier you start to save, the less you'll have to save each month to accumulate the money you'll need.

* Social Security Administration, 2007

401(k) — your retirement savings opportunity

Your employer offers you one of the most effective ways to put money aside for retirement: a tax-favored retirement savings plan called a “401(k) plan.” Investing for retirement through a 401(k) plan provides you with many benefits.

- **Tax-advantaged contributions.** Salary deferral contributions are not currently taxable. Your income-tax bill will be lower.
- **Tax-deferred earnings.** Any investment income the retirement plan contributions earn avoids current income taxes. Contributions and any earnings are taxed only when you withdraw them from the plan.
- **Convenient savings.** Saving money through the plan is easy. Contributions are deducted from your pay automatically on a pretax basis.
- **Individualized investment program.** You can control your plan investment choices. You can arrange your plan investments in a way that best fits your personal needs. And you can change your investment choices as your situation requires.

Most employers require employees to decide how much to contribute to the 401(k) plan and how those contributions should be invested. Other employers “automatically enroll” employees in the plan at a specified contribution rate. If no investment choice is made, the money will be invested in a default investment. Check the plan highlights in this booklet to see how your plan handles enrollment.

helping yourself to future security

You hold the key to a successful retirement. By saving through a 401(k) plan, you can add significantly to the nest egg you'll need in the future. Before we discuss the 401(k) plan in more detail, let's look at why saving for retirement now is so important.

Start as Soon as You Can

The longer you wait to put away money for retirement, the harder it will be to save what you need. Here's why the earlier you begin saving, the better off you will be:

- Starting early gives your money more time to "compound." Compounding is what happens when the investment earnings on your savings are reinvested and earn an investment return of their own.
- It's easier to save a little each pay period throughout your career than a lot at the end of your career.
- You will probably need more money for a comfortable retirement than your parents or grandparents since costs are higher and people are living longer after they retire.

The accompanying chart shows what might happen if plan contributions are started sooner as opposed to later in your career.

the importance of getting an early start

Don didn't start saving in his company's 401(k) retirement plan until he was 45 years old. He contributed $300 a month to the plan for 20 years, a total of $72,000. Maria, however, took advantage of her company's 401(k) retirement plan at age 25. She contributed only $100 a month for 40 years, a total of $48,000. Both Don and Maria retired at age 65. Who do you suppose had more money?

	Amount Invested	# of Years	Investment Return*	Balance at Retirement
Don	$300 per month	20 years	8%	$176,706
Maria	$100 per month	40 years	8%	$349,101

Because Maria started early, she ended up with far more than Don, even though he contributed three times as much per month and more overall. As you can see, it is important to start saving for retirement early in your career.

* These hypothetical investment returns are for illustrative purposes only and assume reinvestment of earnings. Actual returns and principal values will vary. Balances shown are before reduction for taxes.

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how your 401(k) plan can help you get there

A 401(k) plan lets you save a portion of each paycheck through pretax payroll deduction. The amount contributed is placed in a separate plan account for your benefit.

Contributing to a 401(k) plan is a very efficient way of saving for retirement. You don't have to do anything special on payday. Your contribution is automatically deducted from your pay and put into the plan by your employer. Your money goes to work for you before you even see it (or have a chance to spend it).

Moreover, your savings plan is flexible. You don't lock yourself into the decisions you make today. You may periodically change the amount you contribute to the plan and select different investments as your needs change.

Your retirement savings plan also offers significant tax benefits. Your contributions are removed from your pay before federal (and, in most cases, state) taxes are deducted, so you'll owe no income taxes on the money while

the spendable pay advantage

Arlene earns $25,000 a year and she wants to save 5% of her pay — or $1,250. She files a joint return with her husband, and they are in a 25% income-tax bracket. Here is a comparison showing how contributing through a 401(k) plan, as opposed to saving in a traditional after-tax savings account, can result in more spending money for Arlene.

