



## **TAX SHELTERED ANNUITY PROGRAM 403(b) PLAN 2020**

The Tax Sheltered-Annuity (TSA) program provides a means of accumulating tax-deferred dollars at Cal Poly Corporation in order to supplement your income after retirement. You may contribute your income to a variety of annuities or mutual funds through payroll deduction. Both Federal and State income taxes are immediately reduced: your contributions and investment earnings are not taxed until they are withdrawn at some future date. This is usually after retirement when the taxpayer is often in a lower tax bracket.

### **Maximum Contributions**

For this plan year, the elective deferral limit is \$19,000. Participants who have reached age 50 by the end of the plan year are eligible to contribute an additional \$6,000 in catch-up contributions (for an annual total of \$25,000). Participants who are at least 50 years old and qualify for the "15-Year Rule" may be eligible to contribute an additional \$3,000 (for an annual total of \$28,000).

### **How to Enroll**

1. Contact the TSA company of your choice and establish an account
2. Receive written verification from the TSA company of your account number
3. Complete the "Salary Reduction Agreement for 403(b) Plan" form
4. Submit the form to Human Resources for processing

### **Established TSA Companies**

For a list of Cal Poly Corporation (CPC) established TSA companies, please contact the Benefits Specialist. You may designate a company that is not already established with CPC, provided the company is licensed to administer 403b plans and can provide CPC with an ***Information Sharing Agreement***. You will also need to obtain an account number and you provide the company contact information required on the enrollment form.

### **Questions to Consider**

Several factors should be considered when choosing a tax-deferred contribution plan. These are a few questions that may aid you in selecting the best plan for you. Contact your financial representative for additional questions and factors to be considered.

- What are the fees and charges and how are these fees assessed?
- When can I withdraw from my account and are there any charges or penalties for withdrawals?
- Is there a local representative for the company?
- Does the company prudently monitor and evaluate investment procedures, measurement standards and monitoring procedures?
- What are the criteria and procedures for selecting investment options?

**CAL POLY**  
CORPORATION  
**403(b) CPC ESTABLISHED**  
**TAX SHELTERED ANNUITY (TSA) COMPANIES**

Company	Website	Telephone	CPC Vendor #
<b>American Century</b>	<a href="http://www.americancentury.com">www.americancentury.com</a>	800-345-3533	00413043
<b>American Funds</b> (formerly Capital Bank & Trust)	<a href="http://www.americanfunds.com">www.americanfunds.com</a>	800-421-0180	00003599
<b>Ameriprise Financial</b> (formerly IDS)	<a href="http://www.ameriprise.com">www.ameriprise.com</a>	800-862-7919	00440318
<b>Franklin Templeton</b>	<a href="http://www.franklintempleton.com">www.franklintempleton.com</a>	800-527-2020	00447875
<b>Industrial Alliance</b>	<a href="http://www.industrialalliance.com">www.industrialalliance.com</a>	888-681-9201	01017835
<b>National Life Group</b> (formerly Life Insurance of the Southwest)	<a href="http://www.nationallife.com">www.nationallife.com</a>	800-579-2878	00003229
<b>Oppenheimer Funds</b>	<a href="http://www.oppenheimerfunds.com">www.oppenheimerfunds.com</a>	888-470-0862	00425046
<b>Security Benefit</b>	<a href="http://www.securitybenefit.com">www.securitybenefit.com</a>	800-888-2461	00002778
<b>Thrivent Financial</b>	<a href="http://www.thrivent.com">www.thrivent.com</a>	800-847-4836	00448120
<b>T. Rowe Price</b>	<a href="http://www.troweprice.com">www.troweprice.com</a>	800-638-3804	01031337
<b>USAA Investment Management Co.</b>	<a href="http://www.usaa.com">www.usaa.com</a>	800-531-8292	01026191
<b>VALIC</b> (Variable Annuity Life Ins Co)	<a href="http://www.valic.com">www.valic.com</a>	800-448-2542	00000078
<b>Vanguard</b>	<a href="http://www.vanguard.com">www.vanguard.com</a>	877-662-7447	00431520
<b>Voya</b> (formerly ING and Reliastar)	<a href="http://www.voya.com">www.voya.com</a>	800-369-5303	01010394

You may designate a company that is not listed above, provided that the company provides an **Information Sharing Agreement** to Cal Poly Corporation and is approved by CPC Human Resources. *Facilitation of the Sharing Agreement is the responsibility of the employee.*

**CAL POLY**  
CORPORATION

**SALARY REDUCTION AGREEMENT  
403(b) PLAN 2020**

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**Part 1. Employee Information (print):**

<b>Name:</b> _____	<b>Department:</b> _____
<b>Address:</b> _____	<b>City:</b> _____ <b>State:</b> ____ <b>Zip:</b> _____
<b>Work #:</b> _____	<b>Cell/Home #</b> _____

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**Part 2. Agreement**

The above named Employee elects to become a participant of the Cal Poly Corporation's 403(b) Plan and agrees to be bound by all the terms and conditions of the plan. By executing this agreement, Employee authorizes Cal Poly Corporation to reduce his or her compensation and have that amount contributed as an elective deferral on his or her behalf into the annuity or custodial accounts as selected by Employee. It is intended that the requirements of all applicable state or federal income tax rules and regulations (Applicable Law) will be met. Employee understands and agrees to the following:

- 1) This Salary Reduction Agreement is legally binding and irrevocable with respect to amounts paid or available while this agreement is in effect;
- 2) This Salary Reduction Agreement may be terminated at any time for amounts not yet paid or available, and that a termination request is permanent and remains in effect until a new Salary Reduction Agreement is submitted; and
- 3) This Salary Reduction Agreement may be changed with respect to amounts not yet paid or available in accordance with Cal Poly Corporation's administrative procedures.

