

New Mexico Institute of Mining & Technology  
(New Mexico Tech's)  
403(b) Elective Deferral Savings Plan  
Summary of Key Provisions  
October 5, 2010

New Mexico Institute of Mining & Technology (New Mexico Tech's) 403 (b) Elective Deferral Savings Plan (the "Plan" or the "403(b) Plan") is a defined contribution retirement plan that is intended to operate under Internal Revenue Code Section 403(b). The Plan is a tax-favored savings program that is designed to supplement your state retirement plan. It is frequently referred to as a Tax-Deferred Annuity (TDA) plan or a Tax Sheltered Annuity (TSA) plan.

**Plan Administration**

**Employer:** New Mexico Institute of Mining & Technology (New Mexico Tech)

**Plan Sponsor:** New Mexico Institute of Mining & Technology (New Mexico Tech)

**Plan Administrator:** New Mexico Institute of Mining & Technology (New Mexico Tech) is the Plan Administrator. The Administrator has designated the Human Resources Office, the Payroll Office, and the Federal Compliance Office to be responsible for daily operation and administration of the Plan.

**Effective Date of the Plan:** The written plan document for the Plan and its provisions became effective as of January 1, 2009.

**Plan Year:** The Plan Year is a calendar year.

**Amendment and Termination of the Plan:** New Mexico Institute of Mining & Technology (New Mexico Tech) reserves the right to amend the Plan and/or to terminate it at any time.

**Eligibility & Enrollment**

**Eligibility:** All New Mexico Institute of Mining & Technology (New Mexico Tech) regular full-time and regular part-time employees is eligible to participate in the Plan. Students are not eligible to participate in the Plan.

**Enrollment:** You may enroll in the Plan immediately upon employment with New Mexico Institute of Mining & Technology (New Mexico Tech).

## **Taxed-Deferred Contributions**

**Contributions:** Regular full-time and regular part-time employee voluntary contributions (also referred to as “elective deferrals”) to the Plan are made through payroll deduction on a pretax basis. New Mexico Institute of Mining & Technology (New Mexico Tech) does not contribute to the Plan. Taxes are due when you take money out of the Plan.

**Maximum Contribution Amounts:** The Internal Revenue Service imposes limits on the amount of tax-deferred contributions you can make for any calendar year. The elective deferral limits depend on your age at the end of each December 31.

### **Elective Deferral Limits for 2011**

Younger than age 50	\$16,500
Age 50 and older	\$22,000

**Change Contributions:** You can change the amount of your contribution at any time by completing a new Tax Sheltered Annuity Salary Reduction Agreement form in the Federal Compliance Office.

## **Plan Providers**

**Contract Providers:** New Mexico Institute of Mining & Technology’s (New Mexico Tech’s) primary Plan Providers currently receive participant contributions, via payroll deduction, under the Plan; and they have entered into and operate under a contract with New Mexico Institute of Mining & Technology (New Mexico Tech). There are currently three Contract Providers under the New Mexico Institute of Mining & Technology (New Mexico Tech) Plan:

- Fidelity Investment Retirement Services – (52336) [www.fidelity.com/](http://www.fidelity.com/)
- TIAA CREF – (101265) [www.tiaa-cref.org](http://www.tiaa-cref.org)
- VALIC (GWN) – (2501-0033) [www.valic.com](http://www.valic.com)

New 403(b) accounts under the Plan can only be opened with one of the Plan’s Contract Providers.

## **Distributions**

**Distribution Events:** Distributions from the Plan are payable to either you or your beneficiaries upon one of the following events:

- Termination of employment with New Mexico Institute of Mining & Technology (New Mexico Tech)
- Attaining age 59 ½

- Becoming disabled (the Plan Administrator determines a participant's disability in accordance with the Plan's provisions)
- Financial hardships you incur (as defined by the Internal Revenue Service)

Contact your provider to request a distribution. Your provider will have you complete their distribution request paperwork. Either you or your provider will need to submit the completed paperwork to the Human Resources Department for approval.

**Taxation:** Income tax is payable on amounts you draw from the Plan. Your Provider will assist you with any tax withholding that is either required by state and federal governments or requested by you. You should discuss all tax matters relating to the Plan with qualified tax counsel.

**Early Withdrawal Penalty:** Certain distributions paid prior to your attaining age 59 ½ may be subject to an Early Withdrawal Penalty imposed by the Tax Code.

### **Service Credit Transfers**

**Transfers to State Employee Retirement System:** Participants who are members of the State Employees Retirement Board may transfer funds from this Plan to the state pension plan for purposes of purchasing service credits. These transfers may be made only if the state pension plan accepts such transfers.