	Retirement Savings Through 401(k) Plan	Taxable Savings Outside Plan
Gross Pay	$25,000	$25,000
Less: 401(k) Contribution	1,250	0
Taxable Pay	$23,750	$25,000
Less: U.S. Income Taxes	5,938	6,250
Less: FICA Tax (7.65% of gross pay)	1,913	1,913
Less: Non-401(k) Savings	0	1,250
Spendable Pay	$15,899	$15,587
Increase in Spendable Pay	**$312**	

it is kept in the plan. And there are no current income taxes on the investment earnings your contributions generate. Taxes are due only when you withdraw money from the plan. This feature is called "tax deferral." The benefit: You pay less in current income taxes than you would if you saved in a taxable investment. That could mean more spendable pay for you.

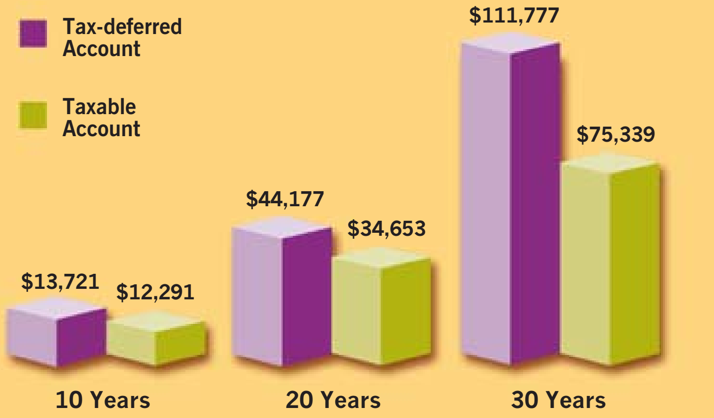
Also, by "deferring" taxes in this way, you can compound any plan earnings without having those earnings reduced for taxes. Money that's not taxed currently generally grows faster than money that is taxed. This can mean a big difference in how much you'll have accumulated at retirement. Take a look at the graph at the right.

Summary

Your 401(k) contributions offer you the possibility of:

- Higher spendable pay NOW
- More retirement income dollars LATER

how tax deferral can boost your retirement savings



Assume:

- $1,200 annual 401(k) plan contribution.
- $900 (amount remaining after paying tax on $1,200) is invested in a taxable savings program. Earnings on the taxable investment are taxed annually.
- Both the taxable savings program and the 401(k) plan earn 8% annually.*
- The employee is in a 25% income-tax bracket.

* This chart is only an illustration and is not intended to predict or guarantee the performance of any particular investment. Actual returns and principal values will fluctuate. The 401(k) plan balances shown reflect a reduction for ordinary income tax at 25% payable at the time the money is withdrawn from the plan.

five steps to investing for your future

You have read about the importance of saving money for your retirement and how your 401(k) plan can help. Now, you need to make two key decisions: how much of your pay you should save and which plan investment options you will choose. The simple steps on the following pages will help you to:

- Estimate the amount you need to save,
- Review your investment options,
- Evaluate your investor profile,
- Decide how you will invest your savings, and
- Put your plan in place.

When you finish, you should be ready to take full advantage of your employer's 401(k) plan.

step 1 assess your needs

Everyone's financial situation is different. You need to have a clear picture of where you stand now before you can make plans for the future. As you complete this step, you'll gather facts about your current finances — both your income and your assets. You'll then combine those facts with some assumptions to set personal savings goals.

You Could Need a Large Income During Retirement

Many people assume they will need much less income to live on after they retire. While it's true that you won't have certain expenses after you stop working (like commuting expenses), you probably won't be able to cut back as much as you might expect because new expenses will take their place. Retirees usually need from 70% to 80% of their preretirement income to live comfortably.

Sources of Retirement Income

Most people receive retirement income from several sources.

- Personal savings and investments, including amounts saved in retirement plans sponsored by employers
- Social Security
- Pensions provided by employers
- Earnings from continuing work

Social Security currently provides *less than half* of the average American's retirement income. And, because pension plans are not as common as they once were, many employees will not qualify for any pension benefits at all. Building personal savings is therefore critical to your future security.

