



Iowa

## Retirement Investors' Club (RIC)

Look forward to retirement!

# RIC 403b Plan Summary

Third party Administrator (TPA) approval by planwithease is required for most distributions and exchanges/rollovers. Approval is obtained by logging onto the planwithease website at <https://www.planwithease.com/erelius/>. To view your employer's plan elections, visit [https://das.iowa.gov/RIC/403b/plan\\_details](https://das.iowa.gov/RIC/403b/plan_details).

<b>Eligibility requirements</b>	None (Some employers may exclude students and employees working less than 20+ hours/week).
<b>Enrollment</b>	Year-round in most cases – Choose one of the RIC providers and a preferred enrollment method at <a href="https://das.iowa.gov/RIC/403b/providers">https://das.iowa.gov/RIC/403b/providers</a> .
<b>Contributions</b> (pre & post-tax)	<ul style="list-style-type: none"> <li>• Employee contributions - pretax (and Roth if allowed); no monthly minimum; employer may require annual minimum of \$200; IRS annual maximum limits apply</li> <li>• Employer contributions (if available)</li> <li>• Salary reductions may be changed at any time</li> <li>• 15-Year Catch-Up (must have worked for current employer 15+ years and meet other eligibility criteria)</li> </ul>
<b>Rollovers in</b>	If allowed no withdrawal restrictions
<b>Fed &amp; state tax</b>	<ul style="list-style-type: none"> <li>• Pretax contributions and earnings are exempt until taxable distributions are made.</li> <li>• Post-tax Roth (if available) <i>contributions</i> are subject to federal and state income tax when deducted from payroll; <i>earnings</i> grow tax-deferred and are tax-free at distribution if qualified.</li> </ul>
<b>Vesting</b>	No vesting requirement
<b>Investment options</b>	A large selection of diversified investment options is available through RIC. You may change your investment selections online or by phone. There are no fees for moving money between RIC investments. (go to <a href="https://das.iowa.gov/RIC/403b/providers">https://das.iowa.gov/RIC/403b/providers</a> )
<b>Distributions of assets while employed</b> (TPA approval required)	<ul style="list-style-type: none"> <li>• <b>Hardship Withdrawal</b> - Must prove financial hardship; hardships are not allowed on employer funds; possible IRS 10% penalty if taken prior to age 59 ½.</li> <li>• <b>Age 59 ½+</b> – Take partial or total taxable distributions of account balance; planwithease approval not required for RIC active provider accounts</li> <li>• <b>Reservist or national guardsman</b> - Allowed if ordered or called to active duty for period in excess of 179 days, or for indefinite period beginning on the date of the order or call to duty and ending at the close of the active duty period</li> <li>• <b>Loans (if allowed)</b> – Up to the lesser of 50% of account balance or \$50,000; only from providers sharing information with RIC or planwithease; loan repayment terms, interest and fees (such as set-up and maintenance fees) are determined by the provider; contact the provider for details</li> </ul>
<b>Options after separation from employment</b> (TPA approval required)	<ul style="list-style-type: none"> <li>• <b>Remain invested</b> - Distributions are not required until you reach your <a href="#">required beginning date</a>. Assets remain invested without withdrawal restrictions or penalties.</li> <li>• <b>Take payment</b> - Options include total/partial lump sum withdrawals, periodic withdrawals, lifetime payments, or a combination. Pretax assets are taxed as ordinary income-possible IRS 10% penalty before age 59½. Roth <i>contributions</i> are tax-free. Roth <i>earnings</i> are tax-free if qualified (account has been held for at least 5 years and you are either age 59 ½ or older, disabled, or deceased).</li> <li>• <b>Rollover</b> - Assets may roll out of RIC to an eligible plan.</li> <li>• <b>Purchase Eligible Service Credits</b> - A nontaxable transfer of pretax assets for purchase of permissive service credits such as IPERS (fax IPERS forms to RIC)</li> <li>• <b>Loans (if allowed)</b> - Up to the lesser of 50% of account balance or \$50,000; only from providers sharing information with RIC or planwithease; loan repayment terms, interest and fees (such as set-up and maintenance fees) are determined by the provider. Contact the provider for details.</li> </ul>

\* Required Minimum Distribution -IRS requires minimum annual distributions begin by [the IRS required beginning date](#).