

**Governmental 457(b) Application for Catch-Up**  
(Not for use with 457(f) plans)

**North Carolina Deferred Compensation Plan**

**88021-01**

**Participant Information**

|                                    |                         |                   |                                 |
|------------------------------------|-------------------------|-------------------|---------------------------------|
| _____<br>Last Name                 | _____<br>First Name     | _____<br>MI       | _____<br>Social Security Number |
| _____<br>Address - Number & Street |                         |                   | _____<br>E-Mail Address         |
| _____<br>City                      | _____<br>State          | _____<br>Zip Code | _____<br>Mo Day Year            |
| ( ) _____<br>Home Phone            | ( ) _____<br>Work Phone |                   | _____<br>Date of Birth          |

**Catch-Up Election** - Only one type of §457 Catch-Up may be used in a calendar year. If you are eligible for both types of catch-up this year, you may select either Age 50 Catch-Up or Special §457 Catch-Up, whichever would result in the larger catch-up amount this calendar year.

**Age 50 Catch-Up:** I understand that to elect Age 50 Catch-Up, I must be age 50 or older by the end of this calendar year and may not use the Special §457 Catch-Up this year.

I elect Age 50 Catch-Up in the annual amount of \$ \_\_\_\_\_. This amount cannot exceed \$5,000 in 2008.

**OR**

**Special §457 Catch-Up:** I understand that I may only use Special §457 Catch-Up in one or more of the three calendar years that **END PRIOR TO** Normal Retirement Age (NRA). I have reviewed the rules and examples in the attached Special §457 Catch-Up - Normal Retirement Age Worksheet and designate my NRA year as: \_\_\_\_\_.

I also understand that I must have "underutilized amounts" by not contributing the maximum amount available to me under this Plan in all prior calendar years in which I was eligible to participate. I have calculated the total underutilized amounts I have available for Special §457 Catch-Up using the attached Underutilized Amounts Worksheet as: \$ \_\_\_\_\_.

I elect the Special §457 Catch-Up in an annual amount of \$ \_\_\_\_\_. This amount cannot exceed \$15,500 in 2008. (When added to the basic contribution amount, the aggregate maximum available is \$31,000 in 2008.)

**CALCULATION OF AMOUNT DEDUCTED EACH PAYROLL PERIOD:**

The annual Special §457 Catch-Up amount you elected in this form will be divided by the remaining number of pay periods as of the payroll effective date. This will determine the amount of your new annual deferral each payroll period for the remainder of this calendar year. The payroll effective date will be the first payroll date after the first day of the month following our receipt of this election form in good order.

**Required Signatures**

I have read, agree to and understand all pages of this form. This Agreement shall apply to all compensation paid from the effective date specified, until cancelled, superceded, or until I cease to be an eligible employee. This Agreement supercedes all previous agreements.

\_\_\_\_\_  
Participant Signature

\_\_\_\_\_  
Date

I affirm that this participant is eligible to participate in the catch-up election indicated above.

\_\_\_\_\_  
Authorized Plan Administrator/Trustee Signature

\_\_\_\_\_  
Date

**Participant** forward to Plan Administrator/Trustee  
**Plan Administrator** forward to Service Provider at:  
Great-West Retirement Services®  
Two Hannover Square, Suite 1640  
Raleigh, NC 27601  
**Phone #:** 1-888-600-2763  
**Fax #:** 1-919-755-3688  
**Web site:** www.ncdefcomp.com



## Governmental 457(b) Special §457 Catch-Up - Normal Retirement Age Worksheet

1. **Special §457 Catch-Up may only be used by participants in a §457(b) plan.**
2. Special §457 Catch-Up is only available in one or more of the three calendar years ending prior to your Normal Retirement Age ("NRA"). You cannot make Special §457 Catch-Up contributions in the year you attain your NRA.
3. The latest NRA you may choose is age 70 1/2.
4. The earliest NRA permitted under your Plan is determined by the Plan Document and may be:
  - a. Age 65 or later;
  - b. Any age that is not earlier than the age at which you can sever employment with an unreduced benefit from your employer's defined benefit or money purchase plan; or
  - c. Age 40 for qualified police officer or firefighter, if allowed by the Plan.

