

2717 GENESEE STREET
UTICA, NEW YORK 13501
315.797.8400 888.797.8404
FAX 315.797.8403

TO: UFCW LOCAL ONE, 401(K) PLAN PARTICIPANT

FROM: ,

DATE: NOVEMBER 4, 2010

SUBJECT: 2011 DEFERRAL LIMITS FOR 401(K) PLANS

COMMENTS:

The Internal Revenue Service has announced that the deferral limits will remain unchanged for Tax Year 2011.

Maximum Employee Deferral Amount: The limit for employee contributions is 100% of compensation up to \$16,500.

Catch-up provisions: For those employees that will be age 50 in the year 2009, you will be able to contribute an **extra** \$5,500 to the 401(k) plan.

If you wish to make any changes to the amount you are contributing into your 401k account, please contact your company's Human Resource Department.

If you have questions pertaining how to invest your 401k account you may contact me directly at 315-797-8400.

Take a look at how even a small contribution can grow over time:

	2%	4%	6%	8%
30 Years to Save	\$63,401	\$126,802	\$190,204	\$253,605
Contribution Per Bi-weekly Pay Period	\$15.38	\$30.77	\$46.15	\$61.54
Reduction in Take-Home Per Pay Period	\$11.54	\$23.08	\$34.62	\$46.15

Assume \$20,000 in annual income, an annual 8% rate of return, 30 years to retirement, an annual pay increase of 3% and a 25% tax bracket. The annual 8% rate of return in this chart is hypothetical and does not represent the returns of any particular investment. Investing involves risk including the potential loss of principal.

This information is not intended to be a substitute for specific individualized tax or legal advice. No investment strategy can guarantee a profit or protect against loss in periods of declining values. Investors should be aware that there are risks inherent in all investments, such as fluctuations in investment principal. With any investment vehicle, past performance is not a guarantee of future results.