INDIANA UNIVERSITY
HUMAN RESOURCES

IU 457(b) RETIREMENT PLAN
SALARY DEFERRAL AGREEMENT

Employee Information

Name:	10-Digit University ID:

Campus:	Department:	IU E-Mail Address:

Pay Cycle: ☐ 26 Pay ☐ 12 Pay ☐ 10 Pay ☐ Final Pay **Last Day**: ________/________/______________

1.) **I am requesting salary deferrals to begin on:** ________/________/______________

2.) ________ % TIAA ________ % Fidelity *(Total percentage must equal 100%)*

3.) **Salary Deferral Amount (IURets49)**
I request to defer the following amount from eligible compensation as an elective deferral in accordance with and subject to the IRS rules and regulations:

☐ __________ **% of my eligible compensation per pay period.**

I understand that if I will be **age 50+** in the current tax year, the maximum I will be allowed to defer to this plan will also include the age 50+ catch-up amount.

I understand that if I will be **ages 62, 63, or 64** in the current tax year, if I wish to use the age 62, 63, or 64 special catch-up provision under this plan, I have contacted IU Human Resources to check my eligibility and make the necessary changes to my contribution amount. *See page 2 of this agreement for IRS contribution limits.*

THIS BOX FOR HR USE ONLY

Begin Date: _____/_____/________

IURETS 49: ___________%

Initials: ______________________

Employee Acknowledgement

I authorize Indiana University to remit the salary deferral amount(s) designated above to the designated investment company(s) as contributions to the IU 457(b) Retirement Plan, an IRC §457(b) plan and I acknowledge the following:

- This agreement will take effect as soon as administratively feasible, and will remain in effect until I change (revoke or modify) it. I may change this agreement by making the change online in One.IU.
- This agreement applies only to compensation not yet paid or made available to me.
- That Indiana University may revoke or modify this agreement at any time to comply with applicable IRS limits.
- That Indiana University does not warrant the performance or the appropriateness of any investment or the tax consequences or excludability and will not be responsible for any penalties or tax consequences resulting from this agreement.
- That the Plan does not allow for withdrawals while employed at Indiana University.
- I am aware of the fees and expenses charged by the designated investment company(s).
- That elections to defer the maximum amount possible are processed over the remaining pays in a calendar year without taking into account mid-year terminations of employment or changes in base salary. My contribution percentage may be changed by IU Human Resources from year to year to adjust for changes in IRS limits or to ensure deferrals are made evenly throughout the year.
- The Internal Revenue Service imposes various limits on your contributions to, or benefits from, the different IU plans. In addition, some limits require aggregation of the IU plans with other plans in which you participate. These rules may vary depending on the type of plan, the type of contributions, and how the plan is structured.

Employee Signature: ____ Date: ________/________/____________

Please complete the digital signature above then click the submit button below. This form may also be scanned and e-mailed to askHR@iu.edu.

HR Use Only

Reviewed by: ____ Date: ______/______/__________

Processed by: ____ Date: ______/______/__________

Clear Print Submit

INTERNAL REVENUE CODE CONTRIBUTION LIMITS

Annual Dollar Limit on Elective Deferrals (IRC §402(g)(1))

Internal Revenue Code (IRC) §457(b)(2) limits the amount of salary deferral contributions (elective deferrals) that can be contributed to the IU 457(b) Retirement Plan and to all IRC §457(b) plans in which an employee participates in any calendar year. (Please note that elective deferrals made to the IU Tax Deferred Account Plan are not limited by IRC §457(b)(2).)

The annual dollar limit is the lesser of 100 percent of the employee's compensation for the calendar year or the "applicable dollar amount." The "applicable dollar amount" for 2017 is $18,00, and for 2018 is $18,500.

Please note that Indiana University does not monitor elective deferrals made to any business entity other than Indiana University. Therefore, an employee must self-monitor elective deferrals made to the Veterans Administration Hospital, IU Health, the IU Foundation, the IU Health Physicians, private practice associations, former employers, etc.

Age 50 or Older Catch-up Contributions (IRC §414(v)(2))

For participants who are at least age 50 before the end of the plan year, the current dollar limits on elective deferrals are increased. The additional amount of elective deferrals that are permitted to be made by an eligible participant is the lesser of (i) the participant's compensation for the year reduced by any other elective deferrals of the participant for the year or (ii) the "applicable dollar amount." The applicable dollar amount is $6,000.

Age 50 or older catch-up contributions will not be taken into account in applying the annual dollar limit on elective deferrals (IRC §457(b)(2)).

Age 62, 63, or 64 Catch-Up Contributions (IRC §457(b)(3))

For one or more of the participant's last three taxable years ending before he or she attains age 65, the participant may increase the annual dollar limit on elective deferrals to an amount not exceeding the lesser of: (i) twice the "applicable dollar amount"; or (ii) the "underutilized limitation."

The "underutilized limitation" is equal to the sum of: (i) the annual dollar limit on elective deferrals for the taxable year; plus (ii) the annual dollar limit on elective deferrals (disregarding any catch-up) for any prior taxable year(s) less the elective deferrals made for such year(s).

In determining the "underutilized limitation" for prior years, the plan disregards any IRC §414(v) catchup contributions, both for calculation of the annual dollar limit on elective deferrals in a prior year and in establishing the amount of elective deferrals made in the prior year. A participant may not elect to apply the IRC §457(b)(3) catchup rule more than once, regardless of whether the participant utilizes the catch-up rule in less than all of the three taxable years ending before the participant attains age 65. This restriction on the use of the IRC §457(b)(3) catch-up rule also applies if the participant rejoins the plan or participates in the plan after retirement. It does not prevent more than one election by an employee covered by IRC §457(b) plans of different employers.

The "one-time use" restriction does not prohibit a participant from making an IRC §457(b)(3) catch-up election applicable to each of the three years prior to age 65. Th is restriction only means a participant who elects to utilize the IRC §457(b)(3) catch-up rule has one three-year period within which to exercise the rule.

Use of Multiple IRC Catch-Up Contribution Provisions Restricted

A participant may not make both an age 50 or older catch-up contribution (IRC §414(v)) and an age 62, 63, or 64 catch-up contribution (IRC §457(b)(3)) to the plan in the same year.

The Internal Revenue Service imposes various limits on your contributions to, or benefits from, the different IU plans. In addition, some limits require aggregation of the IU plans with other plans in which you participate. These rules may vary depending on the type of plan, the type of contributions, and how the plan is structured.