



## Town of Natick

### 457b Deferred Compensation Plan

#### Plan Highlights

**Introduction:** The Town of Natick is pleased to offer a 457b Deferred Compensation plan to eligible town employees who desire an additional way to save for retirement. Plan oversight will be provided by Atlas Financial Group, LLC represented by John R. Heise a Certified Financial Planner™. In addition, recordkeeping and third party administration will be provided by (NRS) Northeast Retirement Services, Inc.

Below you will find important information about the features and advantages of the Town of Natick 457b Deferred Compensation Plan that you have the ability to participate in.

**Eligibility:** All full time and/or benefits eligible Town employees are eligible to contribute to the 457b plan.

**Entry Date:** Employees are eligible to enroll in the plan immediately upon commencing employment with the Town of Natick. Participants may enroll at any time. In addition, they may discontinue participation at any time without restriction.

**Contribution Amounts:** Employees may contribute up to 100% of your income up to \$16,500 (in 2011). You may be able to contribute an additional “catch-up” \$5,500 (in 2011) if you are age 50 or older. You also may be able to contribute an additional amount in the final years of your employment as a special service catch-up (please speak with a plan representative to determine if this would apply).

**Contribution Types:** Traditional (Pre-tax) or **ROTH (post tax)** contributions are allowed into the Town of Natick 457b Deferred Compensation. Plan provisions have been modified to provide you with the ability to contribute on an after tax (ROTH) basis whereby your contributions and earnings would grow “Tax Free” and once withdrawn would exit “Tax Free”. Participants may elect to contribute 100% of contributions via pre-tax or ROTH or a portion of their respective deferrals in both options.

**Investments:** The Town of Natick has an investment committee who with recommendations from Atlas Financial Group, LLC has developed a robust line-up of investment options providing options for all risk profiles. Atlas Financial Group, LLC utilizes the investment research of world renowned Morningstar Associates to analyze, compare, contrast, and recommend mutual funds in many assets classes. These funds are vetted against their peers and a decision is made to add, change, or delete a fund from the Town of Natick 457b Deferred Compensation line-up.

#### Current Investment Line-up (Core Investments):

- |                          |  |
|--------------------------|--|
| • Emerging Markets       | American Funds New World Fund (R4)         |
| • International          | American Fund Europacific Growth Fund (R4) |
| • Small Cap Growth       | American Fund Small Cap World (R4)         |
| • Small Cap Value        | Goldman Sacs Small Cap Value (R)           |
| • Mid Cap Growth         | Franklin Growth Opportunities (R)          |
| • Mid Cap Value          | Goldman Sacs Mid Cap Value (R)             |
| • Large Cap Growth       | American Funds Growth Fund of America (R4) |
| • Large Cap Core         | DWS S&P 500 Plus (R)                       |
| • Large Cap Value        | Blackrock Equity Dividend (R)              |
| • Balanced               | Calvert Social Investment Balanced (A)     |
| • High Yield Bond        | Mainstay High Yield Corporate Bond (R2)    |
| • Intermediate Bond      | Pimco Total Return (R)                     |
| • Short Bond             | Federated US Govt. 2-5 yr. (k)             |
| • Cash/Stable Value Fund | Gartmore Morley Stable Value Fund          |

## Specialty Funds:

- Technology Seligman Communications & Information (R2)
- Financial Services Aberdeen Global Financial Services
- Real Estate Invesco Real Estate (R)
- Health Sciences Alger Health Sciences (A) LW
- Natural Resources Aberdeen Natural Resources (R)

## Lifestyle Portfolios:

These portfolios are comprised of the individual mutual funds offered in the Town of Natick 457b Deferred Compensation plan and are arranged in asset allocation models covering most risk profiles. With a single election one can have broad based diversification among the various asset classes. As well, these portfolios are rebalanced every quarter to ensure they are always holding the correct weight in their respective investment positions.

- Lifestyle Aggressive Portfolio
- Lifestyle Growth & Income Portfolio
- Lifestyle Balanced Portfolio
- Lifestyle Conservative Portfolio
- Lifestyle Capital Preservation Portfolio

**Vesting:** All contributions are immediately 100% vested

## Withdrawal Options:

- **Lump Sum** (may be subject to a 10% penalty if under age 59 ½ and will be taxable unless withdrawing from a ROTH account.)
- **IRA Rollover**- Tax/penalty free rollover to an eligible IRA (Individual Retirement Account)
- **Qualified Plan Rollover**- Tax/penalty free rollover to an eligible employer sponsored retirement plan (check with plan sponsor to ensure they will accept rollover funds)
- **Hardship withdrawal:** You may take a withdrawal for financial hardships. (contact plan representatives to determine provisions of hardship withdrawals)
- **Loans**- Plan participants may take loans against their accounts up to 50% of account balance up to a maximum of \$50,000, maximum repayment of loan is 5 years, only one loan outstanding at any given time, loans accrue at interest which is the Prime Rate as determined by the WSJ (Wall Street Journal) and remains fixed over the life of the loan. Any and all interest accrued under the loans is credited back to your investment account. One time processing fee of \$125 for loan setup.

**Costs:** All investments are institutional retirement share classes with **No Upfront or Back End Sales Loads**. In addition the Town of Natick 457b Deferred Compensation plan does not have an annual contract charge. The only costs associated with the plan are the respective expense ratios of the mutual funds, a custody charge of .06bps, a distribution charge of \$75 (only applicable upon participant plan withdrawal), and a loan charge (only applicable to participants who decide to take a loan). This plan is designed to be very inexpensive for plan participants in order to maximize returns.



**John R Heise, CFP®, CLU, ChFC, CLTC, ChFEB**  
**Managing Member/Owner**  
**Atlas Financial Group, LLC**  
**25 Country Club Rd. Suite 706**  
**Gilford, NH 03249**  
**1-888-568-5268 Toll Free**  
**1-603-661-3069 Cell**  
**1-603-737-0319 Fax**  
[jheise@financialguide.com](mailto:jheise@financialguide.com)

<https://www.afgplanning.com>

Please refer to the Plan Document for more information on the plan.  
In the event of a discrepancy, the Plan Document will prevail