Invest More for Your Future

You may already have some assets that can serve as a financial base for your retirement. Your employer's plan gives you an additional opportunity to invest for your future. Take advantage of this chance to put money aside in a tax-advantaged account while you are working. Your goal should be to accumulate a nest egg large enough to provide the income you will need to support your desired retirement lifestyle.

How Compounding Benefits Retirement Investors

Time is one of your strongest allies when you are investing for retirement because it allows you to take advantage of *compounding* — earning income not only on your original investment, but on your accrued earnings as well. The more time you have to invest, the more you can benefit from the power of compounding.

How much should you be saving for your retirement years? Use the worksheet on the next page to find out.

how much should you save?

Annual income you would need if you retired today	Example	You
Current annual income	$30,000	________
Multiplier	x 80%	________
Estimated income need	$24,000 (a)	________ (a)
Retirement income you expect to receive (annual amounts; don't count income from personal savings and investments)		
Social Security	$8,000	________
Employer's pension	$0	________
Other income	$5,000	________
Total income from other sources	$13,000 (b)	________ (b)
Annual retirement income needed from personal savings and investments		
Subtract (b) from (a)	$11,000	________
Inflation factor from Table A (example assumes 25 years to retirement)	x 2.09	________
Income needed from savings/investments	$22,990	________
Total amount of personal savings and investments needed by retirement time		
Income from savings/investments (above)	$22,990	________
Multiplier (Choose a multiplier from Table B. 12.46 assumes a 20-year retirement period)	x 12.46	________
Targeted total savings/investments	$286,455 (c)	________ (c)
Future value of any assets you now own that may be available for retirement		
Value of the assets today	$10,000	________
Growth factor from Table A	x 6.85	________
Value of the assets at retirement	$68,500 (d)	________ (d)
Amount you should save each month from now until retirement to reach your targeted total		
Difference between (c) and (d)	$217,955	________
Savings factor from Table A	÷ 73.11	________
Amount you should save each year in your employer's plan	$2,981	________
Divide by 12 for monthly savings amount	$248	________

Table A

Years to Retirement	Inflation Factor*	Growth Factor**	Savings Factor**
5	1.16	1.47	5.87
10	1.34	2.16	14.49
15	1.56	3.17	27.15
20	1.81	4.66	45.76
25	2.09	6.85	73.11
30	2.43	10.06	113.28
35	2.81	14.79	172.32
40	3.26	21.72	259.06

Table B

Years in Retirement	Payout Multiplier
10	7.72
15	10.38
20	12.46
25	14.09

Multipliers assume a 5% after-inflation annual return. Your returns will differ.

If this amount seems high, don't be discouraged. You may have to start your savings program with a smaller amount and increase it over time.

* A 3% inflation rate is assumed. Actual inflation will be different.

** An 8% annual investment return is assumed. Future investment returns cannot be predicted and your actual returns and principal value will differ. The example assumes 25 years to retirement.

step 2

review your investment options

Now that you have a better idea of your goals and what it will take to reach them, you are ready to examine the investment options offered by your retirement plan. You should receive specific information about each investment choice from the plan. Before you review that information, however, it will help to have some basic background.

Four Investment Categories

Investments offered by retirement plans generally fall into four groups:

