



Metro West Housing Solutions

Agreement for Salary Reduction Under the Section 457(b) Plan

BY THIS AGREEMENT, made between _____ (the Participant) and _____ (the Employer), we agree as follows:

Effective for amounts paid on or after _____, _____, which date is no earlier than the first day of the month following execution of this Agreement, the Participant's salary will be reduced by the amount indicated below.

This Agreement shall be legally binding and irrevocable for both the Employer and the Participant while employment continues. However, either party may modify this Agreement as of the first pay period beginning with or during the first month following satisfactory written notice of such modification. The Participant may terminate the Agreement by giving at least _____ day's written notice so that this Agreement will not apply to salary subsequently paid.

The amount of the salary reduction¹ shall be: (check one)

- ☐ _____ % of gross annual salary;
- ☐ \$ _____ per pay period; or
- ☐ The maximum amount allowed under law.

With respect to the salary reduction amount indicated above, designate the percentage to be contributed to a Roth 457(b) account. This percentage must total 100%.

_____ % Roth contributions; and

_____ % Pretax annual deferrals

¹ This amount should be reviewed with Business Office before executing this Agreement.

This amount will produce a total contribution that does not exceed the Participant's statutory limitation under IRC §457(b)(2).

Catch-Up Contributions

For Participants age 50 or older, a catch up contribution shall be contributed as follows (check one):

- ☐ \$_____ per year; or
☐ The maximum amount allowed under law.

This amount must not exceed the statutory limitation under IRC §414(v).

The amount will be contributed by the Employer to the following authorized investment providers:

TIAA-CREF _____%

Signed this _____ day of _____, _____.

(Participant)

(Employer)

By _____
(Name) (Title)

SECTION 457(b) AGREEMENT FOR SALARY REDUCTION

Attached is the form necessary to begin or change your contributions to your 457(b) plan.

This form allows you to indicate how much you would like to contribute to your 457(b) account annually by choosing one of the following three options:

Percentage Per Pay Period – This amount will be a percentage of your salary per-pay-period. Contributions will remain the same unless your salary is adjusted.

Annual Dollar Amount – This option allows you to state a specific annual dollar amount. The amount that you elect for the year will be divided equally by the remaining number of pay periods left in the year.

Maximum Amount – This option allows you to contribute the maximum salary deferral amount allowed by the Internal Revenue Service for the year. For 2012, the maximum salary reduction is generally the lesser of \$17,000 or 100% of your includible compensation; however, the maximum you can contribute to the 457(b) Plan may be reduced by contributions made to the 457(b) plan by your employer.

Catch-up Election for Participants Age 50 or Older – If you will be age 50 or older in 2012, you may make an additional contribution of up to \$5,500. In order to elect this contribution, you must also elect to make the maximum salary deferral allowed. The age-50 catch-up may not be combined with the special 3-Year catch-up in any year. Instead, the catch-up election that produces the largest deferral amount is used.

Designated Roth 457(b) Contributions – If permitted under the terms of the plan, beginning in 2012, you must choose between pretax annual deferrals and after-tax Roth contributions. You may choose either or both, but your election must equal 100%. If you fail to elect to contribute to Roth or your election does not total 100% your entire contribution will be contributed on a pretax basis.