### EXAMPLES:

**Example #1 - Normal Retirement Age (NRA) is a Set Date Within the Plan Document:** The Plan has a set NRA of 65. If you have underutilized amounts, you may only use Special §457 Catch-Up in one or more of the three calendar years in which you attain age 62, 63 and 64, even if you sever employment at age 64. You may not use Special §457 Catch-Up in the year you attain age 65 or older, but you may contribute the basic §457(b) contribution limit and the Age 50 Catch-Up amount.

**Example #2 - Plan Document Allows Participants to Choose an Alternate Normal Retirement Age:** The Plan permits you to select your NRA. The earliest age you may choose is the year in which you could retire with an unreduced pension benefit under your employer's defined benefit or money purchase pension plan. For example, if you select age 68 as your NRA and have underutilized amounts, you may only use Special §457 Catch-Up in one or more of the three calendar years in which you attain age 65, 66 and 67. You may not use Special §457 Catch-Up in the year you attain age 68, but you may contribute the basic §457(b) contribution limit and the Age 50 Catch-Up amount. On the other hand, if you select age 63 and have underutilized amounts, you may only use Special §457 Catch-Up in one or more of the three calendar years in which you attain age 60, 61 and 62. You may not use Special §457 Catch-Up in the year you attain age 63 or older, but you may contribute the basic §457(b) contribution limit and the Age 50 Catch-Up amount.

**Example #3 - Sick and Vacation Pay:** Participants may choose to utilize Special §457 Catch-Up in the year they will receive their accrued sick and vacation pay. Since Special §457 Catch-Up cannot be used in your NRA year, the alternate NRA selected under the Plan must be at least one year later than your age in the year your Plan will pay your accrued sick and vacation pay. You may only defer accrued sick and vacation pay if it is paid to you no later than 2 1/2 months after the date you sever employment and only if you would have been entitled to use it if you had continued working. For example, you plan to sever employment in December of the year you attain age 66 and your accrued sick and vacation pay will be paid in January of the following year (within 2 1/2 months after your date of severance). If you plan to utilize Special §457 Catch-Up for deferring your accrued sick and vacation pay, your selected NRA must be age 68 or later. If you continue working, you may not use the Special §457 Catch-Up in the year you attain your NRA or older, but you may contribute the basic §457(b) contribution limit.

**Example #4 - Qualified Police Officers and Firefighters:** You are a qualified police officer or firefighter and want to begin Special §457 Catch-Up contributions at the earliest possible date. If your plan contains the special rule for qualified police and firefighters, the earliest age you may select as your NRA is age 40 and the latest is 70 1/2. If you choose age 40 as your NRA and have underutilized amounts, you may only use Special §457 Catch-Up in one or more of the three calendar years in which you attain age 37, 38 and 39. You may not use Special §457 Catch-Up in the year you attain age 40, but you may contribute the basic §457(b) amount. If you continue working until age 50 or older, you may contribute the basic §457(b) contribution limit and the Age 50 Catch-Up amount.

Normal Retirement Age \_\_\_\_\_

**Underutilized Amounts Worksheet for Special §457 Catch-Up - Begin with the first year you became eligible to participate in this Plan. Ignore all prior years.**

1. Multiply your taxable wages by the percentage in column A, and enter this amount in column A (taxable wage percentage).
2. In column C, enter the lesser of the amount in column A (taxable wage percentage) or B (basic annual §457(b) contribution limit).
3. From column C, subtract columns D (actual contributions) and E (other contributions) and enter that amount in column F (underutilized amount).
4. Add totals from column F in the **TOTAL UNDERUTILIZED AMOUNTS** line at the end of this worksheet; this is your total underutilized amount.
5. You may only use an underutilized amount equal to the current year's basic annual §457(b) contribution limit. Any remaining underutilized amount may be contributed in any remaining special catch-up years, up to an amount equal to that year's basic annual §457(b) contribution limit.
6. NRA may not be changed in your second and third year of catch-up and you must subtract the Special §457 Catch-Up amounts you contributed in a prior year from the total underutilized amounts to determine your remaining underutilized amounts.

