



State of Rhode Island & Providence Plantations  
**DEPARTMENT OF ADMINISTRATION**  
*Office of Employee Benefits*  
*One Capitol Hill*  
*Providence, RI 02908-5864*  
**Phone: (401) 222-3160 Fax: (401)222-6391**

Dear State Employee:

A Deferred Compensation Plan is an ideal way to accumulate tax-deferred savings for retirement. The state offers plans from three providers: ING Retirement Services, Fidelity Investments and AIG/VALIC. As an eligible state employee, you can participate in one, two or all three plans at once. The enrollment process is handled directly by the vendors. Information on the services offered by the vendors as well as details regarding enrolling in any of the three Deferred Compensation Plans can be obtained by calling the following numbers:

<b>ING Retirement Services</b>	<b>1-800-262-3862</b>
<b>Fidelity Investments</b>	<b>1-800-343-0860</b>
<b>AIG/VALIC</b>	<b>1-800-448-2542</b>

You can determine the amount you would like to contribute during each pay period, subject to the annual overall combined maximum. The maximum for 2009 is \$16,500 (\$22,000 for employees age 50 and over). The money will be automatically deducted from your paycheck and will be deposited into the fund(s) you select.

**Note: Federal regulations require that any money contributed to a Deferred Compensation Plan has limited withdrawal options. You should view your contributions to a Deferred Compensation plan as a long term retirement investment account rather than a savings account.** Withdrawal of funds for active employees is generally limited to severe financial hardships such as bankruptcy or similar legal orders. Withdrawal for foreseeable expenditures such as a down payment on a home, a vacation, living expenses, payment of taxes, the purchase of an automobile or educational expense is not permitted. Retirees under the age of 59 and one-half may be subject to withdrawal penalties.

Please contact your financial advisor or one of the vendors listed above regarding your investment questions.

Sincerely,

Office of Employee Benefits