

## 1 PARTICIPANT INFORMATION

Full Legal Name \_\_\_\_\_ Date of Birth \_\_\_\_\_ Social Security Number \_\_\_\_\_

New agreement       Change to existing agreement       Cancel existing agreement

## 2 EMPLOYEE ELECTIVE CONTRIBUTIONS

This form replaces any and all previous Payroll Deduction Agreement forms on file. *Check with your employer as all options may not be available. See descriptions on the back of this form.*

- Pre-tax elective deferral \$ \_\_\_\_\_ or \_\_\_\_\_ % per pay period
- Roth after-tax deferral \$ \_\_\_\_\_ or \_\_\_\_\_ % per pay period
- Traditional after-tax contribution \$ \_\_\_\_\_ or \_\_\_\_\_ % per pay period

To begin on the \_\_\_\_\_ day of the month of \_\_\_\_\_ in the year \_\_\_\_\_

## 3 AGREEMENT

This is a legally binding agreement made between the Participant and Employer, and will remain in effect as long as employment continues or until another agreement is executed.

- A. I agree to defer eligible compensation (e.g., wages or salaries) as indicated.
- B. I understand IRS and the Plan rules restrict when distributions may be made.
- C. If I have selected the Roth after-tax deferral, I understand qualified distributions for the Roth 403(b) deferral accounts are different from Roth IRA accounts.
- D. I understand I may change or terminate my payroll deductions at any time within the guidelines established by my employer upon written notice.
- E. I understand I am responsible for ensuring the amount of my salary reduction does not exceed the limits for 403(b) contributions.
- F. I understand contributions will be invested according to the election that is currently on file.
- G. I understand the responsibility for choosing the contribution type and investment elections is my own and not that of my employer, MBA, or any other person or group. I understand my own tax and investment professionals are the best people to advise me in their respective areas of expertise.

Participant Signature \_\_\_\_\_ Printed Name \_\_\_\_\_ Date \_\_\_\_\_

Employer Signature \_\_\_\_\_ Printed Name and Title \_\_\_\_\_ Date \_\_\_\_\_

## 403(b) PLAN CONTRIBUTION TYPES

All contributions to the 403(b) plan must be from qualifying ministry earned income and are subject to legal limits.

### EMPLOYEE ELECTIVE CONTRIBUTIONS

Elective contributions are made through a written agreement between the employee and employer.

- **PRE-TAX ELECTIVE DEFERRAL**

The contribution and earnings are tax-deferred for federal income tax purposes until distribution. There are restrictions on when distributions may be taken. These contributions must be made by the employer.

- **ROTH AFTER-TAX DEFERRALS**

Roth contributions are taxed before going into the Plan. Qualified distributions are tax-free and penalty-free. There are restrictions on when distributions may be taken. Qualified distributions from a 403(b) plan are different than those for a Roth IRA. These contributions must be made by the employer.

- **TRADITIONAL AFTER-TAX CONTRIBUTIONS**

These contributions are taxed before going into the Plan. Earnings grow tax-free until distributed. A portion of every distribution is a tax-free return of contributions and a taxable return on earnings. Distributions can be made at any time, but taxes will apply and tax penalties may apply if you are under age 59½. These contributions may be made by the employer or employee; employer verification is required for employee contributions.

### EMPLOYER NON-ELECTIVE CONTRIBUTIONS

This is a benefit in addition to salary that is paid to the employee's 403(b) retirement account. No action is needed by the employee to receive the benefit unless the employer is matching all or a portion of the employee deferrals. The contributions and earnings are tax-deferred for federal income tax purposes until distributed. These contributions must be made by the employer.

## ADDITIONAL INFORMATION

You may change your investment election for all contribution types via Online Access or by downloading the MBA Investment Change Form at [agfinancial.org/retirementforms](http://agfinancial.org/retirementforms). Annual contribution limits can be found online at [agfinancial.org/limits](http://agfinancial.org/limits). If you have questions, contact your retirement planning consultant at 800.622.7526.