

Comparing Accounts

Feature	Roth 401(k) plan	Traditional 401(k) plan
Employee Contributions	Employee Contributions are made with after-tax dollars	Employee Contribution are made with pre-tax dollars
Employer Contributions	Employer Contributions are taxed at time of withdrawal	Employer Contributions are taxed at time of withdrawal
Investment Growth	Employee Contributions accumulate with no tax consequences	Growth is not subject to Federal or most State income taxes until funds are withdrawn
Income Limits	No income limitation to participate	Same as Roth 401(k) plan
Contribution Limits (2009)*	Contribution limited to \$16,500 (\$22,000 for employees over 50)	Contribution limited to \$16,500 (\$22,000 for employees over 50)
Withdrawal Rules	Withdrawals of contributions and investment growth are not taxed provided the recipient is at least 59 1/2 <u>and</u> the account is held for at least 5 years	Withdrawals of contributions and investment growth are subject to Federal and most State income taxes
Required Minimum Distributions (RMDs)	Distributions must begin no later than age 70 1/2, may be rolled to a Roth IRA which does not have Minimum Required Distribution	Same as Roth 401(k) plan

*Employees can choose to defer contributions into both Roth 401(k) and Traditional 401(k). However, contribution limits for Roth 401(k) and Traditional 401(k) cannot exceed combined total of \$15,500 for 2007

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