CLERGYADVANTAGE®403b
YOUR ADVANTAGE. YOUR FUTURE.

2027 Annual 403(b) Contribution Notice & Model Salary Deferral Agreement

Important

This Salary Deferral Agreement (SDA) must be completed and returned to your employer. Check with your employer to ensure that this agreement meets the employer's requirements.
Please return this form to your church treasurer or personnel office.

Payroll withholding election
Please type or print clearly.

Employee _____ Account number _____ (if known)

Employer _____

Following the date of this agreement and subject to the limits shown below, I elect to participate in the 403(b) Retirement Plan and authorize my employer to withhold the following from my wages each pay period:

Pre-tax deferrals of _____% or $_____

Roth (after tax) deferrals of _____% or $_____

NOTE: Please see the chart below for deferral and catch-up limits. Your annual deferral must not be greater than your annual salary or annual IRS limits, whichever is least.

Signatures

In executing this agreement, I understand the following:

My employer will contribute to the custodial account on my behalf the amount indicated above by which I have reduced my compensation under this agreement (my "elective deferral contributions").

Any pre-tax elective deferral contributions are not subject to federal (or, if applicable, state) income tax until distributed from the plan. Roth Contributions are fully taxable when contributed.

This agreement remains in effect until I revoke it, and I may revoke it at any time by providing my employer advance notice of my revocation. The revocation will be effective as soon as administratively feasible after my employer receives the notice.

This agreement will continue for subsequent calendar years unless I revoke it or execute a new one.

I am 100% vested in my elective deferral contributions. I understand that my elective contributions are subject to gain or loss in accordance with my selected investments.

X_____ _____/_____/_____
Signature of employee Date (mm/dd/yy)

X_____ _____/_____/_____
Signature of employer Date (mm/dd/yy)

Contribution Limits

Under age 50:
The total contribution limit (employee and employer) is $75,000.
The employee deferral portion is limited to $25,500.
Age 50-59 or over age 63:
The total contribution limit (employee and employer) is $83,500
The employee deferral portion is limited to $34,000.*
Age 60-63:
The total contribution limit (employee and employer) is $86,750
The employee deferral portion is limited to $37,250.*

Note: The employer contribution amount must be matched by taxable wages. In other words, there must be $1 of "includible compensation" for every $1 of employer contribution. In general, "includible compensation" is the taxable wages and benefits received by the employee in the most recent full year of service. The minister's housing allowance is not part of "includible compensation". For most ministers, "includible compensation" is the amount reported in Box 1 of the W-2 Form.

* If FICA income in box 3 on the 2026 W-2 is greater than $155,000, then the catch-up contribution must be designated as Roth.

OVER

Employees who also participate in another plan:
Contributions for all employer sponsored qualified plans: other 403(b)s, 401(k)s, SEPs, Simple IRAs must be combined. The combined totals of all employee's elective deferrals and all employer contributions cannot exceed the annual limits.

No action is required by you if the Clergy Advantage 403(b) is the only employer contribution plan you participate in.

Action required by you:
If you contribute to any other employer's plan, you need to ensure that your combined plan contributions do not exceed the annual limit on Employee elective salary deferrals AND the limit on Employer annual additions.
If you have questions about how to best structure your contributions or if your *combined* contributions from all plans exceed the limits stated in this notice, contact us immediately.
If you have not contacted us, we will deem you to have certified that your contributions under other contribution plans will not be taken into account for purposes of determining whether your contributions exceed IRS limits.

IRS Examples

Pastor X owns a dry cleaner business that offers a 401(k) plan and also participates in a 403(b) plan with the church. Contributions to the 401(k) plan of the dry cleaner business count toward the limit on employee elective deferrals ($25,500 in 2027) and the total contribution limit ($75,000 for 2027) for the 403(b) plan.

Pastor Y owns a consulting business that offers a SEP retirement plan. Contributions to the SEP retirement plan count toward the limit on the total contribution limit ($75,000 for 2026) for the 403(b) plan of the church.

Please note individual qualified retirement accounts IRA and ROTH IRA are not included in the contribution limits discussed above.