

OMNI Updates

2nd Quarter 2017

Providing a Better Understanding of Your Tax Deferred Retirement Benefit

Elective vs. Non-elective Contributions

Non-elective contributions are made by your employer on your behalf, and cannot be taken as “cash” (i.e. they must be deposited into your 403(b) account directly.) OMNI will work with your employer to handle these contributions. Do NOT fill out a Salary Reduction Agreement (“SRA”) form for your non-elective contribution. SRA forms are for employee (elective) contributions only.

Elective contributions are made by you from your paycheck as a recurring contribution or as a one-time contribution. Elective deferrals are not contractually required to go into a 403(b) and can be taken as “cash.” OMNI requires an SRA form for all elective contributions.

Note - not all organizations allow non-elective contributions. Refer to your contract or contact OMNI for more information.

Limits	2017
403(b) Elective/Employee Deferral	\$18,000.00
Catch-up Contribution (Age 50+)	\$6,000.00
*Non-elective/Employer Contributions (Section 415(c))	\$54,000.00

Recipients of non-elective contributions who are at least 50 years old have the opportunity to utilize the age based catch-up beyond the 415(c) limitation, allowing for a “combined” maximum of \$60,000.00 in 2017.

***Please note** that the amount of non-elective employer contributions is reduced by employee elective deferrals.

Summer Transaction Requests

With summer approaching rapidly, our transaction volumes will be increasing. Nearly all 403(b) and 457(b) transactions can be completed with an online form. Depending on your transaction, you can often receive a certificate of approval in as little as 24 hours via email, which you can simply attach to your accompanying service provider paperwork. Our customer care team is available for assistance with all forms by calling 877-544-OMNI. We will continue to honor our old process of accepting forms via fax or mail, but we highly recommend the use of electronic forms for faster and more efficient processing.

Online Transactions

- > Death Claim
- > Disability
- > Distribution
- > Exchange
- > Transfer
- > Hardship
- > Loan
- > Rollover
- > Service Credit



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LOANS



How it Works

Your 403(b) or 457(b) plan may have a loan provision that allows you to borrow from the balance accumulated in your account(s). Plan loans, if allowed, are generally limited to 50% of your total account balance with all service providers or a maximum of \$50,000, whichever is less, and generally must be paid back to your service provider within five years with interest.

How to Apply

Participants seeking loan approval from OMNI should complete the online loan form available on the Forms tab of our website. By utilizing the online form, you will not need to fax or mail any paperwork to OMNI and will benefit from a substantially reduced turnaround time. After receiving your information, OMNI reaches out to your service provider(s) to confirm loan availability in the account(s), eligibility under IRS regulations, and issues approval to you and/or your financial advisor via email.

What to Consider

- > When you borrow the money, it is not invested and does not have the opportunity for further growth, potentially impacting your retirement income.
- > When you take a loan, the proceeds are not taxed but the money you use to repay the loan has been taxed. Therefore, the additional interest going into your account will be taxed twice – at the time of repayment and again when you eventually withdraw the funds at retirement.
- > All loan repayments are made directly to the service provider. OMNI does not process loan repayments.
- > If you default on the loan, it becomes taxable income that is subject to taxes, loan fees, and possible IRS penalties.

To learn more contact **U.S. OMNI**, M-F 7:30am - 8:00pm EST, 877.544.6664
or visit www.omni403b.com

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New Braunfels ISD

New accounts may be opened with the following approved service providers:

- > American Fund/Capital Guardian
- > Americo Financial Life/Annuity
- > Athene Annuity and Life (Aviva)
- > AXA Equitable Life Insurance Company
- > Foresters Financial (First Investors)
- > Franklin Templeton Funds
- > Great American Insurance Group
- > Horace Mann Life Ins. Co.
- > Jackson National Life IIIII
- > Jefferson National Life
- > Midland National Life Ins. Co.
- > National Life Group (LSW)
- > Oppenheimer Shareholder Svcs.
- > PlanMember Services Corp.
- > RiverSource Life Insurance Co of NY
- > ROTH - AXA Equitable
- > ROTH - Foresters Financial (First Inv.)
- > ROTH - National Life Group (LSW)
- > ROTH - PlanMember Services Corp.
- > ROTH - Valic
- > USAA Life Insurance Co.
- > VALIC
- > Vanguard Fiduciary Trust Co.
- > Voya Financial (Reliastar)
- > Waddell & Reed Inc.
- > Hartford Life Ins. Co. - 457
- > National Life Group (LSW) - 457
- > Voya Financial (Natl) - 457