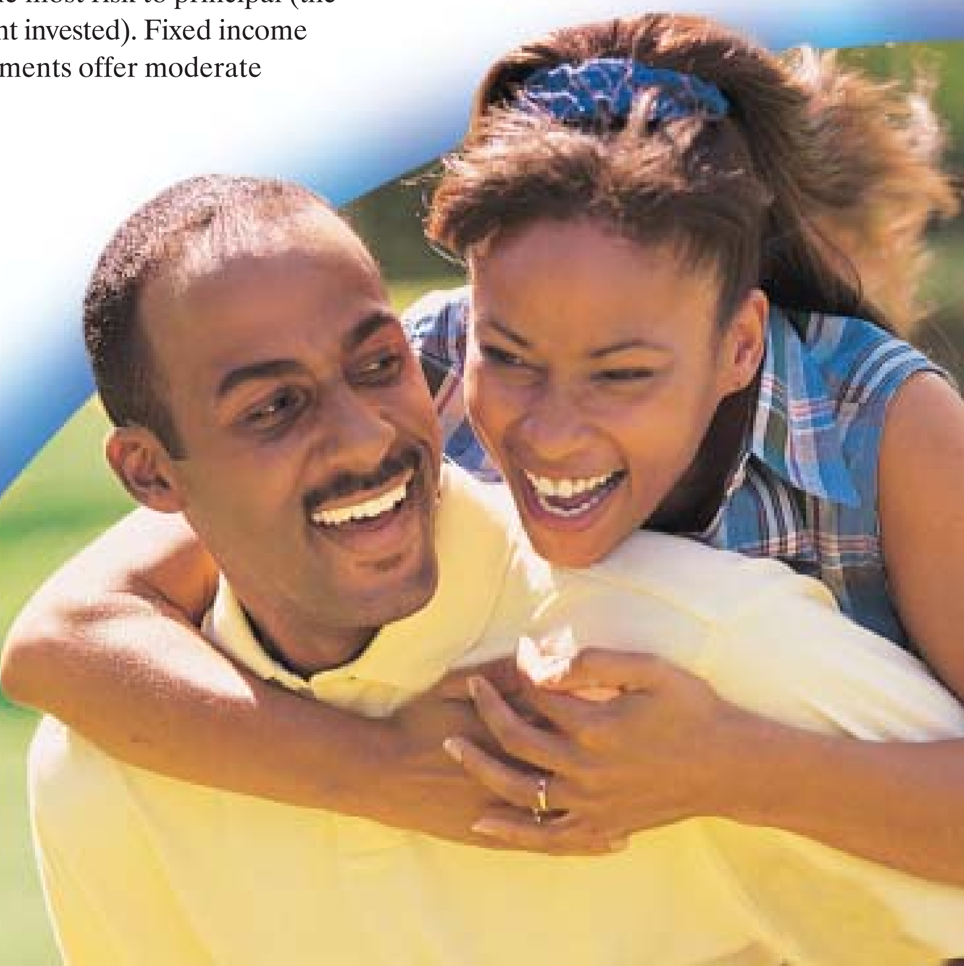
- Equities (stocks)
- Fixed income investments (bonds)
- Stable value investments
- Money market investments (also called "cash equivalents")

The chart on the next page describes the key features of each investment category.

More Risky Investments Have Greater Growth Potential

The more risky an investment, the greater its growth potential usually is. The reason for this is simple. An investor choosing between two investments generally would not choose the riskier of the two unless it offered a chance of earning a higher return. So, to attract investors, riskier investments generally provide more upside potential. The graph on the bottom of the opposite page shows where different investments fall on the risk/return spectrum.

Of the four basic investment groups, equities offer the highest potential investment returns — and the most risk to principal (the amount invested). Fixed income investments offer moderate potential return and less risk of principal loss than equities. Stable value investments offer low risk and returns that historically have been at, or slightly above, inflation. Losing money with money market investments is very unlikely. However, with money market investments, your returns may not be high enough to stay ahead of inflation. In effect, the returns you earn on money market investments may be just enough to maintain your purchasing power as prices rise.



