



**UNC**  
HEALTH CARE

**VOLUNTARY SUPPLEMENTAL RETIREMENT  
PROGRAM COMPARISON**

Type of Plan	UNC System 403(b) Program	State's 457 Deferred Compensation Plan	State's 401(k) Plan
Eligibility	Employees who pay FICA	Employees who receive W2	Employees who also contribute to Teachers' State Employees' Retirement System
Approved Vendors	Fidelity Investments and TIAA-CREF	Prudential Retirement	Same as 457
Investment Options	Fixed accounts and mutual funds	North Carolina Institutional Funds—11 individual investment options and 12 Goalmaker profiles	Same as 457
Contribution Options	Pre-tax and Roth after-tax contribution options	Pre-tax only	Pre-tax and Roth after-tax contribution options
Ownership of Account	Employee	Held in trust by the State of North Carolina exclusively for participants and their beneficiaries	Same as 457
Contribution Limits*	<b>Minimum:</b> \$200 per calendar year <b>Maximum:</b> \$17,000 in 2012; participants who are age 50 by the end of the plan year may defer an additional \$5,500 in 2012. NOTE: Combined limit for pre-tax and Roth after-tax contributions.	<b>Minimum:</b> None <b>Maximum:</b> 100% of taxable pay not to exceed \$17,000 in 2012; participants who are age 50 by the end of the plan year may defer an additional \$5,500 in 2012. As an alternative to the age 50 catch-up, a participant is eligible to defer up to twice the contribution limit in effect for the 3 years preceding the employee's normal retirement age, subject to eligibility.*	<b>Minimum:</b> Same as 457 <b>Maximum:</b> In 2012, 80% of gross pay not to exceed \$17,000. Participants who are age 50 by the end of the plan year may defer an additional \$5,500 in 2012.
Aggregation with Other Plans	Yes. If both 403(b) and 401(k) plans are utilized, the amount of the contribution to both plans cannot exceed the 403(b) plan limit, assuming the 401(k) contribution amount does not exceed the IRS's 402(g) limit (currently \$17,000 for 2012). The age 50 catch-up is a combined amount with 401(k).	No coordination of contribution limits is required.	Same as 403(b)
Transfers among Carriers while Actively Employed	Yes, to another approved vendor's 403(b)(1) account or 403(b)(7) contract only.	Not applicable while actively employed.	Not applicable while actively employed unless over age 59½.
Portability (i.e., Transfers) for Terminated Employees	Easily transferable to other non-profit employers. May permit use of same contract throughout career with nonprofit employers.	(See "Distribution Options at Termination of Employment" below.)	May continue participation if employed with other North Carolina state or local Governmental employers. (See "Distribution Options at Termination of Employment" below.)
*An annual calculation must be made for each individual situation.			



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<b>Loan Provisions</b>	Fidelity: Permits loans from both pre-tax and Roth accounts  TIAA-CREF: Permits loans from pre-tax accounts only	Yes, subject to availability by each agency or University	Yes
<b>Withdrawal Provisions</b>	<ul style="list-style-type: none"> <li>• Separation from employment, death, disability, hardship, or attainment of age 59½</li> <li>• Purchase of allowable service credits with the State Retirement System</li> </ul>	<ul style="list-style-type: none"> <li>• Severance from State employment, regardless of age</li> <li>• Death</li> <li>• Permanent disability</li> <li>• Financial hardship (Sudden and unexpected emergency that no other source may satisfy, as approved by the Plan's Board of Trustees.)</li> <li>• Purchase of allowable service credits with the State Retirement System</li> <li>• De minimus benefits less than \$5,000.</li> </ul>	<ul style="list-style-type: none"> <li>• Retirement</li> <li>• Age 59½ and still employed</li> <li>• Permanent disability as determined by the State Retirement System</li> <li>• Separation from employment at any age</li> <li>• Death</li> <li>• Financial hardship (as defined by 401(k) Plan Document in accordance with Internal Revenue Code).</li> <li>• Purchase of allowable service credits with the State Retirement System.</li> </ul>
<b>Distribution Requirement</b>	Generally, participant must begin to receive distribution no later than April 1 following the year in which age 70½ or retirement is attained, whichever is later. A 50% penalty tax will be levied on amounts that were not, but should have been, distributed. Contributions made prior to 1/1/87 are subject to different rules.	Participant must begin to receive distribution no later than April 1 following the year in which age 70½ or retirement is attained, whichever is later. A 50% penalty tax will be levied on amounts that were not, but should have been distributed.	Same as 457 plan
<b>Distribution Options at Termination of Employment</b>	May receive distribution according to contract/ account terms, or may rollover to another 403(b), 401(k), or 457(b) plan, or to an IRA.	Flexible distribution options according to Plan Document, or may be rolled over to IRA, 401(k), 403(b), 457, or other qualified retirement plans.	Same as 457 plan
<b>Contact Information</b>	<a href="http://www.northcarolina.edu/403b">www.northcarolina.edu/403b</a> Fidelity: 1-800-343-0860 TIAA-CREF: 1-800-842-2888	Prudential: 1-866-NCPlans (1-866-627-5267) or <a href="http://www.ncplans.prudential.com">www.ncplans.prudential.com</a> E-mail Prudential at: <a href="mailto:NCPlans@prudential.com">NCPlans@prudential.com</a> or contact Regional Retirement Education Manager Margaret Hendershot at: <a href="mailto:Margaret.hendershot@prudential.com">Margaret.hendershot@prudential.com</a>	Same as 457 plan