

**CRIDER INSURANCE SERVICES, INC.**

THIRD PARTY ADMINISTRATORS

6300 Ridglea Place Suite 315 Fort Worth, TX 76116

817-735-8304 817-735-8301 (FAX) 1-800-466-2324 (TOLL FREE) email: [criderins@aol.com](mailto:criderins@aol.com)

To: Aztec Municipal Schools Employees, 403(b) and 403(b)(7) agents/representatives  
Re: Procedures and Forms

With the new 403(b) regulations are new requirements for establishing, stopping, or changing a 403(b), 403(b)(7) contribution. Forms required for transactions are as follows:

Salary Reduction Agreement,  
Maximum Annual Contribution worksheet, and

Only approved vendor companies are eligible to establish 403(b) accounts for Aztec Municipal School employees. A list of the approved vendor companies is included below.

The Salary Reduction Agreement and Maximum Annual Contribution worksheet must be completed and sent directly to Aztec Municipal Schools. These forms are required items in order to process the request. Forms can be obtained from our website, [www.criderins.com](http://www.criderins.com). Click on forms, then Aztec Municipal Schools.

**The original forms are to be sent to:**

Mr. Ryan Manning  
Aztec Municipal Schools  
1118 W. Aztec Blvd.  
Aztec, NM 87410

**IMPORTANT**

Under the new IRS regulations for loans, hardship withdrawals, exchanges, transfers, or any distribution of assets, a transaction form must be completed and approved by the district before any action on the request can take place. The form is available at [www.criderins.com](http://www.criderins.com)

Contact Andy Crider at Crider Insurance Services, Inc., 800-466-2324 if you have any questions.

# SALARY REDUCTION AGREEMENT

This salary reduction agreement is executed between \_\_\_\_\_ Independent School District hereinafter referred to as "Employer"

Employee Name: _____	SSN _____	Date of Birth _____	Date of Hire _____
Address: _____		City _____	State _____
		Work Phone _____	Home Phone _____

WHEREAS the Employee wishes to obtain the benefits of (**PLEASE CHECK ONE OF THE ITEMS BELOW**):

Section 403(b) Pre-Tax     Roth 403(b) After Tax    \_\_\_\_\_ 457 Deferred Compensation  
 403(b)(7) or Pre-Tax     Roth 403(b) After Tax

of the Internal Revenue Codes of 1954 and 1974 by participating in either an annuity or custodial account purchase program of the Employer, and WHEREAS the Employer wished to have the Employee receive those benefits.

NOW THEREFORE, in consideration of the mutual promises and conditions appearing below, it is agreed:

1. That as of \_\_\_\_\_, 20\_\_ (a date following the execution of this agreement) the annual rate of salary otherwise payable to the Employee shall be reduced by \$ \_\_\_\_\_ (annual election) according to the following schedule at the rate of \$ \_\_\_\_\_ per month beginning \_\_\_\_\_, 20\_\_ (or as soon as possible) and thereafter, notwithstanding anything to the contrary contracted by the parties to the agreement.

Present Contribution \$ \_\_\_\_\_ Increase or New \$ \_\_\_\_\_ Decrease <\$ \_\_\_\_\_> = \$ \_\_\_\_\_  
 If none enter "0" MONTHLY CONTRIBUTION

2. That the Employer will apply the amount of the salary reduction described in #1 to the purchase of a nonforfeitable contract for the Employee from:

_____	_____	_____	<b>Circle One: New Increase Decrease Stop Restart</b>
Company Name	Monthly Contribution	TRS Product Type/ID# & Investment Option	
_____	_____	_____	<b>Circle One: New Increase Decrease Stop Restart</b>
Company Name	Monthly Contribution	TRS Product Type/ID# & Investment Option	

3. That it is understood and agreed between the Employer and the Employee that such contract is to be purchased at the request of the Employee under a program adopted by the Employer and that the Employee hereby accepts the provisions of that program, and that the Employer neither guarantees such contract nor warrants adopted payroll procedures respecting same.

4. That this agreement is legally binding and irrevocable with respects to the amounts earned while it is in effect, and shall terminate upon the surrender of such contract by the Employee. That the employee is responsible for the accuracy of the excludable amounts stated in the agreement. Any overstatement may result in additional taxes, interests and penalties to the Employee.

5. That no provision of this agreement shall affect the Employer's right to discharge the Employee, with or without cause, and each party to the agreement expressly reserves the right to terminate said agreement upon giving 30 days written notice to the other party.

