

**NC 401(K) PLAN AND TOWN OF CARY 457 AND 401(A) PLAN
COMPARISON AND DECISION CHART
INDIVIDUAL ACCOUNTS THAT SUPPLEMENT LOCAL GOV'T RETIREMENT ACCOUNT**

Feature	NC 401(k)	457 Plan	401(a) Plan
Administrator	Prudential Retirement Services	ING Financial	ING Financial
Town Contributions	Employee option #1 5% of gross pay each pay period – Receive Town contribution regardless of whether employee is making a voluntary contribution.	No town contribution – employee voluntary contributions only.	Employee option #2 5% of gross pay each pay period – This is an employer contribution only account. Employees may make voluntary contributions to the 457 Plan, but this is not required. NOTE: Law Enforcement do not have the 401(a) option due to NC State law.
Employee Voluntary Contributions	Employee may make voluntary contributions up to \$16,500 or \$22,000 if age 50 and older (2010 limits set by IRS) as long as the contribution does not exceed 80% of annual pay. Voluntary contributions are a pre-tax deduction and reduce Fed and State tax liability.	Employee may make voluntary contributions up to \$16,500 or \$22,000 if age 50 and older (2010 limits set by IRS) as long as the contribution does not exceed 80% of annual pay. Voluntary contributions are a pre-tax deduction and reduce Fed and State tax liability.	401(a) is for employer contributions only and works alongside the contributions made to the 457 Plan.
Vesting or "ownership"	All funds deposited into the 401(k) are immediately, 100% vested. All deposits and earnings from interest and investments belong to the employee from day one.	All funds deposited into the 457 are immediately, 100% vested. All deposits and earnings from interest and investments belong to the employee from day one.	All funds deposited into the 401(a) are immediately, 100% vested. All deposits and earnings from interest and investments belong to the employee from day one.
Loans	Loans available – contact Prudential Retirement customer service with questions – must have attained a certain balance before eligible to borrow from your account – Repayment of loan through payroll deduction – payment plus interest paid goes back into employee's account.	Loans available – contact ING Customer Service with questions – must have attained a certain balance before eligible to borrow from your account – Repayment of loan directly back into account through 3 rd party vendor and direct billing. Interest on loan goes back into employee's account.	Loans available – contact ING Customer Service with questions – must have attained a certain balance before eligible to borrow from your account – Repayment of loan directly back into account through 3 rd party vendor and direct billing. Interest on loan goes back into employee's account.

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Feature	NC 401(k)	457 Plan	401(a) Plan
Roth 401(k) After-Tax contributions	Available	Available	Not available
Withdrawing funds if terminating employment	Early withdrawals are subject to applicable tax penalties and plan restrictions. See the Prudential website or contact Prudential 401(k) for details.	No tax penalty for early withdrawal at any age.	Early withdrawals are subject to applicable tax penalties and plan restrictions. See the ING website or contact ING for details.
Investment Choices	Currently Offer Goalmaker auto investment model with or without age adjustment or choice of 9 individual investment options.	Currently Offer over 90 investment options and 25 fund families to include retirement target date Solutions funds.	Currently Offer over 90 investment options and 25 fund families to include retirement target date Solutions funds.
Online access and account maintenance	Yes	Yes	Yes