

MERS 457 Participation Agreement



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www.mersofmich.com

The Employer, a participating municipality or participating court within the state of Michigan, hereby agrees to adopt and administer the MERS 457 Program provided by the Municipal Employees' Retirement System of Michigan, in accordance with the MERS Plan Document, as both may be amended, subject to the terms and conditions herein.

I. Employer Name: _____
(Name of municipality or court)

Municipality Number: _____ **Division Number** (if amendment): _____

II. Effective Date: The MERS 457(b) Program will be effective as follows (choose one):

- Original Adoption.** The MERS 457(b) Program will be effective _____,
(Month and year)
with respect to contributions upon approval by the Program Administrator.
 - To establish a new plan or replace current 457 carrier with the MERS 457 Program.
 - To add the MERS 457 Program in addition to: _____
(Other plan provider)

VERY IMPORTANT: All eligible programs of a Participating Employer are considered to be a single plan for purposes of compliance with Code Section 457(b). Thus, if a Participating Employer has more than one eligible 457 (or additional investment options under a 457(b) arrangement with more than one vendor), the Participating Employer is responsible for ensuring that all of its arrangements, treated as a single program, comply with the 457(b) requirements. In order to fulfill its responsibility for monitoring coordination of multiple programs, the Participating Employer must carefully review the Master Plan Document provisions.

- Amendment and Restatement.** The amended and restated MERS 457(b) Program will be effective _____,
(Month and year)
with respect to contributions upon approval by the Program Administrator. *Please note:* You only need to mark **changes** to your plan throughout the remainder of this Agreement.

III. Eligible Employees: Only Employees as defined in the Program may be covered by the Participation Agreement. Subject to other conditions in the Program, this Agreement, and Addendum (if applicable), the following Employees are eligible to participate in the Program:

IV. Contributions will be submitted (check one):

Contributions will be remitted according to Employer's "Payroll Period" which represents the actual period amounts are withheld from participant paychecks, or within the month during which amounts are withheld.

- Weekly
- Bi-Weekly (every other week)
- Semi-Monthly (twice each month)
- Monthly

Definition of Compensation

The Definition of Compensation selected must be used when determining both employer and employee contributions. Employers may include wage information along with employee and employer contributions when submitting wage/contribution reports to MERS.

Select your Definition of Compensation:

Base Wages Box 1 Wages of W-2 Gross Wages

Custom Definition

(To customize your definition, please complete the [Custom Definition of Compensation Addendum](#).)

Click here to view details of Base, Box 1, and Gross Wages

V. Roth Deferral Contributions: shall be permitted shall not be permitted

If Roth Deferral Contributions are elected, the Program will allow Roth rollover contributions from other designated Roth 457(b), 401(k), or 403(b) Plans. Roth in-plan rollovers will also be allowed. Roth in-plan rollovers allow a participant who has reached 70½ or who has incurred a severance from employment to elect to have all or a portion of his or her pre-tax contribution account directly rolled into a designated Roth rollover account under the plan if the amount would otherwise be permitted to be distributed as an eligible rollover distribution. Any amounts that are rolled to the Roth rollover account are considered to be irrevocable and may not be rolled back to the pre-tax account.

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VI. Loans: shall be permitted shall not be permitted

If Loans are elected, please refer to the [Defined Contribution & 457 Loan Addendum](#).

VII. Automatic Enrollment: shall be permitted shall not be permitted

If selected, please complete and attach the [457 Eligible Automatic Contribution Arrangement \(EACA\) Addendum](#).

VIII. Employer Contributions: shall be permitted shall not be permitted

If selected, please complete and attach the [457 Employer Contribution Addendum](#).

IX. Modification of the Terms of the Participation Agreement

If the employer desires to amend any of its elections contained in the Participation Agreement, including attachments/addendums, the Governing Body or Chief Judge, by resolution or official action accepted by MERS, must adopt a new Participation Agreement. The amendment of the new agreement is not effective until approved by MERS.

X. Enforcement

1. This Participation Agreement, including attachments/addendums may be terminated only in accordance with the Master Plan Document
2. The Employer hereby agrees to the provisions of the *MERS 457 Supplemental Retirement Program and Trust Master Plan Document*.
3. The employer hereby acknowledges it understands that failure to properly fill out this Participation Agreement may result in the ineligibility of the program.

XI. Execution

Authorized Designee of Governing Body of Municipality or Chief Judge of Court

The foregoing Participation Agreement is hereby approved by _____
(Name of Approving Employer)
on the ____ day of _____, 20____.

Authorized signature: _____

Title: _____

Received and Approved by the Municipal Employees' Retirement System of Michigan

Dated: _____, 20____ Signature: _____
(Authorized MERS Signatory)