***Employee is responsible for providing the necessary information at the time of initial enrollment and later if there are any changes in any information necessary or advisable for Cal Poly Corporation to administer the plan. Employee is responsible for determining that the salary reduction amount does not exceed the limits set forth in applicable law.***

Furthermore, Employee agrees to indemnify and hold Cal Poly Corporation harmless against any and all actions, claims, and demands whatsoever that may arise from the purchase of annuities or custodial accounts. Employee acknowledges that Cal Poly Corporation has made no representation to Employee regarding the advisability, appropriateness, or tax consequences of the purchase of the annuity and/or custodial account described herein. Employee agrees Cal Poly Corporation shall have no liability whatsoever for any and all losses suffered by Employee with regard to his/her selection of the annuity and/or custodial account. Nothing herein shall affect the terms of employment between Cal Poly Corporation and Employee. This agreement supersedes all prior salary reduction agreements and shall automatically terminate if Employee's employment is terminated.

Employee is responsible for setting up and signing the legal documents to establish an annuity contract or custodial account. However, in certain group annuity contracts, Cal Poly Corporation may be required to sign to establish the contract.

Employee is responsible for naming a death beneficiary under annuity contracts or custodial accounts. Employee acknowledges that this is normally done at the time the contract or account is established and reviewed periodically.

Employee is responsible for all distributions and any other transactions with Vendor. All rights under contracts or accounts are enforceable solely by Employee, Employee beneficiary, or Employee's authorized representative. Employee must deal directly with Vendor to make loans, transfers, apply for hardship distributions, begin regular distributions, or any other transactions. Cal Poly Corporation may be required to approve such transactions as indicated in our Plan Document.

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**Part 3. Representation by Employee for Calendar Year:**

A. Participation in other Cal Poly Corporation plans (you must check only one):

- I do not and will not have any other elective deferrals, voluntary salary reduction contributions, or non-elective contributions with any other employer.
- I do participate in another employer's 403(b), 401(k), SIMPLE IRA/401(k), or Salary Reduction SEP. The following information pertains to all of my other employers for the current calendar year:

ELECTIVE DEFERRALS \$
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B. I have not received a Hardship Distribution from a plan of Cal Poly Corporation within the last six months. I further agree to provide notification to Cal Poly Corporation prior to initiating a request if I plan to elect a hardship distribution during the term of this agreement.

C. Maximum Elective Deferral 403(b) salary reduction contribution (you must check only one):

- My elective deferral/salary reduction contribution does not exceed the Basic Limit (the lesser of my includible compensation or \$19,000 or IRS Maximum).
- My elective deferral exceeds the Basic Limit, however; I am over age 50 and therefore am eligible for the additional "Age 50 Catch-up Provision" of \$6,000 (\$25,000 total calendar year maximum). I do not qualify for the special increased limit under the "15-year rule."

*NOTE: The "15-year rule" applies to an employee who has at least 15 years of service with a public school system, hospital, home health service agency, health and welfare service agency, church, or convention or association of churches (or associated organization).*

- My elective deferral exceeds the Basic Limit, however; I am over age 50 and therefore eligible for the "Age 50 Catch-up Provision" \$6,000 AND I am also eligible for the "15-Year Rule" \$3,000 (\$28,000 total calendar year maximum).

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**Part 4. Voluntary Salary Reduction Information (Check all that apply):**

- Initiate new salary reduction. Please complete Part 5.
- Change salary reduction. This is notification to change the amount of my elective deferral to the new amount listed in Part 5.
- Change Authorized Vendor. This is notification to change my Vendor – Complete Part 5.
- Discontinue salary reduction. Please discontinue my elective deferral to the following Vendor:

IMPLEMENTATION DATE (next available pay date on or after):
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**Part 5. Funding Vehicle & Amount of Pre-Tax Elective Deferrals:**

	Contribution Per Pay Period	Authorized Vendor (Annuity Contracts or Custodial Accounts) <i>IF NEW VENDOR INCLUDE CONTRACT #, ADDRESS, AND PHONE #</i>
1.	\$ _____	Vendor: _____ Contract #: _____ Address: _____ Phone #: _____
2.	\$ _____	Vendor: _____ Contract #: _____ Address: _____ Phone #: _____
3.	\$ _____	Vendor: _____ Contract #: _____ Address: _____ Phone #: _____

**Part 6. Employee Signature**

I certify that I have read this complete agreement and provided the information necessary for Cal Poly Corporation to administer the Plan and that my salary reductions will not exceed the elective deferral or contribution limits as determined by Applicable Law. I understand my responsibilities as an Employee under this Program, and I request that Cal Poly Corporation take the action specified in this agreement. I understand that all rights under the annuity or custodial account established by me under the Program are enforceable solely by my beneficiary, my authorized representative or me.

Employee Signature:	Date:
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**Part 7. Cal Poly Corporation Signature**

Cal Poly Corporation hereby agrees to this Salary Reduction Agreement:

CPC Representative Signature:	Date:
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**NOTE:** Submit completed form to the Cal Poly Corporation HR office for processing.