

MERS 457 Employer Contribution Addendum



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This is an Addendum to the Participation Agreement completed by _____
Name of Employer

for _____ of _____
Employee Group Division Number

The Addendum modifies the Participation Agreement by providing for employer matching and/or non-matching contributions to the Program.

I. Employer Contributions

The Participating Employer may make matching contributions and/or non-matching contributions.

The Participating Employer elects to make contributions as follows (check *Matching*, *Non-Matching*, or both as applicable):

A. **Matching Contributions**

Employer Contributions shall be made to match all or a portion of a participant's compensation deferred into this Program. The Employer elects the following matching contribution formula (**check and complete *Percentage* or *Flat Dollar* and *Employer Cap*, if applicable, below**):

Percentage: For each payroll period in which the participant deferred compensation into the Program, the Employer will contribute _____% of the deferral amount.

For example, if an Employer elects a 50% match, then for every \$10 the participant defers to the Program, the Employer will contribute \$5 to the Program.

Flat Dollar: For each payroll period in which the participant deferred at least \$ _____ to the Program, the Participating Employer will contribute \$ _____ per payroll period.

Employer Cap: The Employer elects to establish a cap on its matching contributions, so that the match amount cannot exceed a certain amount. The Employer elects the following cap on its matching contribution:

Flat Dollar Cap: In no event will matching contributions made on behalf of a participant exceed a flat dollar amount equal to \$ _____ per _____ (pay period / year / etc.).

Cap Equal to Percentage of Total Compensation: In no event will matching contributions made on behalf of a participant exceed _____% of the participant's IRS Section 457(e)(5) includable compensation (gross income from the Employer).

B. **Non-Matching Contributions**

The Employer hereby elects to make contributions to the Program without regard to a participant's contribution to the Program. The Employer elects the following contribution formula (check one):

Annual Contributions: A one-time annual contribution of \$ _____ or _____% of compensation per participant.

\$ _____ or _____% of compensation per participant for each payroll period.