

*Independent
School District No. 1
Lewiston, Idaho*

**Revised Savings
Handbook
2016/2017**

An Employee's Guide to the PERSI Choice 401(k) Plan, the District's 403(b) Plan and the Idaho College Savings Program.

INDEPENDENT SCHOOL DISTRICT NO. 1
LEWISTON, IDAHO
SAVINGS HANDBOOK
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INTRODUCTION

THE PURPOSE OF THIS HANDBOOK

A number of saving opportunities are available to employees of the Lewiston School District through payroll deduction. The information in this handbook gives an overview of savings options and basic information on legal limits and district procedures to establish and maintain accounts. The Lewiston School District does not give specific investment or tax advice and recommends an individual seek qualified advice from a tax advisor, TSA representative or other financial professional prior to participating in any savings/retirement program.

OPTIONS WHICH ARE AVAILABLE

As of January 1, 2009 the District has adopted a written 403(b) plan which meets the requirements of IRS regulations. All employees are eligible to participate in this plan. In addition, the PERSI "Choice" 401(k) program is available through the Public Employees Retirement system of Idaho (PERSI). All employees eligible for PERSI are also eligible to contribute to the PERSI Choice plan. These programs are intended to provide savings for retirement.

Both 403(b) programs and 401(k) plans are retirement savings plans which allow an employee to contribute part of his/her salary into an investment account every month through the District's payroll system. The contributions are made before taxes are taken out. Both are named after the Internal Revenue Code Section which spells out the rules for the plans.

Another savings option available to employees is a direct payroll deduction into the **Idaho College Savings Program**. For information on this program check their web site at www.idsave.org.

ADVANTAGES OF RETIREMENT SAVINGS

For both the 401(k) PERSI Choice plan and the 403(b) plan contributions are made on a monthly basis into a retirement account through payroll. The contributions are made with pre-tax dollars and any earnings on the investment are tax deferred. Tax-deferred means that you postpone paying taxes on the amount you contribute to a retirement plan and the interest it earns, until such time as you decide to start taking money out of the plan. At that time, withdrawals from the plan will be subject to taxes as ordinary income. Your advantage is that throughout the accumulation period, your money grows free from taxes. This allows your contributions to compound to an amount greater than if your contributions and earnings were taxed each year.

Following is an example of tax deferred savings compared to a regular savings account:
 If your goal is to save \$2,500 per year and your tax rate is 28%, you will need to earn \$3,472 per year in order to save \$2,500 in a conventional savings plan (\$3,472 – 28% for taxes = \$2,500). A tax-deferred investment is a pre-tax investment; therefore, you can save the entire \$3,472 (\$3,472 – 0 for taxes = \$3,472).

CONVENTIONAL SAVINGS PLAN		TAX-DEFERRED SAVINGS PLAN
\$ 3,472	Amount Earned	\$ 3,472
28%	Tax Rate	28%
\$ 972	Tax Paid	0
\$ 2,500	Net Annual Amount to Save	\$ 3,472
7% (5.04% after-taxes)	Assumed Earnings Rate	7%
20	Years of Saving	20
\$83,015	Value at End of 20 Years	\$142,336

The PERSI CHOICE 401(k) PLAN

All employees that work a minimum of 20 hours per week over a 5 month measurement period contribute a portion of their earnings to the Public Employee Retirement System of Idaho (PERSI), a defined-benefit retirement plan. The District makes mandatory contributions to the PERSI “Base” plan on employees’ behalf. Employees own 100% of their contributions and after completion of the five-year vesting period, employees also own the employer-contributed portion of their account.

Employees eligible to participate in the PERSI base plan are also automatically eligible to contribute to the PERSI Choice 401(k) plan which is a voluntary defined-contribution plan through convenient payroll deduction. A simple form (Appendix A) is submitted to the payroll office by the 20th of the month prior to the payroll deduction. This form is used to start, stop or change the payroll deduction.

CONTRIBUTION LIMITS AND ROLLOVERS

An employee may contribute a set amount each month up to 100% of gross income in the PERSI Choice plan up to a maximum of \$18,000 per year (for 2017). Employees over age 50 may contribute an additional \$6,000 per year (2017). PERSI Choice 401(k) funds are 100% vested.