four investment categories

Asset Class	Description	How Investors Make Money	How Investors Lose Money
Equities (Stocks)	When you buy shares of stock in a company, you become one of the owners of the company. Companies sell their stock to investors to raise money.	Stock investors can make a profit by selling their shares for more than the price they paid. Some companies also pay stockholders regular dividends from company earnings and profits.	Investors who sell their shares at a lower price than they paid lose some of their invested money. If the company issuing the stock goes bankrupt, a shareholder could lose the entire amount invested.
Fixed Income (Bonds)	Larger companies, the U.S. government, and various governmental units issue bonds to investors to raise money. When you purchase a bond, you are lending your money to the bond issuer for a certain period.	Bonds pay interest to investors. The interest rate is usually fixed. Another way to make money from a bond is to sell it prior to maturity at a price higher than your purchase price.	If you sell a bond prior to maturity for less than you paid for it, you will lose money. It is possible to lose all the money invested in a bond if the bond issuer has severe financial problems and can't repay the debt.
Stable Value (Guaranteed Investment Contracts)	Offered by corporations, insurers, banks, and other lending institutions, these interest-bearing obligations generally do not fluctuate in value.	Guaranteed investment contracts pay interest to investors at a rate specified in the contract.	It is possible to lose money if the issuer defaults, failing to pay the investor the promised interest or to repay principal.
Money Market (Cash Equivalents)	Money market securities take different forms but are characterized by a very short time to maturity.	Investors receive a set income and are promised a return of their invested principal at the end of the term.	It is possible to lose money if the issuer defaults or returns only a portion of the amount invested.

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step 3 determine your investor profile

Your investment plan will be most successful if it takes into consideration the type of investor you are and your investment time frame. Complete this step to learn more about your risk tolerance and other factors that could affect your investment planning.

How Much Investment Risk Can You Tolerate?

Some individuals are just naturally conservative. The idea of taking any risk at all with their retirement savings is very scary. Other individuals are born risk-takers. They are not happy unless they take chances in almost everything they do. Most people fall somewhere in between these two extremes.

Your Investment Time Frame Is Important in Evaluating Risk

If you expect to work for many more years before you retire, you may be able to take more risk with your investments than someone who expects to retire very soon. The reason: You will have a long time to recover any investment losses that may occur. With only a few years remaining before your retirement date, preserving your retirement savings may take on added importance.

Can You Afford To Take Some Chances?

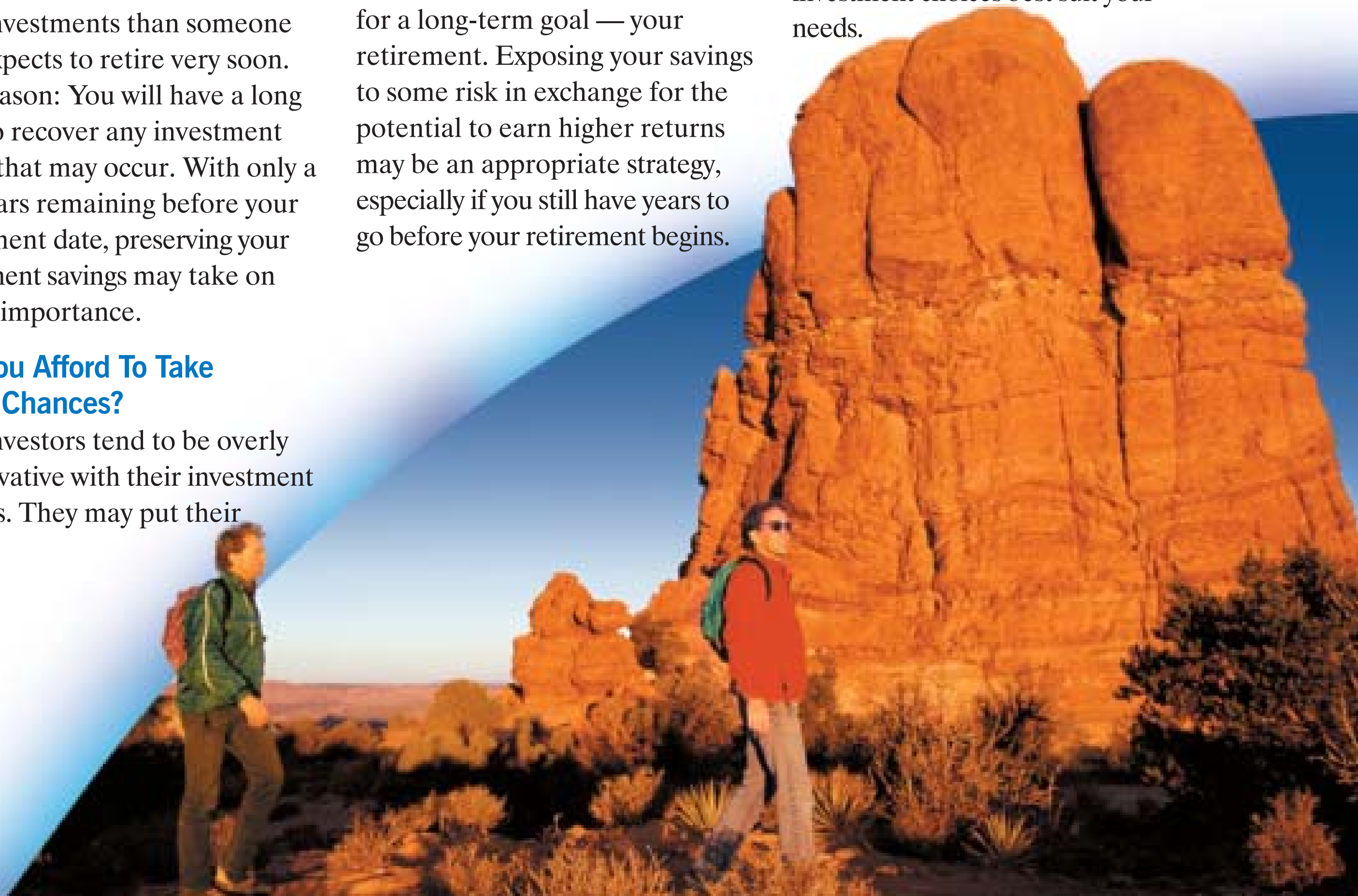
New investors tend to be overly conservative with their investment choices. They may put their money only in what they feel are "safe" investments because they don't want to risk losing any of the money they have invested. However, these "safe" investments usually earn the least over the long haul.

