



# PRE-RETIREMENT CATCH-UP FORM

## 457 DEFERRED COMPENSATION PLANS

Use the enclosed form to declare your Normal Retirement Age (NRA) and initiate pre-retirement catch-up contributions to your current employer's 457 deferred compensation plan. We encourage you to read the instructions prior to submitting your request.

### 457 PLAN CATCH-UP PROVISIONS

- 1. Pre-Retirement Catch-Up** — Allows eligible participants to contribute an additional amount over the regular deferral limit in effect for the year (up to double the regular limit), to make up for years in which they did not contribute the maximum amount they were eligible to contribute under their current employer's plan. To take advantage of this provision:
  - Complete the enclosed *Pre-Retirement Catch-Up Form*.
  - Submit the completed form to your employer
- 2. Age 50 Catch-Up** — Allows participants who attain age 50 (or older) during the year to contribute an additional amount over the regular deferral limit in effect for the year. To take advantage of this provision:
  - Complete the *Contribution Change Form* (available online at [www.icmarc.org/forms](http://www.icmarc.org/forms)).
  - Submit the completed form to your employer.

*Please note that the "Age 50" and "Pre-Retirement" catch-up provisions may not both be used in the same calendar year.*

### ADDITIONAL INFORMATION

The information in this section is intended to provide you with more detailed information related to the pre-retirement catch-up provision.

#### Eligibility — Pre-Retirement Catch-Up

You are eligible to make pre-retirement catch-up contributions if all of the following are true:

1. You are within three years of reaching the normal retirement age under the plan, which must be at least the age you are eligible to retire with unreduced retirement benefits from your employer's pension plan.
2. You are currently employed and participating in your employer's 457 deferred compensation plan.
3. You did not contribute the maximum amount you were eligible to contribute for one or more years since 1979.

#### Maximum Pre-Retirement Catch-Up Contribution Amount

The maximum annual total contribution is equal to double the normal deferral limit in effect for the year. You must have sufficient unused deferrals to contribute the maximum amount.

457 Plan Contribution Limit	2016	2015
Annual Deferrals	\$18,000	\$18,000
"Pre-Retirement" Catch-Up	\$18,000 (\$36,000 total)	\$18,000 (\$36,000 total)
"Age 50" Catch-Up	\$6,000 (\$24,000 total)	\$6,000 (\$24,000 total)

*\*After 2016, the annual deferral and catch-up limits will increase in \$500 increments to correspond with inflation rate increases (new limits are announced in October or November each year, and the limits will not necessarily increase every year). All contribution limits apply to the combination of pre-tax and Roth contributions.*

#### Declaration of Normal Retirement Age

You can only make pre-retirement catch-up contributions in the three years immediately preceding the year of your declared normal retirement age. The year of your declared NRA can be any year during or after which you are eligible to receive unreduced benefits from your employer's pension plan (or a money purchase pension plan in which you also participate if you are not eligible to participate in a defined benefit plan), but cannot be later than the year that you attain age 70½.

Unless an alternate NRA is specified by your employer, the ICMA-RC 457 plan uses age 70½ as your NRA.

*Your declaration of NRA is irrevocable once you begin making pre-retirement catch-up contributions.*

#### Qualified Police Officers and Firefighters

Under a special rule, qualified police officers and firefighters<sup>†</sup> can designate a normal retirement age earlier than other plan participants, but not earlier than age 40.

<sup>†</sup>*This special rule is available to a "qualified police or firefighter" as defined under section 415(b)(2)(b)(ii)(I) of the Internal Revenue Code as a participant with "...at least 15 years of service...as a full time employee of any police or fire department which is organized by the State or political subdivision to provide police protection, firefighting services, or emergency medical services for any area within the jurisdiction of such State or political subdivision."*

#### IMPORTANT NOTES

- You cannot make catch-up contributions in the year of your declared NRA.

- You are not required to make catch-up contributions in all three years leading up to the year of your declared NRA.
- You are not required to retire in the year of your declared NRA.
- The pre-retirement catch-up provision can only be used one time with your current employer.

## TOTAL UNUSED DEFERRALS

The difference between the amount you were eligible to contribute to your current employer’s plan since 1979 and the amount you actually contributed. Use the below worksheet to calculate your total unused deferrals.

Enter the amount you contributed to your current employer’s 457 plan for each year that you were eligible to participate in the plan.

Subtract the amount of your actual contribution from the maximum amount you were eligible to contribute to the plan each year, and enter the amount in the “Unused Deferrals” column.

Add the amounts entered in the “Unused Deferral” column for each year to calculate your total unused deferral amount.

Unused Deferral Worksheet <sup>1</sup>			
Year	Maximum Contribution	Actual Contribution	Unused Deferrals (Maximum–Actual)
2016	\$18,000		
2015	\$18,000		
2014	\$17,500		
2013	\$17,500		
2012	\$17,000		
2011	\$16,500		
2010	\$16,500		
2009	\$16,500		
2008	\$15,500		
2007	\$15,500		
2006	\$15,000		
2005	\$14,000		
2004	\$13,000		
2003	\$12,000		
2002	\$11,000		
2001	\$8,500		
<b>TOTAL \$</b>			

<sup>1</sup>The maximum contribution is the dollar amount shown above or 100% of your compensation for the year, whichever is less. Prior to 2002, the maximum percentage contribution was 25% of your gross compensation and your actual contribution amount must include any 401(k) contributions made during the year.