The PERSI Choice Plan accepts rollovers of all eligible rollovers distributions from 401(a), 401(k), 403(a), 403(b) and 457 plans. To be eligible for rollover, there must be a “distributable” event such as termination of employment. An employee who has a 403(b) through the District cannot rollover these funds into the PERSI Choice Plan unless employment is terminated.

INVESTMENT OPTIONS

There are several investment options established for PERSI Choice 401(k) investments. These investments are explained on the PERSI Choice web site at http://www.persi.idaho.gov/members/choice_401k_plan.cfm The options offer a balance of risk

and return from very conservative to aggressive. Contributions are initially invested in the default PERSI Total Return Fund which represents the same investments as the Base Plan. Employees who wish to change their PERSI Choice portfolio may do so by telephone at 1-866-437-3774 or logging into one's Choice 401(k) account online.

DISTRIBUTIONS

Under the PERSI Choice 401(k) Plan, loans are permitted for any reason during employment. The minimum loan amount is \$1000 and the maximum loan amount is the lesser of \$50,000 or 50% of the account. Repayments are made with after-tax money through payroll deductions.

Hardship withdrawals are allowed for specific purposes as defined by IRS Regulations.

Funds from the Choice Plan 401(k) account may be transferred to the PERSI Base Plan while an employee is still working to repay separation benefits, waiting periods or delinquent contributions.

The full value of the 401(k) account is available upon retirement, termination of employment, death or disability. There are a number of payment options.

FEES

Record keeping and administration fees for the PERSI Choice 401(k) Plan are described on the website at http://www.persi.idaho.gov/choice_401k_plan_fees.cfm

The DISTRICT 403(b) PLAN

IRS regulations in 2007 required educational organizations to develop a written plan document which establishes the vendors and plan provisions for 403(b) retirement investments. The Board of Directors of Independent School District No. 1 adopted the plan on November 10, 2008 effective as of January 1, 2009. All employees of the District may participate in the 403(b) plan through a convenient payroll deduction. A simple Salary Reduction Form (Appendix B) is submitted to the payroll office by the 20th of the month prior to the payroll deduction.

INVESTMENT OPTIONS

Aspire Financial Services, LLC (Aspire) and American Fidelity Assurance Company are the vendors selected as 403(b) vendors. Aspire provides options for mutual funds and American Fidelity provides fixed and variable annuities.

CONTRIBUTION LIMITS

An employee may contribute 100% of earned income up to \$18,000 annually (2016), however contributions to all 403(b) and 401(k) accounts must be combined when determining the maximum contribution. Employees with 15 or more years of service with the Lewiston School District may be eligible for an additional catch-up contribution amount. Employees who are 50 years of age or older

are eligible to make an additional \$6,000 (2016) contribution per year. It should be noted that the Internal Revenue Service (IRS) governs contribution limits and publishes updated information annually at www.irs.gov.

WITHDRAWALS AND DISTRIBUTIONS

The funds in a 403(b) investment are intended to be used at retirement, however, they may be withdrawn under the following conditions:

1. Attainment of age 59-1/2
2. Death or Disability
3. Separation from Service
4. Severe financial hardship (as defined by the IRS)

At the time funds are withdrawn, they will be taxable income to the employee. In most situations withdrawing funds before age 59-1/2 will result in a 10% tax penalty in addition to the Federal and State tax. Loans from the 403(b) investments are not allowed under the District's Plan.

FEES

403(b) accounts may be subject to a variety of maintenance and administration fees which must be disclosed by the investment fund management. The District has no control or interest in the fees charged and does not derive any benefit from them. Your investment advisor should be consulted with questions concerning fees.

ORPHAN ACCOUNTS

IRS Revenue Procedure 2007-71 defines an orphan 403(b) account as one held by the District's employee, former employee or beneficiary that is not a part of the District's 403(b) plan on January 1, 2009. Those accounts which received no contributions to any account of any of the District's employees after December 31, 2004; 403(b) accounts that were properly transferred to any investment provider before September 24, 2007 and accounts held by former employees are considered grandfathered. In these cases the employee will deal directly with the investment provider holding the account.

