

CalPERS 457 Plan Roth Adoption Form



Employer Election To Offer

- Roth Elective Deferrals
- In-Plan Roth Conversions

I. General Information

Agency/Employer Plan Number: **45** _____

Employer Name

Telephone #

Contact Name

Email Address

II. Adoption of CalPERS 457 Roth Plan Option

The Employer has previously adopted or is concurrently adopting the CalPERS 457(b) Plan (Plan) and its employees are or will be eligible to participate in the Plan. The individual signing below hereby certifies that she or he is duly authorized to execute this form on behalf of the Employer and that all necessary action has been taken by the Employer to authorize and approve this action.

The Employer acknowledges that it has received and reviewed a copy of the CalPERS 457 Deferred Compensation Plan Document, including the following sections of the Plan:

- Roth Elective Deferrals (*definition*)
- Roth Elective Deferrals
- In-Plan Roth Conversions

The Employer hereby elects to include the following features/options in the Plan offered to its employees:

- Roth Elective Deferrals; and
- In-Plan Roth Conversions

The Employer understands and agrees as follows:

1. Employees will have the opportunity to defer their own compensation on an after-tax basis; Roth Elective Deferrals are taxable to employees in the year contributed.
2. The Employer must deduct Roth Elective Deferrals from Employees' pay and timely remit such amounts to the Plan, must withhold state and federal income taxes on amounts contributed as Roth Elective Deferrals and must properly report those amounts to taxing authorities.
3. Employees' pre-tax Deferrals and Roth Elective Deferrals are subject to a combined annual limit under the federal tax code. The Employer is responsible to ensure that individual Employees' deferrals do not exceed the applicable limit in effect for each year.

4. Employees will be 100% vested in their Roth Elective Deferrals when those amounts are deducted from their pay.
5. Earnings on Roth Elective Deferrals and balances converted by In-Plan Roth Conversions will not be taxable if distributed in a Qualified Distribution with a distribution date that is at least five years after the Employee's initial Roth contribution and after:
 - The Employee attains age 59½ or becomes disabled, and the Employee has a severance from employment; or
 - The Employee's death.

If a distribution is not a Qualified Distribution, earnings on these balances will generally be taxed under the basis recovery rules found in Internal Revenue Code section 72.

6. A Participant's election to do an In-Plan Roth Conversion is irrevocable. The amount converted is subject to state and federal income tax in the year converted and will be reported as taxable income to the Participant. The Plan does not withhold any amounts for state or federal income taxes in connection with an In-Plan Roth Conversion; the Participant will be responsible to pay applicable income taxes even though there is no withholding.
7. Balances converted as an In-Plan Roth Conversion remain subject to any and all distribution restrictions that applied prior to the conversion.

CalPERS 457 Plan Roth Adoption Form



III. Signature

Name of Employer:

Authorized and Approved by:

Signature:

Print Name:

Title:

Date:

Accepted by CalPERS (or an agent duly appointed by the Board) on behalf of the Board of Administration of the California Public Employees' Retirement System.

***To be
completed
by CalPERS***

Signature:

Print Name:

Title:

Date:

IV. Mail Instructions

Please return the signed, original form to CalPERS for processing:

CalPERS 457 Plan
P.O. Box 942713
Sacramento, CA 94229-2713