



ALPENA-MONTMORENCY-ALCONA EDUCATIONAL SERVICE DISTRICT

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IMPORTANT INFORMATION ABOUT YOUR 403(b) TAX DEFERRED ANNUITY PLAN PLEASE READ!

To: Staff
From: Business Office
Date: December 8, 2008

This is an important letter for those of you who have a 403(b) tax-deferred investment through payroll deduction. As of January 1, 2009, the IRS is changing the way school districts deal with 403(b) contributions. You will need to take the following actions:

1. Review your current investments.
2. Become familiar with the new AMAESD approved 403(b) companies (see attached).
3. Become familiar with the AMAESD 403(b) Plan Document Summary (see attached).
4. **Complete a new Payroll Reduction Authorization form (see attached).** All current annuity deductions will stop at the end of the year until a new Payroll Reduction Authorization form is completed. This form must be returned to the Business Office no later than Tuesday, December 23 if you wish your annuity to begin or continue with the first payroll in January.

Status of our current 403(b) companies:

AXA Equitable – approved vendor through new advisor, Matthew List
Metropolitan Life – approved vendor with Rob Golding and Jim Majesky
Janus Funds – eliminated and must transfer money
American United Life – eliminated but not required to transfer current investments
Great American - eliminated but not required to transfer current investments
Vanguard – eliminated but offered through other approved core vendors
Franklin Templeton – offered through 403(b) ASP and core vendors
Putnam - offered through 403(b) ASP and core vendors
American Funds - offered through 403(b) ASP and core vendors

The companies that will be representing the AMAESD effective January 1, 2009 will give employees many more options and improved services at very competitive commission rates. All of our vendors will be at the AMAESD today from 3:00-7:00 p.m. in our large conference rooms. The vendors will have copies of our salary reduction agreement. If you are unable to visit the vendors today, the Business Office will have brochures/information about these companies. In addition, the AMAESD website will have an area within the next week of all the contacts and websites that the vendors have furnished to us.

If you have any questions, please contact Tony or Lydia in the Business Office.