For those accounts held by current employees as of January 1, 2009 where the contract was issued on or after 1/1/2005 and before 1/1/2009; contributions were made on behalf of employees during that period; and the investment provider is not included under the District’s plan, the District has made a good-faith effort to contact those investment providers and request an information sharing agreement. The following vendors have returned the District’s information sharing agreement as of October 31, 2008:

Name of Vendor
Variable Annuity Life
AIG American General
Ameriprise Financial, Inc.
Kansas City Life
Oppenheimer Funds
Security Benefit
Commonwealth Annuity
Horace Mann Life Insurance
ING Life Ins and Annuity
Midland National Life
ReliaStar Insurance Co
Thrivent Financial
Waddell & Reed

Contributions to all vendors except for the selected vendors will be discontinued as of January 1, 2009. Employees with 403(b) contracts with “orphan” vendors will have the option of leaving the funds with the current vendor or exchanging these accounts to an investment provider that is part of the District’s plan. CAUTION: Exchanging funds to a plan vendor may result in surrender charges or other fees depending upon the investment agreement with the investment provider.

QUESTIONS?

If you have questions about the PERSI Choice plan or 403(b) investments you may contact the Director of Business Services at the Lewiston School District.

**Katharine McPherson
(208)748-3040
kmcpherson@lewistonschools.net**

Can I roll over money into the PERSI Choice 401(k) Plan?

Yes, if you have money in a 401(a), 401(k), 403(b), 457 (governmental), or pre-tax IRA, you can roll over those funds to your PERSI Choice 401(k) Plan account. Contributions made to any plan on an after-tax basis cannot be rolled into the PERSI Choice 401(k) Plan.¹

Can I choose how to invest my PERSI Choice 401(k) Plan contributions?

Yes, when you make voluntary contributions to your PERSI Choice 401(k) Plan account, you can also direct how those funds are invested. You can choose from several investment fund options within the PERSI Choice 401(k) Plan to create a diversified portfolio of fund options including a mix of equity, fixed income, balanced funds², as well as the PERSI Total Return Fund (TRF³). If you decide not to choose investment options or would like to have your funds invested in the TRF, you do not have to do anything. Your funds will automatically be invested in the TRF for you.

What is the Total Return Fund?

The Total Return Fund is one of the PERSI Choice 401(k) Plan investment options. This fund is invested the same way as the Base Plan's trust assets, making it a diversified fund. The Total Return Fund is the default option for the PERSI Choice 401(k) Plan, meaning any contributions made to your account will be invested in the Total Return Fund unless you specifically elect other fund options.

Please consider the investment objectives, risks, fees, and expenses carefully before investing. For this and other important information about investments offered through your Plan, you may obtain mutual fund prospectuses for registered investment options and/or disclosure documents from your registered representative or Plan website. Read them carefully before investing.

What percentage am I vested in my PERSI Choice 401(k) Plan account?

You are 100% vested in (meaning you fully own) the money in your PERSI Choice 401(k) Plan account, including both contributions and interest earned.



WHERE CAN I FIND ADDITIONAL INFORMATION?

GET ALL OF YOUR INFORMATION HERE³

...at the PERSI website at www.persi.idaho.gov. Click on the myPERSI link in the top right hand corner of the page. Log on to myPERSI using your email address and password you created when you registered. If you are new to myPERSI, click on the Register Now link to go through the registration process. You will be sent an email with your new password within approximately 30 minutes. Once you log on, you can access your PERSI Base Plan and PERSI Choice 401(k) Plan account information.

OR CONTACT US - WE ARE HERE TO HELP!³ Empower Retirement (recordkeeper): 1-866-437-3774

The automated toll-free system is always available for basic account information. Your PERSI Choice 401(k) Plan customer service representatives are available from 7 a.m. to 6 p.m. Mountain time, Monday through Friday.

**PERSI:
1-800-451-8228
or 334-3365 (from Treasure Valley area)**
The PERSI Member Services Center is available to take your calls from 7:30 a.m. to 5:30 p.m. Mountain time, Monday through Friday.

To start, change, or stop payroll deductions, see the Paycheck Contribution Election Form and Instructions on the reverse.

Effects of Inflation

When you're figuring out how much you'll need for your future, don't forget about inflation. Remember the following:

- Typically, inflation goes up over time.
- Something that cost \$10 in 1986 might cost \$23.44 in 2016.
- Imagine what that one thing that cost \$23.44 in 2016 may cost in retirement.

