



T S A

Advantages

KADES-MARGOLIS



Your Trusted Investment and Retirement
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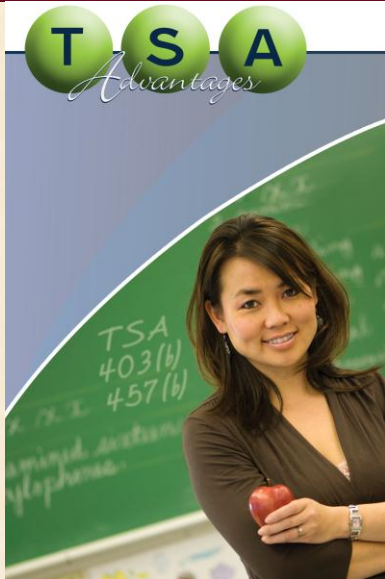
TSA Advantages

There are several TSA plans to choose from...

You can save in a 403(b), a 403(b)(7), a Roth 403(b)(7) or a 457(b) plan



403(b) Plans



- Employer-sponsored supplemental retirement savings program for employees of public educational and nonprofit organizations
- 403(b)(7) section of the federal tax code is designated for investing in tax-sheltered custodial mutual funds.



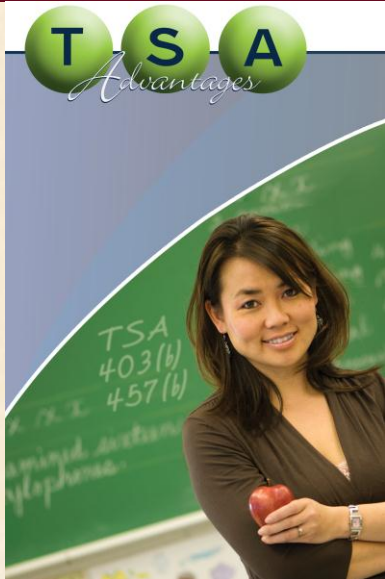
Roth 403(b)(7)



- Employer-sponsored supplemental retirement savings program that allows for after-tax contributions and tax-free growth of contributions and earnings.
- Contributions to the Roth 403(b)(7) or 403(b)(7) are aggregated and cannot exceed the annual 403B contribution limit



457(b)



- Employer-sponsored deferred compensation plan that allows you to contribute pretax money directly from your paycheck. The 457(b) reduces current federal taxes and grows tax-deferred similar to a 403(b) plan
- 457(b) contributions can be made in addition to the 403(b) contribution limits.



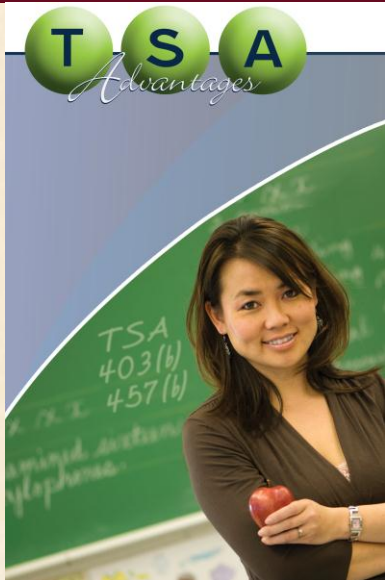
The Advantages



- With a tax-sheltered account, you contribute before tax dollars, thereby lowering your taxable income and deferring federal income taxes until money is withdrawn, usually at retirement.
- The tax savings are in addition to your growing retirement nest egg.



The Advantages



- When you enroll in a supplemental retirement program like a 403(b) or 457(b), you may start, stop, increase or decrease your contributions and any time during the year (subject your employers and document).
- You may contribute as little as \$50 per pay period.



