



# STATE OF MONTANA 457(b) DEFERRED COMPENSATION 2021 SALARY DEFERRAL AGREEMENT

About You	Last Name		First Name	MI	Social Security Number
	Date of Birth		Phone Number		Employee ID # (for State Employees Only)
	Employer				
Payroll Choices	Contribution Type (Choose One) <input type="radio"/> Start/Restart <input type="radio"/> Stop <input type="radio"/> Change <input type="radio"/> One Time <input type="radio"/> Final/Retiring <input type="radio"/> Military Make Up for Year(s) _____				
	Contribution Amount(s) (amount per paycheck)  Pre Tax \$ _____ or _____ % per pay date  Post Tax (ROTH) \$ _____ or _____ % per pay date				
	Deferral Effective Pay Date (Choose One) <input type="radio"/> Next Eligible Pay Date    or <input type="radio"/> Beginning on Pay Date _____ Note: changes to the dollar amount contributed to the Plan must be made <b>in the month prior</b> to when it will take effect.				
Deferral Type	<input type="radio"/> <b>Basic Deferral/Age 50 Catch-Up</b> - I understand that I will be enrolled in the appropriate deferral-limit provision based on my age. My total annual pre-tax contributions and Designated Roth Contributions cannot exceed the IRS Deferral Limits. For 2021 the limits are \$19,500 if I am under age 50 and an additional \$6,500.00 (for a total of \$26,000) if I am age 50 or over.				
	Catch-Up Provisions - Only one type of \$457 Catch-Up may be used in a calendar year. If I am eligible for both types of Catch-Up this year, I may select either the Age 50 \$457 Catch-Up or the Special \$457 Catch-Up, whichever would result in the larger Catch-Up amount for this calendar year.  <input type="radio"/> <b>Special Catch-up</b> - I understand that I may only use the Special \$457 Catch-up in one or more of the three calendar years that END PRIOR TO my Normal Retirement Age (NRA), which I select for using this catch-up provision and provide the year below. I may only select one Special Catch-up NRA and although it does not control when I actually retire, it may not be later than age 70%, and no earlier than the NRA as defined by my employer's defined benefit plan if I participate in that plan. If I participate in the PERS Defined Contribution (DC) plan or my employer does not have a defined benefit plan, the earliest age for my Special Catch-up NRA is age 65. I understand the total pre-tax Special \$457 Catch-up amount cannot exceed \$19,500 of my eligible compensation in the 2021 tax year. When added to the regular deferral amount, my annual maximum contributions will not exceed the 2021 limit of \$39,000. I have designated my NRA year below. I also understand that I must have "underutilized amounts" by not contributing that maximum amount available to me under this Plan in any prior calendar years in which I was eligible to participate. I have communicated with an Empower Retirement representative to verify this amount as indicated below.  NRA Year _____ Underutilized Amount \$ _____				
Your Consent	(Please sign on the "Participant Signature" line below.)  I understand that I must contribute a minimum of \$20 per month and that if I change the dollar amount, the change will take effect in the following month. I understand it is my responsibility to monitor my paycheck each payday to ensure that my deferred compensation deductions are made for the correct amounts. If I detect an error, I agree to notify Empower at 1-800-981-2786 or (406) 449-2408 immediately. I understand it is my obligation to review my quarterly statements and notify Empower, in writing, of any discrepancies. I also understand any deferral changes or stop requests must be received within 5 business days of the next effective pay date.				
	I hereby authorize and direct my employer to deduct the amount indicated above from my gross salary each pay period. If utilizing the special catch-up deferral provision, I certify I am within three years of normal retirement age and acknowledge the catch-up amount is in addition to any regular deferrals. <u>I have reviewed, understand, and agree to the provisions as stated above and on the reverse side of this Agreement.</u>  Participant Signature _____ Date _____				
Submitting Your Form	Mail to:                      MPERA                      Fax to: (406) 444-5428 PO Box 200131 Helena, MT 59620-0131                      For questions call 1-800-981-2786 or 449-2408 in Helena				

## **Salary Deferral Agreement**

### **457 Plan Provisions**

Whereas the State of Montana ("Employer") has established a deferred compensation plan ("the Plan") pursuant to Internal Revenue Code Section 457; and

Whereas I, the employee, have elected to participate in the Plan by deferring a portion of my salary into the Plan, it is hereby agreed as follows:

I request and direct that my salary be reduced as of the effective date designated on the front of this form (this date cannot precede the date this agreement is signed), and that the Employer, its proper officers, agents and employees contribute these deferrals into the Plan.

I agree and understand that increasing, decreasing or stopping the amount deferred per pay period requires that a new Agreement be made.

I agree and understand that all amounts deferred, all property purchased with those amounts, and the income on the amounts or property shall be maintained for the exclusive benefit of eligible employees and their beneficiaries.

I understand that §457 of the Internal Revenue Code limits the amount which may be deferred each year. It is my responsibility to monitor the amount I contribute per pay period to ensure that my total annual contributions to the Plan do not exceed the amount permitted under the Internal Revenue Code as amended from time to time. I may need to decrease the amount I contribute to the Plan by making a new Agreement, to avoid contributing excess amounts.

I understand that this Agreement is irrevocable as to salary earned while the Agreement is in effect. However, I may terminate the Agreement at any time with respect to amounts not yet earned by submitting written notice to the Employer. I understand that the Employer will reduce my salary pursuant to the terms of this Agreement only to the extent that the amount of my gross salary for any pay period exceeds the amount I have elected to defer in any pay period.

In consideration of the Employer's compliance with the terms of this Agreement, I agree to hold Employer, its members, officers, agents, employees, successors and assigns harmless from and against any and all liability whatsoever arising out of or in connection with this Agreement, including but not limited to any costs or tax penalties that I may incur as a result of or in connection with the authorization and direction given by me in this Agreement.

Nothing in this form is to be considered investment or tax advice from the State of Montana.