Does your goal adjust for inflation?



30 years

FOR ILLUSTRATIVE PURPOSES ONLY.
This illustration assumes an inflation rate of 3%.

Increase your Paycheck Contribution Election today!

- ¹ You are encouraged to discuss rolling money from one account to another with your financial advisor/planner, considering any potential fees and/or limitation of investment options.
- ² Asset allocation and balanced investment options and models are subject to the risks of the underlying funds, which can be a mix of stocks/stock funds and bonds/bond funds.
- ³ Access to the voice response system and/or any website may be limited or unavailable during periods of peak demand, market volatility, systems upgrades/maintenance or other reasons.

Core securities, when offered, are offered through GWFS Equities, Inc. and/or other broker dealers.

GWFS Equities, Inc., Member FINRA/SIPC, is a wholly owned subsidiary of Great-West Life & Annuity Insurance Company. Core investment options offered through mutual funds, separately managed accounts, and/or collective trust funds. GWFS Equities, Inc., or one or more of its affiliates, may receive a fee from the investment option provider for providing certain recordkeeping, distribution and administrative services.

Empower Retirement refers to the products and services offered in the retirement markets by Great-West Life & Annuity Insurance Company (GWL&A), Corporate Headquarters: Greenwood Village, CO; Great-West Life & Annuity Insurance Company of New York, Home Office: New York, NY; and their subsidiaries and affiliates. The trademarks, logos, service marks and design elements used are owned by their respective owners and are used by permission. ©2016 Great-West Life & Annuity Insurance Company. All rights reserved. CB1222EDF (6/2016)

PERSI Choice 401(k) Plan Paycheck Contribution Election

Print this form, complete and return to your employer.

Name _____

Social Security Number _____

Choose One Option:

- Begin PERSI Choice 401(k) Plan deductions.
 Change deduction method or amount.
 Stop PERSI Choice 401(k) Plan deductions.

Effective Pay Date: _____

Choose one deduction method or amount. Indicate % or \$.

This percentage of gross wages: _____ %

This fixed amount: \$ _____ per pay period.

Check Yes No to see whether a % or fixed \$ amount.

Participation Authorization and Acknowledgment

I authorize my employer to reduce my wages by the amount indicated above, for deposit into the PERSI Choice 401(k) Plan account established for my benefit. This authorization applies to future contributions only and is effective beginning the pay date indicated above. It will remain effective until I stop or change it by submitting a new Deferral Election Form. I understand that my contribution will be invested in the PERSI Total Return Fund unless I authorize a different investment allocation through Empower Retirement telephone customer service or the PERSI Choice 401(k) Plan website. I understand that distributions from the PERSI Choice 401(k) Plan are only allowed in the event of termination of employment, disability, retirement, death, or financial hardship, and that tax penalties may apply to distributions taken before age 59½. Financial hardship distributions are allowed only under certain IRS-approved circumstances.

Signature _____

Date _____

Give completed form to your employer.

Instructions

Use the form at left to start, change, or stop payroll deductions for tax-deferred contributions to the PERSI Choice 401(k) Plan.

Steps:

- Read about the form below.
 - Complete the Authorization Information Section.
 - Read and sign the Authorization and Acknowledgment.
 - Give the form to your employer's human resources or payroll department.
- ◆ Percentages must be whole numbers from 1% to 100%. Because of additional mandatory deductions (FICA and PERSI) as well as voluntary payroll deductions, you may not actually be able to defer 100% of your gross wages.
 - ◆ Not all employers have payroll systems capable of deducting fixed amount contributions. Check with your employer before selecting the fixed amount deduction method.
 - ◆ As of January 1, 2016, the annual contribution limit for 401(k) plans is \$18,000 (\$24,000 if you are at least 50 years of age in 2016). If you contribute to both a 457 and 401(k) plan, you may contribute up to \$18,000 (\$24,000 if age 50) into each plan, for a total of \$36,000 (\$48,000 if age 50). If you contribute to both a 403(b) and a 401(k) plan, the combined annual contribution limit is \$18,000 (\$24,000 if age 50).
 - ◆ PERSI has contracted Empower Retirement to provide record keeping and trust administration services on behalf of the PERSI Choice 401(k) Plan. In this capacity, Empower establishes and maintains an account for each active (and eligible) member and provides customer service to PERSI Choice 401(k) Plan participants.
 - ◆ To change the investment allocation of your future contributions, or redistribute your existing funds to a different investment allocation, link to your PERSI 401(k) Choice Plan account from your myPERSI account at www.persi.idaho.gov and select My Choice 401(k) Plan Account, or call Empower Client Services at 866-437-3774.
 - ◆ If you stop your contributions, you can restart them at any time by submitting a new PERSI Choice 401(k) Plan Paycheck Contribution Election form to your employer.

