

Town of Brattleboro Retirement Plans

The Town of Brattleboro sponsors two ways to save for retirement, a 457(b) deferred compensation plan and a 401(a) pension plan. All employees are immediately eligible to contribute to the 457(b) plan with pre-tax dollars. Eligible employees may also contribute after-tax dollars to the 401(a) plan, after a year of service. In addition, the Town of Brattleboro will make employer contributions to the 401(a) plan for eligible employees. Please read the details below regarding eligibility requirements and other plan provisions.

Employee Contributions

- 457(b) Eligibility and Entry Requirements: You are immediately eligible for the 457(b) Plan. You may enter the 457(b) Plan on the first day of the month coinciding with or next following the date in which you complete a salary deferral agreement.
- 401(a) Eligibility and Entry Requirements: Full-time employees (excluding sworn police officers and sworn fire fighters who are participating in the VMERS plan) are eligible for the 401(a) Plan upon completion of one year of service. You may enter the 401(a) Plan on the first day of the month following the date in which you meet eligibility requirements.
- Your 457(b) pre-tax and 401(a) after-tax contributions are made via payroll deduction.
- You can increase or decrease your contributions monthly. Contributions may be discontinued at anytime.
- You must abide by certain maximum limitations on the salary deferral contributions you make to the Plan. These limitations are set by the Internal Revenue Service each year. The tax information provided later in this booklet is brought to you as a courtesy and is for educational purposes only.
 - If you have attained or will attain age 50 by the end of the plan year, you may contribute more.
- Vesting: You are always 100% vested in your employee contributions and any earnings they generate.

Employer Contributions

- Full-time employees (excluding sworn police officers and sworn fire fighters who are participating in the VMERS plan) are eligible to receive employer contributions on the first day of the month following the date in which you complete one year of service.
- The Town of Brattleboro will make an employer non-elective contribution to the 401(a) Plan in an amount of 6% of compensation.
- The Town of Brattleboro will also make an employer matching contribution to the 401(a) Plan in an amount equal to 100% of the first 3% of your employee contributions (401(a) after-tax, 457(b) pre-tax, or a combination of the two).
- Your employer contributions, plus any earnings they generate, are vested as follows:

Employer Contributions	
Years of Service	Vested Amount
2 years or less	0%
3 years	60%
4 years	80%
5 or more years	100%

Investment Options

- You can direct your future investments to a variety of widely recognized mutual funds.
- If you do not select investment choices, your contributions will be invested in the age appropriate T. Rowe Price Target Date Fund, the default investment option designated by your employer.

Birth Date Range	Default Investment Model
Before 1945	T. Rowe Price Retirement Income Fund
1945-1950	T. Rowe Price Retirement 2010 Adv
1951-1960	T. Rowe Price Retirement 2020 Adv
1961-1970	T. Rowe Price Retirement 2030 Adv
After 1970	T. Rowe Price Retirement 2040 Adv

- You may transfer existing retirement assets from a previous employer to the new program (check with your previous provider to determine if any fees apply).

Administration

- Contributions in this program are made at Net Asset Value (NAV). All front-end sales charges are waived.
- Mutual fund companies encourage investing for the long term. Certain funds may place restrictions on short-term trading and market timing by imposing redemption fees or trade restrictions. Please read the fund prospectus for details.
- This plan is managed under ERISA Section 404(c). This simply means that you exercise control over some or all of the investments in your plan account. The fiduciaries of the plan may be relieved of liability, or responsibility, for any losses that you may experience as a direct result of your investment decisions.

Loans

- Although the Town of Brattleboro Retirement Plans are intended to help you put aside money for the future, you can borrow from your accounts.
- The maximum loan amount is the greater of 1) \$10,000, or 2) the lesser of \$50,000 reduced by the excess (if any) of the highest outstanding loan balance in the last 12 months or 50% of vested balance reduced by the outstanding balance of all loans. The loan amount available for each plan is based off the balance in that plan only. The minimum loan amount is \$1,000.
- The maximum number of outstanding loans allowed is one for the 401(a) plan and one for the 457(b) plan.
- The loan interest rate is prime plus 1% and will be fixed for the duration of your loan. Please contact your administrator for current loan rates.
- All loans must be repaid within 5 years, except loans used to purchase a primary residence.

Withdrawals

- You can withdraw vested money from your accounts when one of the following events occur:
 - Attainment of age 65 (only from the Town of Brattleboro Pension Plan)
 - Separation from employment
 - Unforeseeable Emergency (Unforeseeable Emergency withdrawals may be made only from the Town of Brattleboro Deferred Compensation Plan.)
 - Total and Permanent Disability
 - Retirement
 - Death
- Taxes will be due upon distribution and, if taken before age 59½, may be subject to an additional 10% federal tax penalty. Consult with your tax advisor before withdrawing any money from your account.

Service

- You may access your accounts online at www.LincolnFinancial.com. For your protection, your Social Security number is required to obtain a Username and Password to be able to access your account.
- You may call Customer Service toll-free at 800-234-3500 for more information.

These highlights are a brief overview of the Town of Brattleboro Retirement Plans features and not a legally binding document. Please read it carefully and contact your Human Resources department if you have further questions.