

1 PARTICIPANT INFORMATION

Full Legal Name _____

2 EMPLOYER INFORMATION

Employer Name _____

City _____

State _____

3 AGREEMENT

This Agreement is made between the Participant and Employer named above. If a line in section "A" is left blank, it will be assumed that the amount is zero. This agreement remains in effect as long as employment continues or until another agreement is executed.

This is a: New agreement Change to my existing agreement

Your employer may not offer some deferral/deduction options. Check with your employer to see what options are available. See descriptions of each type of deduction on the back of this form.

- A. I agree to defer eligible compensation (e.g., wages or salaries) as follows beginning on the date of ____/____/____.
- Pretax elective deferral \$ _____ or _____% per pay period
 - Roth after-tax deferral \$ _____ or _____% per pay period
 - After-tax deferral \$ _____ or _____% per pay period
- B. I understand that IRS and the Plan rules restrict when distributions may be made.
- C. If I have selected the Roth after-tax deferral, I understand that qualified distributions for the Roth 403(b) deferral accounts are different from Roth IRA accounts.
- D. I understand that I may change or terminate my payroll deductions at any time within the guidelines established by my employer upon written notice.
- E. I understand that I am responsible for determining that the amount of my salary reduction does not exceed the limits for 403(b) contributions.
- F. I understand that the responsibility for choosing the deferral type and investment elections is my own and not that of my employer, MBA, or any other person or group. I understand that my own tax and investment professionals are the best people to advise me in their respective areas of expertise.

The Participant and the Employer hereby agree to this Payroll Deduction Agreement Form: This legally binding agreement is between you and your employer. **DO NOT SEND TO MBA.**

Participant Signature _____

Printed Name _____

Date _____

Employer Signature _____

Printed Name _____

Date _____

403(b) PLAN CONTRIBUTION TYPES

All contributions to the 403(b) plan, whether deferred from taxes or after-tax deposits, will be from qualifying ministry earned income and are subject to legal limits. Contact us for a description of the limits.

EMPLOYEE DEFERRALS

You should choose the type of deferral that best suits your needs based on consultation with your own tax professional. Neither your employer nor MBA can give you this advice.

PRE-TAX ELECTIVE DEFERRALS

This represents a reduction in an employee's pay due to an agreement between the employee and employer. The contribution and earnings on it 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 employer check.

ROTH AFTER-TAX DEFERRALS

This represents deductions from an employee's pay due to an agreement between the employee and the employer. 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 in a 403(b) plan are different than those for a Roth IRA. These contributions must be made by employer check.

TRADITIONAL AFTER-TAX CONTRIBUTIONS

These contributions are made by an agreement between the employee and employer for a salary deduction. The contribution will be 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 an employer or personal check up to the amount of the legal limits when combined with other 403(b) contributions. Employer verification is needed for contributions by personal check.

EMPLOYER CONTRIBUTIONS

This is a benefit (non-elective) 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 employer check.

RETIREMENT INVESTMENT INFORMATION

Your retirement contributions will be invested according to the election that is currently on file. If you are invested differently among sources (employer contributions vs. employee deferrals) your Roth contribution will be invested according to the election on file for your traditional pre-tax deferrals unless you have actively elected a different investment for the Roth contribution. You may change your investment election for all contribution types online at agfinancial.org/retirementforms or by contacting our office.

QUESTIONS

If you need help determining the contribution amount that fits your financial situation, call us at 800.622.7526. A retirement planning consultant can discuss your retirement savings needs and help you calculate the maximum you can contribute to your 403(b) plan each year, including use of catch-up provisions and after-tax options.