PERSI Choice 401(k) Plan Paycheck Contribution Election

The PERSI Choice 401(k) Plan is a defined contribution plan designed to supplement your PERSI Base Plan benefits. If you decide to participate, you decide how much to defer from your paycheck through pre-tax deductions and how you would like to receive the money when you retire.

What is PERSI?

The Public Employee Retirement System of Idaho (PERSI) is a defined benefit retirement plan established to provide secure, long-term retirement benefits for employees who choose careers in public service. PERSI members include active public employees, active members of the Judges' Retirement Fund and retirees from nearly 760 employers across Idaho.

Who is eligible for the PERSI Choice 401(k) Plan?

If you are an active member of the PERSI Base (Defined Benefit) Plan, you may participate in the PERSI Choice 401(k) Plan. In fact, an account has already been set up in your name; all you need to do is begin contributing!

When can I start contributing (deferring)?

As a PERSI member, a PERSI Choice 401(k) Plan account is automatically set up for you once you become eligible to participate and your employer notifies PERSI. Once your PERSI Choice 401(k) Plan account is active, you can begin making contributions. To get started, simply complete and remove the form on the side panel of this brochure.

How much can I contribute?

To participate in the PERSI Choice 401(k) Plan, you must contribute at least \$130 annually (\$2.50 per week). For 2016, you may contribute up to \$18,000 to the PERSI Choice 401(k) Plan, which is the limit determined by the IRS. If you are at least age 50 during 2016, you may also contribute an additional \$6,000 as a catch-up contribution, for a total contribution of \$24,000. These maximum contribution amounts are set by the IRS and are subject to change in future years.





**Paycheck Contribution Election
401(k) Plan**

PERSI Choice 401(k) Plan **95270-01**
 Use black or blue ink when completing this form. For questions regarding this form, visit the Web site at www.mypersi401k.com or contact Service Provider at 1-866-437-3774.

A Participant Information

Account extension, if applicable, identifies funds transferred to a beneficiary due to participant's death, alternate payee due to divorce or a participant with multiple accounts.

- -
 Social Security Number (Must provide all 9 digits)

()

Last Name First Name M.I. Daytime Phone Number

Independent School District No. 1 (S000)

Employer/Payroll Center

B Payroll Election(s)

Paycheck Contribution Election (Payroll Deductions)

Select One: Start Restart Change Stop

I elect to contribute to the Plan the following amount(s) or percentage(s) of my eligible compensation indicated below (per pay period):

Before-Tax Contributions \$ or **N/A** % (\$1.00 - \$24,000.00 or 1% - 100%)

As of January 1, 2016, the annual contribution limit for 401(k) Plans is \$18,000.00 (\$24,000.00 if you are at least 50 years of age in 2016). If you contribute to both a 457 and 401(k) plan, you may contribute up to \$18,000.00 (\$24,000.00 if age 50) into each plan, for a total of \$36,000.00 (\$48,000.00 if age 50). If you contribute to both a 403(b) and a 401(k) plan, the combined annual contribution limit is \$18,000.00 (\$24,000.00 if age 50).

C Participant Consent (Please sign on the 'Participant Signature' line below.)