By limiting your investments to only the most conservative choices, you could compromise your ability to live the lifestyle you want during retirement. At a minimum, you want investments that have the potential to grow at a rate faster than inflation.

Remember that you are investing for a long-term goal — your retirement. Exposing your savings to some risk in exchange for the potential to earn higher returns may be an appropriate strategy, especially if you still have years to go before your retirement begins.

As you move closer to your anticipated retirement date, you may decide to adopt a more conservative strategy designed to protect the gains you have earned over the years. However, many financial advisors recommend that individuals keep some stock investments even after they retire to add a growth element to their portfolios.

The quiz on the opposite page is designed to help you better understand the type of investor you are. Your score on the quiz is one tool you can use in deciding which investment choices best suit your needs.



what type of investor are you?

Read the statements below and use the key to rank yourself on a scale from 1 to 5 as to whether you agree or disagree. Circle your choice.

Key

1 = strongly disagree
2 = disagree
3 = neutral
4 = agree
5 = strongly agree

1. To obtain above-average returns on my investments, I am willing to accept above-average risk of investment losses.	1	2	3	4	5
2. Staying ahead of inflation is more important to me than maintaining stable principal values.	1	2	3	4	5
3. If an investment loses money over the course of a year, I can easily resist the temptation to sell it.	1	2	3	4	5
4. I do not plan on withdrawing my retirement money for major expenses before I retire.	1	2	3	4	5
5. I consider myself knowledgeable about economic issues and personal investing.	1	2	3	4	5

Add up the numbers you have circled to see where your score falls on the investor profile.

Investor Profile

5 10 15 20 25

Conservative | **Moderate** | **Aggressive**

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step 4 develop a plan

Your employer's retirement savings plan offers you the opportunity to choose investments from one or more of the basic categories you read about in Step 2. Now that you have evaluated your investor profile, you can decide which investments are most appropriate for you. Some factors you'll want to consider in the selection process are discussed in this section.

