

**457(b)**

**UNIVERSITY OF NORTH CAROLINA  
Voluntary Salary Deferral Agreement for UNC Code Section 457(b) Plan**

I authorize The University of North Carolina, through its constituent institution or affiliate, at which I am an eligible Employee (hereinafter "UNC"), to reduce my salary in the amount specified below for (i) the purchase of the specified annuity or (ii) investment in a mutual fund account, with respect to amounts earned subsequent to the date of this Agreement. I also request UNC to purchase for me an annuity contract and/or mutual fund account in accordance with the provisions of Section 457(b) of the Internal Revenue Code.

**A. UNC Institution:** \_\_\_\_\_

**B. Employee Information:**

**Name:** First: \_\_\_\_\_ MI: \_\_\_\_\_ Last: \_\_\_\_\_ **Employee ID:** \_\_\_\_\_

**Department:** \_\_\_\_\_ **Work Phone:** \_\_\_\_\_ **Work Email:** \_\_\_\_\_

**Check if applicable:**  I also make contributions through payroll deduction to the State's 457(b) Plan. Contributions to the State's 457(b) must be coordinated with the UNC Code Section 457(b) Plan not to exceed the combined annual contribution limit.

**C. Salary Deferral:**

**Select one:**  New Enrollment  Change Enrollment  Cancel Enrollment

**Pay Cycle:**  Bi-weekly  Monthly  Semi-monthly

**Employee Reduction/Deduction Amount\*:** (Specify \$ amount or % to be payroll deducted from each pay check.)

Fidelity pre-tax: \$ \_\_\_\_\_

Fidelity Roth post-tax: \$ \_\_\_\_\_

TIAA-CREF pre-tax: \$ \_\_\_\_\_

TIAA-CREF Roth post-tax: \$ \_\_\_\_\_

\*Amount/Percent listed above will be deducted each payroll and may be changed anytime.

**Catch-up Contributions:** I am age 50 or older and therefore eligible to contribute up to an additional \$6,500 to my 457(b) account in 2019.

**Check if applicable** (Elect only one catch-up provision. See Terms and Conditions of Participation for details):

I elect the age 50 or over additional catch-up option, not to exceed the IRC Section 457(b) limit.

Date of Birth: \_\_\_\_\_  
MM / DD / YY

I elect the \$ \_\_\_\_\_ for individuals who are in the last three years prior to normal retirement age.

**D. Effective Date:**

This election becomes effective the first of the month following receipt of satisfactory written notice for new deferral enrollments. Changes in deferral enrollment amounts are effective on or after the first available payroll date when received by your Human Resource Office

Effective date: \_\_\_\_\_  
MM / DD / YY

**E. Contribution Limits:**

Calendar	Calendar Year	Regular	Age 50+*
<u>Year</u>	<u>Minimum</u>	<u>Limit</u>	<u>Catch-up</u>
2020	200	\$ 19,500	\$ 6,500

**F. Employee's Authorization**

I understand that accepting all of the **Terms and Conditions of Participation** are required for me to participate in the Plan. I have read the above **Terms and Conditions of Participation** and agree to be bound by them.

\_\_\_\_\_  
Employee Signature

\_\_\_\_\_  
Date

**Submit Completed form to your institution's HR Benefits Staff**

## G. Terms and Conditions of Participation

I understand and agree that UNC will apply the amount of the salary deferral described in Section C above to the purchase of an annuity contract described or investment in a custodial mutual fund, from Fidelity Investment or TIAA-CREF as authorized by UNC and selected by me. My election in Section C of this Agreement determines whether the purchase will be made on a pre-tax or Roth after-tax basis.

This Agreement is legally binding and irrevocable with respect to amounts payable while it is in effect. I understand and agree that UNC will consider this Salary Deferral Agreement in effect through the remainder of this calendar year and will remain in effect until I notify my employer, in writing, that I wish to change the amount of my salary deferrals or the allocation of such salary reductions between pre-tax and Roth after-tax reductions. I understand that any such changes will be made as soon as administratively possible, and that any changes to this Agreement may only be made with respect to pay that is not "currently available" to me on the date of the election.