<sup>2</sup>Prior to 1998, the maximum contribution was \$7,500.

## EXAMPLE — “Pre-Retirement” Catch-Up

John declared age 70, which he will attain in the year 2017, as his normal retirement age. He is eligible to make catch-up contributions in the three years immediately preceding the year of his NRA: 2016, 2015, and 2014.

### Maximum Regular Contribution (2014–2016)

$$\$53,000 = (\$17,500 + \$17,500 + \$18,000)$$

### Maximum “Pre-Retirement” Catch-Up Contribution (2014–2016)

$$\$53,000 = (\$17,500 + \$17,500 + \$18,000)$$

### Maximum Total Contribution (2014–2016)

$$\$106,000 = [\$53,000 \text{ (regular)} + \$53,000 \text{ (catch-up)}]$$

In order to make the maximum catch-up contribution of \$53,000, John must complete the *Unused Deferral Worksheet* and show that he has at least \$53,000 of unused deferrals for years when he was eligible to participate in his current employer’s 457 plan.

- Even though John is eligible to make catch-up contributions totaling \$53,000 from 2014–2016, he is not required to do so. He might make catch-up contributions in 2014, and then his circumstances change and he ends up not making any catch-up contributions in 2015 or 2016. If so, he would still be eligible to take advantage of the “age 50” catch-up provision in future years but he would not be eligible to make pre-retirement catch-up contributions to this employer’s plan at any point in the future.
- Even though John has declared age 70 as his NRA, he is not prohibited from retiring before (or after) the date when he attains age 70.

## Contact ICMA-RC

If you have any questions or need help completing the form on the following page or the unused deferral worksheet on this page, please contact ICMA-RC’s Investor Services at 800-669-7400.



# PRE-RETIREMENT CATCH-UP FORM

Use this form to declare your normal retirement age and initiate pre-retirement catch-up contributions to your employer's 457 deferred compensation plan. Please complete all sections of the form.

## 1. EMPLOYER PLAN INFORMATION

Employer Plan Number: **30** \_\_\_\_\_ Employer Plan Name: \_\_\_\_\_ Marital Status:  Married

Social Security Number: \_\_\_\_\_ Date of Birth: (MM/DD/YYYY) \_\_\_\_/\_\_\_\_/\_\_\_\_ Daytime Phone Number: (\_\_\_\_) \_\_\_\_\_  Single

Full Name of Participant: \_\_\_\_\_

LAST FIRST MI

Permanent Street Address: \_\_\_\_\_

City: \_\_\_\_\_ State: \_\_\_\_ Zip Code: \_\_\_\_\_

## 2. DECLARATION OF NORMAL RETIREMENT AGE (NRA)

I hereby designate age \_\_\_\_\_, which I will attain in the year \_\_\_\_\_, as my Normal Retirement Age for the purpose of using the "Pre-Retirement" catch-up provision. I understand that:

- I will be eligible to take advantage of the special pre-retirement catch-up provision only in the three years immediately preceding the year of my declared Normal Retirement Age only. (For example: If I will attain my declared Normal Retirement Age in 2018, I will be eligible to make catch-up contributions in 2015, 2016 and 2017)
- This election is irrevocable after I begin using the pre-retirement catch-up provision.

## 3. CONTRIBUTION AMOUNT (EACH PAY PERIOD)

Contributions will begin as soon as administratively possible following the month in which this form is signed. Specify the total percentage and/or dollar amounts you wish to contribute each pay period.

Pre-tax contributions of \_\_\_\_\_% or \$\_\_\_\_\_. **OR**  Roth\* contributions of \_\_\_\_\_% or \$\_\_\_\_\_.

*\*Please check with your employer to confirm that Roth contributions are available before selecting this option.*

## 4. TOTAL UNUSED DEFERRALS

Total Unused Deferrals \$ \_\_\_\_\_

Complete the *Unused Deferral Worksheet* contained in the instructions to calculate your total unused deferrals. The amount of your pre-retirement catch-up contributions (i.e., the amount above the normal annual deferral limit you contribute during the three-year catch-up period) cannot exceed the amount of your total unused deferrals.

## 5. PARTICIPANT SIGNATURE

The information provided is true and accurate and I understand my declaration of normal retirement age is irrevocable.

Employee Signature: \_\_\_\_\_ Date: \_\_\_\_/\_\_\_\_/\_\_\_\_\_

## 6. EMPLOYER AUTHORIZATION

By signing, the employer confirms that the participant's declaration of normal retirement age in Section 2 is valid.

Authorized Employer Official's Signature: \_\_\_\_\_ Date: \_\_\_\_/\_\_\_\_/\_\_\_\_\_

Authorized Employer Official's Name and Title (PLEASE PRINT): \_\_\_\_\_