

# 403(b) Retirement Plan

A 403(b) retirement plan permits employees of certain tax-exempt 501(c)(3) organizations to contribute a portion of wages into a tax-favored retirement plan. No income taxes are incurred until you withdraw the funds – usually at retirement.

## Eligibility

You must be a full- or part-time employee of a qualified employer to participate in a 403(b) plan. Qualifying organizations include religious and charitable organizations, churches, public schools, private and parochial schools, colleges, universities, and hospitals.

## Tax advantages

You don't pay income taxes on the money you invest in the 403(b) plan until disbursements are made from your account. Also, the dividends you earn on your investments are not taxed until they are withdrawn from the account.

## You can choose

With a Praxis 403(b) Retirement Plan, you decide how much you wish to contribute and how you wish to allocate your investments.

## Making contributions

Your completion of the *Salary Reduction Agreement* authorizes your employer to reduce your salary by the amount you indicated. Those funds are then forwarded to Praxis for investment into your account.

Because the salary reduction reduces the income you report to the government for income tax purposes, your 403(b) contributions are tax-deferred (until withdrawals are made).

## Contributions

The maximum salary reduction contribution you can make to your 403(b) is 100 percent of your income, not to exceed the following limits:

Year	Limit
2018	\$18,500
2019	\$19,000

In addition, if you are age 50 or older any time during a tax year, you can contribute additional amounts each year as follows:

Year	Limit
2018	\$6,000
2019	\$6,000

If your employer contributes any amount to the plan, then the maximum you and your employer can contribute is 100 percent of income not to exceed \$56,000 in 2019. Call your representative or Praxis for more information. Contributions in excess of these limits are subject to taxes. It is the employee's responsibility to ensure that contributions do not exceed the maximum allowance.

## Adjusting your investment

You may change the amount you invest in your 403(b) account by completing a new Salary Reduction Agreement form and giving it to your employer.

To change your investment choices or to exchange shares between the various Praxis Mutual Funds, call (800) 977-2947.

## Withdrawing your funds

Withdrawals from your account may begin when you reach age 59½, become disabled, terminate your employment, or experience extreme financial hardship. All funds withdrawn will be taxed as ordinary income. Withdrawals prior to age 59½ may be subject to a 10 percent penalty tax.



**Praxis Mutual Funds®**

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## Getting started

Establishing your Praxis 403(b) Retirement Plan account is easy. Just contact your representative or call Praxis. They will provide you with the following necessary forms to get your plan started:

1. A *403(b) Retirement Plan Application*.
2. A *Salary Reduction Agreement*, which will indicate the amount and frequency of your contributions.
3. A *Custodial Account Agreement*, which is the agreement outlining the terms and conditions of your 403(b) investments.
4. A *Request for Transfer of 403(b) Plan Assets*, to be used if you would like to transfer your funds from another account – such as an annuity, or mutual fund – into your Praxis 403(b) Retirement Plan account.

Be sure to read the prospectus carefully before establishing an account or making your first investment. These and other materials are available at [praxismutualfunds.com](http://praxismutualfunds.com).

You should consider the fund's investment objectives, risks and charges and expenses carefully before you invest. The fund's prospectus or summary prospectus contains this and other information. Call (800) 977-2947 or visit [praxismutualfunds.com](http://praxismutualfunds.com) for a prospectus or summary prospectus, which you should read carefully before you invest. Praxis Mutual Funds are advised by Everence Capital Management and distributed through FINRA member Foreside Financial Services, LLC. Investment products offered are not FDIC insured, may lose value, and have no bank guarantee.

This material is intended to provide general information. It is not intended as legal or tax advice. Please see your tax advisor for specific advice concerning your 403(b).