| Calendar Year | A<br>Taxable Wage Percentage (W-2 Box 1) | B<br>Basic §457(b) Contribution Limit | C<br>Lesser of A or B | D<br>Actual Contributions to This 457(b) Plan | E<br>Contributions to Another 457(b), 403(b) or 401(k) for Years Prior to 2002 and for 2002 and Thereafter, Only to Another §457(b) | F<br>Underutilized Amount |
|---------------|--|---------------------------------------|-----------------------|---|---|---------------------------|
| 1979          | 33.3% x \$                               | \$7,500                               | \$                    | \$  | \$  | \$                        |
| 1980          | 33.3% x \$                               | \$7,500                               | \$                    | \$  | \$  | \$                        |
| 1981          | 33.3% x \$                               | \$7,500                               | \$                    | \$  | \$  | \$                        |
| 1982          | 33.3% x \$                               | \$7,500                               | \$                    | \$  | \$  | \$                        |
| 1983          | 33.3% x \$                               | \$7,500                               | \$                    | \$  | \$  | \$                        |
| 1984          | 33.3% x \$                               | \$7,500                               | \$                    | \$  | \$  | \$                        |
| 1985          | 33.3% x \$                               | \$7,500                               | \$                    | \$  | \$  | \$                        |
| 1986          | 33.3% x \$                               | \$7,500                               | \$                    | \$  | \$  | \$                        |
| 1987          | 33.3% x \$                               | \$7,500                               | \$                    | \$  | \$  | \$                        |
| 1988          | 33.3% x \$                               | \$7,500                               | \$                    | \$  | \$  | \$                        |
| 1989          | 33.3% x \$                               | \$7,500                               | \$                    | \$  | \$  | \$                        |
| 1990          | 33.3% x \$                               | \$7,500                               | \$                    | \$  | \$  | \$                        |
| 1991          | 33.3% x \$                               | \$7,500                               | \$                    | \$  | \$  | \$                        |
| 1992          | 33.3% x \$                               | \$7,500                               | \$                    | \$  | \$  | \$                        |
| 1993          | 33.3% x \$                               | \$7,500                               | \$                    | \$  | \$  | \$                        |
| 1994          | 33.3% x \$                               | \$7,500                               | \$                    | \$  | \$  | \$                        |
| 1995          | 33.3% x \$                               | \$7,500                               | \$                    | \$  | \$  | \$                        |
| 1996          | 33.3% x \$                               | \$7,500                               | \$                    | \$  | \$  | \$                        |
| 1997          | 33.3% x \$                               | \$7,500                               | \$                    | \$  | \$  | \$                        |
| 1998          | 33.3% x \$                               | \$8,000                               | \$                    | \$  | \$  | \$                        |
| 1999          | 33.3% x \$                               | \$8,000                               | \$                    | \$  | \$  | \$                        |
| 2000          | 33.3% x \$                               | \$8,000                               | \$                    | \$  | \$  | \$                        |
| 2001          | 33.3% x \$                               | \$8,500                               | \$                    | \$  | \$  | \$                        |
| 2002          | 100% \$                                  | \$11,000                              | \$                    | \$  | Another 457(b): \$  | \$                        |
| 2003          | 100% \$                                  | \$12,000                              | \$                    | \$  | Another 457(b): \$  | \$                        |
| 2004          | 100% \$                                  | \$13,000                              | \$                    | \$  | Another 457(b): \$  | \$                        |
| 2005          | 100% \$                                  | \$14,000                              | \$                    | \$  | Another 457(b): \$  | \$                        |
| 2006          | 100% \$                                  | \$15,000                              | \$                    | \$  | Another 457(b): \$  | \$                        |

**TOTAL UNDERUTILIZED AMOUNTS** \_\_\_\_\_  
**PRIOR SPECIAL §457 CATCH-UP CONTRIBUTIONS, IF ANY** \_\_\_\_\_  
**TOTAL UNDERUTILIZED AMOUNTS REMAINING** \_\_\_\_\_

**MINUS** \_\_\_\_\_  
**EQUALS** \_\_\_\_\_