Deferral amounts will produce a total deferral that does not exceed the applicable limitations of Internal Revenue Code Section 457(b) and Internal Revenue Code Section 414(v). Salary deferrals are limited as follows:

(1) **Primary Limitation:** except as provided, the maximum amount of combined Elective Deferrals and Roth 457(b) Contributions under the Plan for any calendar year, other than by means of a rollover or transfer, shall not exceed the lesser of:

- (i.) The applicable dollar amount, as set forth in Section 457(e)(15) of the Code, or
- (11.) 100% of the Participant's Includible Compensation for the taxable year.

(2) **General Catch-up Limitations:** for one or more of the last three (3) taxable years ending before a Participant's attainment of Normal Retirement Age (defined as age 59 ½ in the UNC Code Section 457(b) Plan), the maximum amount of combined Elective Deferrals and Roth 457(b) Contributions, hereof on behalf of a Participant, other than by means of a rollover or transfer, shall be the lesser of X or Y. X shall be twice the applicable dollar amount in effect under Section 457(b)(2)(A) of the Code for such year. Y shall be the sum of the primary limitation amount determined under Section (1) above for the year, and that portion of the primary limitation amount determined under Section (1) for any prior taxable year or years, less the amount of Elective Deferrals or Roth 457(b) Contributions under the Plan for such prior taxable year or years (disregarding any Elective Deferrals or Roth 457(b) Contributions under the Plan permitted under the age fifty (50) catch up contributions described in Section (3) below).

(3) **Catch-up Limitations for Individuals Age Fifty (50) or Over:** to the extent permitted by law, in the case of any individual who has attained the age of fifty (50) before the close of the taxable year, the maximum combined Elective Deferral and/or Roth 457(b) Contribution amount that may be contributed pursuant for such taxable year shall be increased by the applicable amount set forth in Section 414(v) of the Code. Notwithstanding the immediately preceding sentence, contributions shall not be made in accordance with this Section (3), if the general catch-up contributions described in Section (2) provide a higher limitation.

I acknowledge and agree that UNC has the right to reduce the contributions elected if it is determined that the legal limit has been or will be reached and refund to me any excess amounts.

I acknowledge and agree that contributions must be coordinated with the State's 457(b) Plan.

I agree to make in-service transfers from the Funding Vehicles permitted under the Plan only to Funding Vehicles currently approved by UNC. I agree that approved Funding Vehicles and UNC are permitted to enforce this in-service transfer restriction. Notwithstanding the above, I understand that this Agreement to restrict transfers while I am employed by UNC does not restrict my ability to make transfers or direct rollovers of eligible rollover distributions from the Plan to another eligible retirement program after I have separated from employment with UNC, as described in the Plan and related materials which I have been given.

No provision of this Agreement shall affect the University's right to separate my employment in accordance with other UNC policies. It is further agreed and understood that UNC shall not be obligated to pay any amount to my selected Funding Vehicles in excess of the amount then due from UNC to me.

I understand participation in the Plan requires that account information be coordinated between (i) the Funding Vehicles which are available under the program (ii) the State's 457(b) Plan, and (iii) my employer. I hereby consent for the Funding Vehicles I have selected above to share information about my account(s) with the company acting as data aggregator, for the purpose of sharing with the entities identified above in this paragraph to coordinate compliance with tax requirements, such as for loan and unforeseeable hardships.

Regarding the investments I select with the Funding Vehicles, I understand that UNC will monitor the performance and fees for Tiers I, II, and III. I acknowledge and agree that, if I select a fund or investment from Tier IV (self-directed brokerage window), I make such selection at my own risk and am solely responsible for such choice, and that UNC has no responsibility whatsoever to monitor the performance of, or fees associated with, investments from Tiers IV.

The Funding Vehicles will provide certain investment education or advice through their employees or agents; however, I understand that I may select a third-party investment adviser (who must be registered with the U.S. Securities and Exchange Commission as an investment advisor under the Investment Advisors Act of 1940) of my own choosing to advise me on my investments with the Funding Vehicles, pursuant to the process and restrictions that may be applied by UNC and the Funding Vehicles. I agree that any third-party investment adviser I use is selected solely by me, and I acknowledge and agree that I use such third-party investment adviser at my own risk and am solely responsible for such choice. If I use a third-party investment adviser, then I authorize the Funding Vehicles I have designated above to pay the third-party investment adviser's fees from my account with the Funding Vehicles.