

# Deferral of Sick, Vacation and Back Pay

S A V E M O N E Y A N D R E T I R E T O M O R R O W

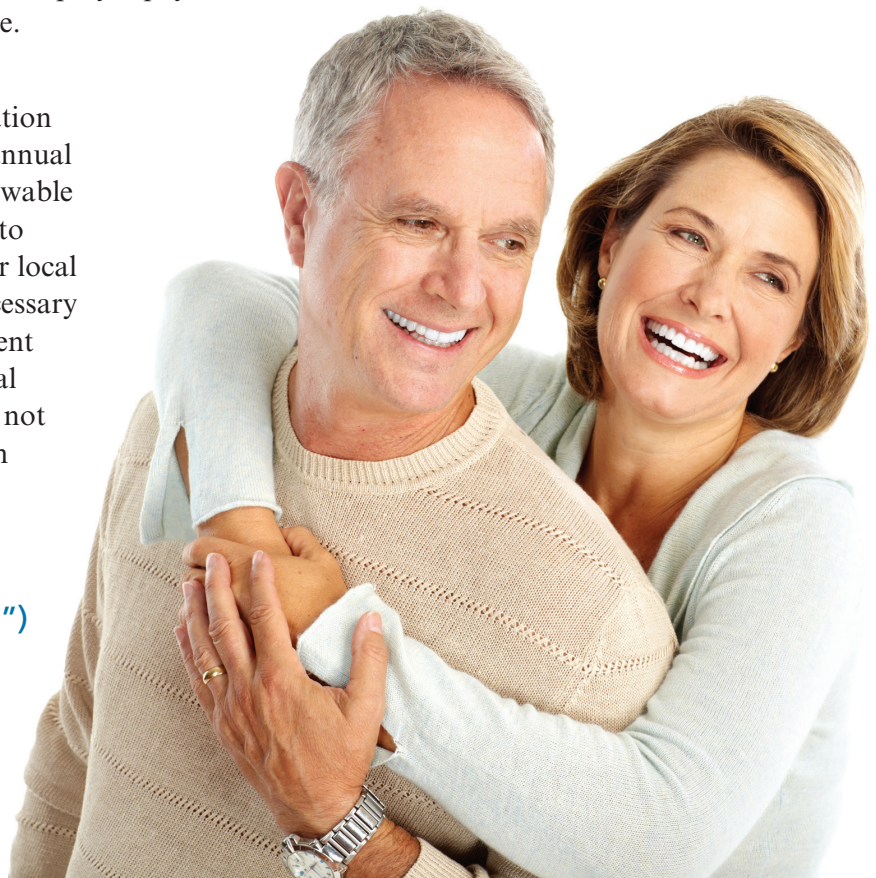
At retirement, you may be able to defer your sick and vacation pay into your Massachusetts Deferred Compensation SMART Plan account. If you sever employment due to retirement, you may elect to defer accumulated sick pay in accordance with M.G.L. c. 29, and may elect to defer accumulated sick, vacation and/or back pay as well. You can only defer these payments at retirement.

You can defer sick pay, vacation pay and/or back pay if you meet the following conditions:

1. You can defer sick pay and vacation pay for any calendar month only if you had been eligible to receive that amount without terminating employment.
2. You pay the deferral within 2½ months following retirement.
3. You enter into an agreement providing for the deferral before the beginning of the month in which your employer pays you the amounts or makes them available.

If you decide to defer your unused sick, vacation and/or back pay, remember that your total annual contribution may not be higher than the allowable IRS limit. Contact your local representative to learn more about current requirements. Your local representative can help you complete the necessary forms, understand how your normal retirement age may affect your ability to defer additional amounts, and ensure that your deferral does not put you in danger of exceeding the maximum IRS contribution limit.

To contact your local representative, call **(877) 457-1900** (say "representative") or go to **[www.mass-smart.com](http://www.mass-smart.com)**.



**WWW.MASS-SMART.COM**  
**(877) 457-1900**

