



## 457(b) Plan Salary Deferral Agreement for 2020

(circle one) UAA    UAF    UAS    SW				Department
Last Name		First	M.	
Employee ID			Work Phone	

A Public Section 457(b) plan provides eligible employees an opportunity to reduce taxable income through the deferral of compensation as well as to receive distributions after retirement when they may be in a lower tax bracket.

This supplemental plan is offered to Officers and Senior Administrator employees who have signed salary reduction agreements for the University of Alaska Voluntary Tax-Deferred Annuity plan (403(b)) to contribute the maximum allowed to that account. The 457(b) plan is only available after exhausting maximum deferrals (including available catch-up deferrals) to the 403(b).

Check One:     Original Designation     Increase Deferral     Decrease Deferral     Termination of Agreement

### 457(b) Salary Deferral Agreement

1. This agreement is submitted to the University of Alaska, hereinafter "Employer," on \_\_\_\_\_ (date)  
by \_\_\_\_\_, hereinafter "Employee." Employee elects to contribute \$ \_\_\_\_\_ per pay period, to a calendar year goal of \$ \_\_\_\_\_

Total of all deferrals under this Agreement may not, in 2020, exceed the \$19,500 IRC limit unless Employee is age 50 or older and applying the Age 50+ catch-up of \$6,500. Alternatively, Employee can elect the Special Catch-Up Limit of up to an additional \$19,500 in one of the last three years of employment prior to normal retirement age.

- This agreement shall continue until the Employee completes another Salary Deferral Agreement either amending or terminating this agreement or upon termination of employment.
- The Employee is solely responsible for compliance with maximum limitations on contributions. The Employee is hereby advised to consult his/her own financial or tax advisor before signing this agreement.**
- I, the Employee, have read a current prospectus of the TIAA-CREF investment fund(s) that I have chosen.
- I understand that this agreement must be signed and submitted to my regional human resources office prior to the first day of the month that the deferral will be made, and that the first deferral will be made in the first pay period beginning after the first of the month to which it applies. I also understand that if I am increasing or decreasing my payroll deductions (including a complete cessation of deductions), the new deferral election will take effect on the first pay period beginning on or after the first of the month in which the change was made.
- I agree to be bound by all the terms and conditions of the Plan.

I understand that this agreement is legally binding, and the Employer shall have no liability whatsoever for any loss or damages suffered by me. I agree to indemnify and hold harmless the Employer from any claims, demands, judgments, costs, or expenses (including reasonable attorney's fees) arising out of or relating to this agreement.

I have completely read this agreement and the instructions on the reverse side of this agreement. I have completed and submitted the TIAA-CREF enrollment form and beneficiary forms to TIAA-CREF.

Employee Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Personnel: Received by: \_\_\_\_\_ Received Date: \_\_\_\_\_

Deduction 250 Begin date: \_\_\_\_\_ Entered by: \_\_\_\_\_ Date: \_\_\_\_\_

## Instructions for 457(b) Salary Deferral Agreement

Please complete all sections of the 457(b) Salary Deferral Agreement. Return original to your local human resource office. Retain a copy for your records. The following instructions will assist you in completing the form to ensure there are no delays in the effective date and your salary is reduced by the correct amount.

The first deduction from your pay will take effect with the first pay period that begins after the first of the month following the submission of this agreement. You must give this signed agreement to your regional human resources office prior to the first of the month in which you want your deferrals to begin.

**Important IRC Changes in Tax Law and Limits:** In 2020 and future years, elective deferrals under this Agreement for a calendar year may not exceed the IRC limit of \$19,500. In addition, for an employee age 50 or older in 2019, an additional \$6,500 deferral is allowable.

Alternatively, you may be eligible for the Special Catch-up and contribute up to an additional \$18,000 if you are in one of the last three years prior to normal retirement age. The University of Alaska's plan defines normal retirement age as age 60. See the plan document for more details.

You may not combine the age 50 catch-up with the Special Catch-up.

**I. Check One:** Check *Original* if this is the first time you are entering into an agreement or are reestablishing an agreement. If you are amending an existing agreement (changing dollar amounts), check Increase Deferral or Decrease Deferral. Check *Termination* if you are stopping the existing agreement.

**II. Employer/Employee Agreement:** Print your name so that it is legible.

- Deferrals will start with the first full payroll period in the month following the date you enter the agreement. Enter the total dollar amount for each pay period, up to the maximum annual contribution limits pursuant to the IRC. This amount should be inclusive of the regular annual limit and any catch-up you are using.
- **Calendar Year Goal:** Enter your *total desired dollar contribution amount* for the calendar year. The total amount entered cannot exceed the applicable IRC annual limit on contributions. See the information above for more information on annual limits.
- **Signature and Date**

Items 2–6 provide you with important information on IRS regulations that apply to this program and your responsibilities. By signing this form, you are certifying that you have read and understand these items.

- **Financial or Tax Advisor**

If you complete this form with the assistance of a financial or tax advisor, fill in the advisor's name, company, and telephone number.

### TIAA-CREF Account Application/Enrollment/Beneficiary Form(s)

Be sure to open a 457(b) account with TIAA-CREF before the first deduction is taken from your pay.

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#### ***The Employee Understands That:***

1. The purpose of the Employer in extending this agreement is to provide the participant with an opportunity to benefit from the provisions of the Internal Revenue Code that govern 457(b) salary deferral programs after exhausting all available salary reduction maximums with their 403(b) tax-deferred annuity.
2. The Employer makes no recommendation as to whether the employee should participate in this program, and this program is not an Employer-sponsored plan.
3. The Employer does not warrant any particular tax consequences to the participant.
4. All computations to determine the amount of the salary deferral hereby authorized, including the applicable limit on the salary deferral amount for the year or any applicable catch-up amount, are the employee's responsibility.