

MERS 457 Eligible Automatic Contribution Arrangement (EACA) Addendum



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This is an Addendum to the Participation Agreement completed by _____ (Employer Name) for _____ (Division Number). The Addendum modifies the Participation Agreement by implementing automatic contributions to the program. EACA can only be added to an existing plan as of the first day of the Employer's Plan (generally, this is a January or July effective date) year and after a 30 day notice is provided to participants. Contributions will be remitted according to the contribution schedule adopted in the associated 457 Participation Agreement.

I. Identification of Covered Employees

The following eligible employees are covered employees (check one):

- Only employees hired, rehired, or promoted into an eligible position on or after the effective date of this addendum will be automatically enrolled in the program.
- Employees currently employed, hired, rehired, or promoted into an eligible position on or after the effective date of this addendum regardless of their date of hire will be enrolled.

II. Automatic Enrollment Contribution Schedule

Employee's pre-tax contribution will be (choose one):

_____ % or \$ _____

III. Automatic Escalation Schedule (if applicable)

This contribution will be increased annually on _____ 1st by (choose one below):
(month)

_____ % or \$ _____ to a max of _____ % or \$ _____

Contribution will begin as of the effective date of this plan (or amendment) following the municipality providing official Notice to the eligible employee but not earlier than 30 days after notice is given. Employees may opt out of the Auto-Enrollment portion of 457 by completing the 457 Opt-Out / Refund Form and a refund will be processed if request is received within 90 days of the initial contribution.

Contributions are on a pre-tax basis and will continue until the covered employee affirmatively elects otherwise or has a severance from employment.