Diversification Helps Manage Risk

If you put all your money in one investment, you have to be happy with earning the return that one investment achieves. You'll make out well if the investment performs well. But, if the investment performs poorly, you won't own any other investments that could perform well enough to make up for your loss. For this reason, your plan provides diversified funds or portfolios that hold a mix of individual securities.

How Investment Funds Work

An investment fund (or portfolio) pools the money from many investors and uses it to buy a number of individual securities chosen by the fund's managers. Thus, when you invest in a fund, you are essentially investing in all the securities the fund owns. You achieve "automatic" diversification.

A stock fund, for example, typically holds the stock of numerous companies in many different industries. Because of this diversification, the fund should not suffer a major loss if one of the companies or industries in which it invests has problems. A bond fund may seek similar diversification by investing in bonds with different maturity dates or in bonds of different issuers.

If you invest in more than one fund, each with a different objective, you can increase your diversification. Keep in mind, however, that diversification only helps control risk, it does not eliminate it. Even if your plan investments are well diversified, you may suffer losses.

Your Asset Allocation Will Influence Overall Account Growth

Asset allocation refers to how you spread your money among the basic investment categories — equities, fixed income, stable value, and money market investments. Your asset allocation strategy can have a large impact on the growth of your account over time. In selecting your allocation percentages, you should consider:

- The degree of risk you are willing to take with your investments
- How long you have to invest before retirement

Asset allocation works by ensuring you own different categories of investments, so that when some investments are down, others may be up. The result: a portfolio that should experience less fluctuation in value than the individual assets within the portfolio.

Your asset allocation will probably change over the years; however, the goals of asset allocation will stay the same: to manage investment risk and help you achieve your financial goals.

You can take a look at some allocation examples on the next page.

sample asset allocations: where do you fit?

Conservative	Moderate	Aggressive
Age 20-40	Age 20-40	Age 20-40
Equities 40-60%	Equities 60-75%	Equities 90-100%
Fixed Income 20-40%	Fixed Income 15-25%	Fixed Income 0-10%
Stable Value/Money Market 15-30%	Stable Value/Money Market 10-20%	Stable Value/Money Market 0%
Age 40-55	Age 40-55	Age 40-55
Equities 30-50%	Equities 40-60%	Equities 75-100%
Fixed Income 25-45%	Fixed Income 25-40%	Fixed Income 15-25%
Stable Value/Money Market 25-40%	Stable Value/Money Market 20-30%	Stable Value/Money Market 0%
Age 55-65	Age 55-65	Age 55-65
Equities 0-30%	Equities 30-50%	Equities 50-75%
Fixed Income 40-75%	Fixed Income 40-75%	Fixed Income 25-50%
Stable Value/Money Market 30-40%	Stable Value/Money Market 25-35%	Stable Value/Money Market 0-20%

Note: These allocations are samples only. The proper allocation for your situation may differ. In applying any asset allocation model to your individual situation, you should consider your other assets, income, and investments (for example, your home equity, IRA investments, savings accounts, and other retirement accounts) in addition to the balance in this plan. Your final decision on asset allocation is based on your individual situation, needs, goals, and aversion to risk. If any of these factors change, you should review your investment allocation.

Write a Tentative Allocation for Your Account in the Spaces Below	
Equities (Stocks)	________%
Fixed Income (Bonds)	________%
Stable Value (GICs)	________%
Money Market (Cash Equivalents)	________%
Total	**100%**

step 5 implement your plan

At this point, you've reached the final step. It's time to review the conclusions you reached in the previous steps so you'll be ready to implement your investment plan.

- In Step 1, you estimated the amount of income you may need during retirement. After considering your current assets and other potential sources of retirement income, you set a savings target.
- In Step 2, you found out more about the four basic investment categories: equities, fixed income, stable value, and money market investments. You learned about the relationship between risk and potential return and where different investments fall on the risk/return spectrum.
- In Step 3, you evaluated your personal tolerance for investment risk and decided whether you are a conservative, moderate, or aggressive investor.
- In Step 4, you learned the importance of diversification and asset allocation. You also chose tentative allocation percentages for your retirement investments.