Annual Contribution Limits






Account Type	Basic Contribution Limit	Age 50 or Older Catch Up	Total Annual Contribution Limit
403(b), 403(b)(7) or Roth 403(b)(7)	\$17,500	\$5,500	\$23,000
457(b)	\$17,500	\$5,500	\$23,000
Combined 403(b)(7) & 457(b) total	\$35,000	\$11,000	\$46,000



The Cost of Waiting



	Annual Savings	Age Started Saving	# of Years Contributed	Account Contributed	Accumulation at Age 62
	Ed \$2,400	35	27	\$64,000	\$225,336
	Joy \$2,400	25	10	\$24,000	\$298,786 

This chart assumes a fixed annual rate of return of 8% with earnings reinvested. This hypothetical examples not intended to show the performance of any particular fund for any period of time, fluctuation of principal value or investment return. The regular investment of money does not ensure a profit or protect against losses.



Q&A

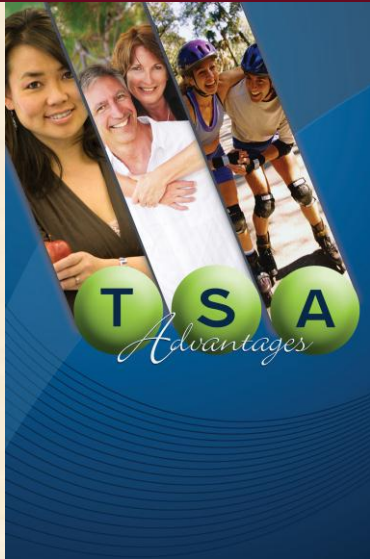
What investment vehicles may fund the TSA program?

Mutual funds, fixed annuities and variable annuities or any combination of these investment vehicles.

How does a TSA contribution reduce my taxable income?

Your contribution is excluded from your gross income. You will reduce your federal income taxes by approximately \$280 per \$1000 you contribute to the program, assuming 28% effective tax rate.

Roth 403(b)(7) contributions are made with after-tax money and do not reduce your current federal income taxes. However, the account grows tax-free (subject to the Roth rules). The Roth account must be held for the greater of five years or through age 59 1/2, death or disability.



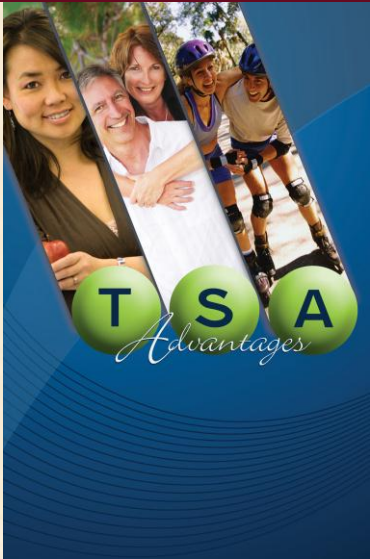
Q&A

May I exchange or transfer assets from one TSA to another?

You may, subject to your employer's plan document that has to allow for exchanges and or transfers.

When can I take money out of my TSA?

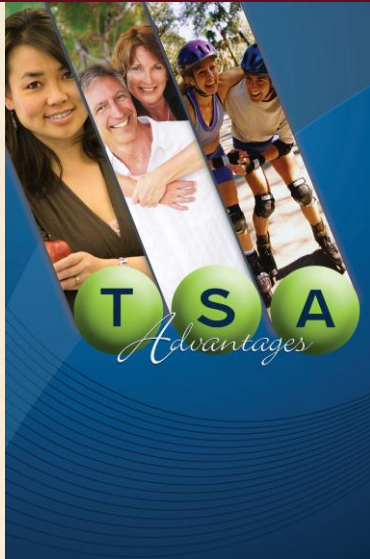
Subject to plan approval, you may withdraw contributions or earnings when you reach age 59 1/2, become disabled, or reach age 55 and separated from service. Otherwise, there is a 10% federal penalty for early withdrawal. Regardless of age, you may withdraw funds from a 457(b) program without a 10% federal penalty upon separation from service.



Q&A

May I or borrow against my TSA?

TSA programs may offer a loan provision. Loan availability is subject to your employer's plan document.



Free-No Obligation Consultation

If you would like more information or you would like to meet with a Kades-Margolis financial advisor, please call

800-433-1828, ext. 4.

For more information, please visit our website at www.4kmc.com

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