

**KERN COUNTY DEFERRED COMPENSATION PLAN**  
"Initial Memorandum of Understanding"



Participant Name: \_\_\_\_\_ SSN: \_\_\_\_\_

The purpose of this Memorandum of Understanding is to assure that you fully understand certain provisions contained in the Kern County Deferred Compensation Plan (Plan). (Please refer to the Plan Documents located on our website at [www.kcttc.co.kern.ca.us/kcdcp.asp](http://www.kcttc.co.kern.ca.us/kcdcp.asp) for all provisions contained in the Plan.)

Prior participation in the Kern County Deferred Compensation Plan?

Yes

No

If Yes, in which year(s) were you a participant? \_\_\_\_\_

I understand and acknowledge the following:

1. I have received a copy of the Plan Document and have read and understood same.
2. I understand that a trust has been established for the exclusive benefit of Eligible Employees and their beneficiaries in accordance with Code §457(g); no part of the corpus or income of the trust shall revert to the Employer.
3. I have had the savings and mutual fund accounts explained to me.
  - a. These investments are not insured by the FDIC and are not a deposit or other obligation nor guaranteed by any bank.
  - b. These investments are subject to risk, including price fluctuations and the possibility of principal loss.
  - c. Investment exchanges or transfers may result in a loss of principal.
  - d. These investments are subject to management fees and expenses.
4. I understand, as an employee of Kern County, that my contributions to the Plan will be made on a bi-weekly basis through payroll deductions.
5. I understand that my contributions during a taxable year may not exceed the lesser of:
  - a. Applicable dollar amount in accordance with Code §457(e)(15) providing for contribution limits (see attached table).
  - b. 100% of the Participant's Includible Compensation limit.
6. I will comply with current IRS regulations (under IRC Code §457 in reference to the Plan Document) and with all federal and State laws.
7. I understand, as an employee of Kern County, that I may not take a distribution from my account prior to severance from service. Non Kern County employees have no greater rights in the plan than the employee. Please refer to the Plan Document for further details regarding non-employee participants.

*I have read and understand the above information, which has been explained to me by a Deferred Compensation Representative.*

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

\_\_\_\_\_  
Signature of Representative

\_\_\_\_\_  
Date

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