Contribution Addendum for
MERS Defined Contribution (and DC portion of Hybrid)

MERS®
Municipal Employees' Retirement System

This is an Addendum to the Adoption Agreement completed by <u>Cohoctah Township</u>

<div align="right">Name of Participating Employer</div>

for <u>Elected Officials and Deputies</u> of <u>   </u>.

       Employee Group   Division Code

The Addendum modifies the MERS Defined Contribution Adoption Agreement. Please complete this addendum for each contribution structure associated with the covered employee group.

Required **Employee Contribution** structure to DC (subject to Internal Revenue Code 415(c) limitations)

Select one:

☐ Employees are required to contribute per payroll period:

    Percentage _____% **OR** flat dollar amount $_____

☐ Employees are required to contribute within the following range for each payroll:

    Percentage range from _____% to _____% **OR** dollar amount range $_____ to $_____

    If a range of contributions has been elected, the Employer designates _____% as the default contribution

    percentage, OR a default dollar contribution of $_____.

    This default will apply only where the eligible employee fails to make a valid election of a mandatory participant contribution prior to first payroll reporting after the participant has satisfied eligibility. Where no default is selected by the Employer, the lowest of the specified rates offered by the employer will apply.

Direct Required Employee Contributions: ☐ Pre-tax   ☐ After-tax

---

The Participating Employer will make matching contributions into the Defined Contribution Plan based on (CHECK ALL THAT APPLY):

☐ Each Employee's election to defer salary under the MERS 457 program (or any other qualified plan outside of MERS).

☐ Each Employee's one-time election of required employee contributions for MERS Defined Contribution.

Contribution Addendum for
MERS Defined Contribution (and DC portion of Hybrid)

MERS®
Municipal Employees' Retirement System

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

☐ **Matching Contributions**

The Employer elects the following matching contribution formula:

☐ **Percentage:** For each payroll period in which Employee contributions described above are made, the Participating Employer will contribute _____% of the Employee contribution 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 Employee contributions described above are made, the Participating Employer will contribute no more than $_____ 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 _____.

☐ **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 401(a)(17) includable compensation as defined by the Employers' Adoption Agreement (cannot exceed 100% of participant's income).

☑ **Non-Matching Contributions**

The Employer hereby elects to make contributions to the participants' accounts without regard to a participant's contribution amount (check one):

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

◉ **Pay Period:** $ _____ or __10.0__% of compensation per participant for each payroll period.