My signature acknowledges that I have read, understand and agree to all pages of this form and affirms that all information that I have provided is true and correct. I also understand that:

- Until cancelled, superseded or I cease to be an eligible employee, all election(s) shall apply to all eligible compensation allowed by the Plan paid from the effective date specified unless a different effective date is required under the terms of the Plan and cancels all previous elections.
- I may change the dollar amount or percentage of compensation contributed as allowed under the terms of the Plan.
- It is my responsibility to comply with any Internal Revenue Code deferral limits and that I may be responsible for any costs, including taxes and penalties that I may incur as a result of excess contributions.
- My Plan Administrator may take any action that may be necessary to ensure that my participation is in compliance with any applicable requirement of the Plan Document and the Internal Revenue Code.
- I authorize the payroll deduction as indicated on this form.

Any person who presents false or fraudulent information is subject to criminal and civil penalties.

Participant Signature _____ Date (Required) _____

D Mailing Instructions

Participant forward this form to Employer and do not send to PERSI
 Employer DO NOT send this form to the Service Provider. Please retain for your records.

Core securities, when offered, are offered through GWFS Equities, Inc. and/or other broker dealers. GWFS Equities, Inc., Member FINRA/SIPC, is a wholly owned subsidiary of Great-West Life & Annuity Insurance Company. Empower Retirement refers to the products and services offered in the retirement markets by Great-West Life & Annuity Insurance Company (GWL&A), Corporate Headquarters: Greenwood Village, CO; Great-West Life & Annuity Insurance Company of New York, Home Office: White Plains, NY; and their subsidiaries and affiliates. All trademarks, logos, service marks, and design elements used are owned by their respective owners and are used by permission.

Please note the 2017 Pension Plan Limits for 401(k) Contribution Limit. Remains the same as 2016.

Independent School District No. 1, Nez Perce County Idaho
3317 12th Street
Lewiston, ID 83501

**Salary Reduction Agreement for
403(b) Programs**

Part 1. Employee Information:

Name: _____ **SS#:** _____ **Emp. #** _____
Address: _____

Part 2. Agreement

The above named Employee elects to become a participant of the Employer's 403(b) Plan and agrees to be bound by all the terms and conditions of the plan. By executing this agreement, Employee authorizes Employer to reduce his or her compensation and have that amount contributed as an elective deferral and/or as a salary reduction contribution to the Roth 403(b) option if permitted in the plan, on his or her behalf into the annuity or custodial accounts as selected by Employee. It is intended that the requirements of all applicable state or federal income tax rules and regulations (Applicable Law) will be met. Employee understands and agrees to the following:

- 1) This Salary Reduction Agreement is legally binding and irrevocable with respect to amounts paid or available while this agreement is in effect;
- 2) This Salary Reduction Agreement may be terminated at any time for amounts not yet paid or available, and that a termination request is permanent and remains in effect until a new Salary Reduction Agreement is submitted; and
- 3) This Salary Reduction Agreement may be changed with respect to amounts not yet paid or available in accordance with Employer's administrative procedures.

Employee is responsible for providing the necessary information at the time of initial enrollment and later if there are any changes in any information necessary or advisable for Employer to administer the plan. Employee is responsible for determining that the salary reduction amount does not exceed the limits set forth in applicable law. Furthermore, Employee agrees to indemnify and hold Employer harmless against any and all actions, claims, and demands whatsoever that may arise from the purchase of annuities or custodial accounts. Employee acknowledges that Employer has made no representation to Employee regarding the advisability, appropriateness, or tax consequences of the purchase of the annuity and/or custodial account described herein. Employee agrees Employer shall have no liability whatsoever for any and all losses suffered by Employee with regard to his/her selection of the annuity and/or custodial account. Nothing herein shall affect the terms of employment between Employer and Employee. This agreement supersedes all prior salary reduction agreements and shall automatically terminate if Employee's employment is terminated.

Employee is responsible for setting up and signing the legal documents to establish an annuity contract or custodial account. However, in certain group annuity contracts, Employer is required to establish the contract.

Employee is responsible for naming a death beneficiary under annuity contracts or custodial accounts. Employee acknowledges that this is normally done at the time the contract or account is established and reviewed periodically.

Employee is responsible for all distributions and any other transactions with Vendor. All rights under contracts or accounts are enforceable solely by Employee, Employee beneficiary, or Employee's authorized representative. Employee must deal directly with Vendor to make transfers, apply for hardship distributions, begin regular distributions, or any other transactions.