Summarize the results of each step on the next page.

my retirement planning summary

Step 1 **The amount I should save in my employer's plan each month is** .... $_________.

Step 2 **My employer's plan offers investments in these categories (check the categories that apply):**

Equities — Includes stock funds and portfolios; employer stock .... ☐

Fixed Income — Includes bond funds and portfolios .... ☐

Stable Value — Includes guaranteed investment contracts and funds and portfolios holding these investments .... ☐

Money Market — Includes Treasury bills, negotiable certificates of deposit, and similar short-term investments, as well as funds and portfolios holding these securities .... ☐

Step 3 **The description that best fits my investor profile is (check one):**

Conservative .... ☐

Moderate .... ☐

Aggressive .... ☐

Step 4 **My tentative allocation percentages are:**

Equities .... _________%

Fixed Income .... _________%

Stable Value .... _________%

Money Market .... _________%

Note: Total should equal 100%.

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your *next* step

We hope this guide has shown you that investing for your retirement doesn't have to be difficult. By participating in your employer's retirement savings plan, you'll be well on your way to a more secure future. But remember that few things in life ever go exactly as planned. Always review the account information your employer provides. Your retirement plan gives you the flexibility to change your savings amount and investment mix if you want to. Going through the five steps again from time to time may help you decide whether any changes are necessary.

common questions and answers about 401(k) plans

Q. Is there a limit on how much I can contribute to the plan?

A. Yes. The tax law sets a dollar limit on how much pay you can defer each year.

Many plans also have a percentage limit based on compensation. For example, a plan may limit contributions to 10% of eligible compensation. We let you know your contribution limits elsewhere in this enrollment package.

Those age 50 and older may be able to make special "catch-up" contributions once the regular plan limit is reached if their plan allows.

Q. If I leave my job, do I lose the money I put in the plan?

A. No. Your contributions and any plan earnings on those contributions are owned by you. If your employment ends for any reason, the money is yours to take with you.

Q. When may I take money from the plan?

A. Since the plan is a retirement plan, you should leave your money in the plan to use in retirement. Your money can be withdrawn when you retire, terminate employment, or become permanently disabled. You may also be able to withdraw funds under other conditions spelled out in the plan. Check the Plan Highlights section in this booklet for more information on taking money from the plan.

Q. How will I be taxed when I withdraw my money?

A. Under the current federal tax law, amounts withdrawn from your plan account will be taxed to you as ordinary income. (If allowed, any after-tax contributions you make to the plan would be returned to you free of tax.) So, if you withdraw $10,000 of deferrals and earnings from your account in a certain year, you must generally include that amount in your income for tax purposes.

Keep in mind that distributions before age 59½, death, or disability are generally subject to a 10% early withdrawal penalty tax, as well as regular income tax. A number of exceptions apply, however.

You may be able to avoid immediate taxation by transferring your eligible distribution to a "rollover" individual retirement account (IRA) or a new employer's retirement plan. That way, you won't owe any taxes until you make withdrawals from the rollover IRA or plan.

Q. How are my plan contributions invested?

A. If you do nothing about choosing investments, your money will be put into a specified "default investment." But this default investment may not be best for your particular situation. Under the plan, you can have a great deal of control over how your contributions are invested. Your employer's plan provides you several investment choices. You can select the investment or investments that best help meet your personal goals. You may transfer money among these choices as allowed by the plan. See your other enrollment materials for more information on your investment alternatives.

Q. If I participate in the plan and later change my mind, may I stop contributing?

A. Yes. You may stop making contributions to the plan. Just notify the plan administrator as identified in the Summary Plan Description you will receive.

Q. Are my contributions subject to Social Security tax and state income tax?

A. The amount you defer under the plan is considered "wages" for Social Security (FICA) tax purposes. So, unless your pay is higher than the FICA wage base, FICA taxes will be withheld on all your pay, including deferrals. Whether state and local taxes are payable depends on state law. Most states don't tax 401(k) plan deferrals.