

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



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

for _____ of _____.
Employee Group Division Code

The Addendum modifies the Adoption Agreement by providing for employer contributions to the Plan. Employer contributions may be considered a “match” to the employee’s elected contribution upon enrollment in the plan, or non-matching; regardless of employee contributions. Contributions may not exceed IRS maximums for combined employee and employer contributions.

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

Select one:

- Employees are required to contribute per payroll period, the 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 \$_____
- Direct Required Employee Contributions pre-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 contribution for MERS Defined Contribution.

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

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

B. **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 Contributions:** A one-time annual contribution of \$_____ or _____% of compensation per participant.
- \$ _____ or _____% of compensation per participant for each payroll period.