Part 3. Representation by Employee for Calendar Year – 2017:

A. Participation in other employer plans: (you must check only one)

_____ I do not and will not have any other elective deferrals, voluntary salary reduction contributions, or non-elective contributions with any other employer.

_____ I do participate in another employer's 403(b), 401(k), SIMPLE IRA/401(k), or Salary Reduction SEP. The following information pertains to all of my other employers for the current calendar year:

Includible Earnings \$ _____; Elective Deferrals and/or salary reduction contributions to a Roth 403(b) or Roth 401(k) plan \$ _____; Non-elective Contributions \$ _____.

B. I have not received a Hardship Distribution from a plan of this Employer within the last six months. I further agree to provide notification to Employer prior to initiating a request if I plan to elect a hardship distribution during the term of this agreement.

C. Maximum Elective Deferral 403(b) salary reduction contribution: (you must check only one)

_____ My elective deferral/salary reduction contribution does not exceed the Basic Limit (the lesser of my includible compensation or \$18,000).

_____ My elective deferral exceeds the Basic Limit, however; the *attached worksheets* support the additional "Age 50 Catch-up provision" of \$6,000. I do not qualify for the special increased limit under the "15-year rule."

_____ My elective deferral exceeds the Basic Limit, however; the *attached worksheets* support the additional Catch-up provision for the "15-year rule" and the "Age 50 Catch-up provision" for this calendar year only. I understand that amounts in excess of the basic limit shall be allocated first to the "15-year rule" and next to the "Age 50 Catch-up provision."

Part 4. Voluntary Salary Reduction Information: (Check all that apply)

- | | |
|--|---|
| <input type="checkbox"/> Initiate new salary reduction | Please complete Part 5. |
| <input type="checkbox"/> Change salary reduction | This is notification to change the amount of my elective deferral to the new amount listed in Part 5. |
| <input type="checkbox"/> Change Funding Vehicle Provider | This is notification to change my Funding Vehicle – Complete Part 5. |
| <input type="checkbox"/> Discontinue salary reduction | Please discontinue my elective deferral to the following Funding Vehicle:
_____. |

Implementation Date (next available pay on or after): _____
(note that forms must be turned in on or before the payday prior to implementation date)

Part 5. Funding Vehicle & Amount of Pre-Tax Elective Deferrals:

	Contribution Per Pay Period	Funding Vehicles (Annuity Contracts or Custodial Accounts)
1.	<input type="checkbox"/> \$ _____	
2.	<input type="checkbox"/> \$ _____	
3.	<input type="checkbox"/> \$ _____	

Part 6. Employee Signature

I certify that I have read this complete agreement and provided the information necessary for Employer to administer the Plan and that my salary reductions will not exceed the elective deferral or contribution limits as determined by Applicable Law. I understand my responsibilities as an Employee under this Program, and I request that Employer take the action specified in this agreement. I understand that all rights under the annuity or custodial account established by me under the Program are enforceable solely by my beneficiary, my authorized representative or me.

Employee Signature: _____ Date: _____

Part 7. Employer Signature

Employer hereby agrees to this Salary Reduction Agreement:

Employer Signature: _____ Title: _____ Date: _____

Part 8. Financial Advisor

Name (Print) _____ Agency _____ Phone No. _____

Revision 01/27/2017

3. Payroll Direct Deposit Instructions

Check One. Start Payroll Direct Deposits Change Amount Stop Payroll Direct Deposits (*Skip to Section 4*)

Deduct \$, . from my paycheck each pay period and allocate the amount among my iDeal accounts as detailed below.

Important: You must allocate a minimum of \$15 to each account per pay period. Please use an additional sheet if you have more than four accounts.

Account Number

\$, .

Dollar Amount

Name of Beneficiary (*first, middle initial, last*)

Account Number

\$, .

Dollar Amount

Name of Beneficiary (*first, middle initial, last*)

Account Number

\$, .

Dollar Amount

Name of Beneficiary (*first, middle initial, last*)

Account Number

\$, .

Dollar Amount

Name of Beneficiary (*first, middle initial, last*)

4. Signature — YOU MUST SIGN BELOW

I certify that I have read and understand, consent, and agree to all the terms and conditions of the Disclosure Statement and understand the rules and regulations governing iDeal.

➤

Signature of Account Owner

Date (*mm/dd/yyyy*)