_____	_____	_____	_____
Agent Name Printed	Agent Signature	Date	Agent Telephone Number
_____	_____	_____	
Employee's Name Printed	Employee's Signature	Date	

CIS041509R

Employer Use Only
Approved by _____
Date _____

# 403(b), 403(b)(7) or 457 PLAN MAXIMUM ANNUAL CONTRIBUTION WORKSHEET

EMPLOYER NAME \_\_\_\_\_ Work Location \_\_\_\_\_

To determine the **Annual 403(b), 403(b), and/or 457 Maximum Contribution** enter the appropriate information below:

1. Enter your gross annual salary .....\$ \_\_\_\_\_

2. **Basic Limit (lesser of Line 1 or basic maximum limit below)**

	<u>Year</u>	<u>Basic Maximum Limit</u>	<u>Educators with 15+ Years With Current Employer (402g limit)</u>
A.	2011	\$16,500	\$19,500
B.	2012	\$17,000	\$20,000
C.	2013	\$17,500	\$20,500

3. **Catch up provision for persons Age 50 and older**

	<u>Year</u>	<u>Basic Limit</u>	<u>Additional Amount</u>	<u>Total Annual Maximum Age 50 and Over</u>	<u>Educators Age 50+ with 15+ years Current Employer (402g Limit)</u>
A.	2011	\$16,500	\$5,500	\$22,000	\$25,000
B.	2012	\$17,000	\$5,500	\$22,500	\$25,500
C.	2013	\$17,500	\$5,500	\$23,000	\$26,000

4. **Maximum Annual Contribution must be lesser of Line 1, Line 2 or Line 3 (age 50 and over). The lifetime maximum 402g limit is \$15,000. Excess contributions may incur tax penalties.**

<u>Year</u>	<u>Annual Maximum Contribution</u>	<u>Monthly Contribution</u>
2011 (Enter amount you qualify for from Line 1, 2A or 3A)	_____	_____
2012 (Enter amount you qualify for from Line 1, 2B or 3B)	_____	_____
2013 (Enter amount you qualify for from Line 1, 2C or 3C)	_____	_____

Employee Name (Printed or Typed)	Age	Date of Birth
Signature	Date	
Agent/Representative Signature	Company	Date

All calculations on this worksheet constitute the maximum that may be contributed to the aggregate of all 403(b) plans as of 01/01/12. Current amounts reflected may be subject to future legislative change and/or IRS interpretations. All calculations on this worksheet are based on the information provided by you, the Client. This form should not be construed as legal or tax advice. You should consult your tax professional or tax attorney if you have any questions. Maximum Annual Contribution limits 01/01/13 – 12/31/13.

## FIRST, IDENTIFY VENDOR COMPANIES APPROVED BY YOUR EMPLOYER

Some Districts do not allow all types of transactions call to confirm.

Exchange is moving plan assets from one Vendor Company to another vendor company within the current employer's plan.

Transfer is moving plan assets from a former employer's plan to your current employer's plan.

Rollover is moving plan assets from an employer 403(b) plan to an IRA (must be retired, no longer working for the employer, disabled or have attained age 59 1/2).

# HOW TO COMPLETE A 403(b) EXCHANGE, LOAN, TRANSFER, ROLLOVER and/or DISTRIBUTION TRANSACTION



### HERE IS HOW TO GET STARTED!

1. To initiate an Exchange, Rollover or Transfer determine the approved vendor companies in the employer's 403b plan.
2. Contact the desired investment provider (or representative) to get the forms you will need to complete in order to move your assets.
3. Contact your current vendor company (or representative) to get the forms you will need from your current provider.
4. Complete the 403b Transaction form found on our web site, [www.criderins.com](http://www.criderins.com).
5. For other transactions, distributions, hardship withdrawals or any other transaction contact your representative and complete the 403b Transaction form.

**See column 3 for instructions for sending forms.**

- Once you have completed the 403b Transaction form, distribution request from your current provider and exchange form for your new provider, and a new Salary Reduction Agreement for your new provider, (your representative or provider company can assist with these forms), all items are to be sent to Crider Insurance Services, Inc. for review and approval at the address below.

### To initiate contributions:

1. Select approved Vendor Company from list for your district.
2. Open an account by contacting your representative or vendor company.
3. Submit Salary Reduction agreement: (download & complete form from web site).
4. Salary reductions for contributions begin the month specified if received prior to employer's cutoff date.

CIS is an independent company for administrative services. CIS does not market 403(b) products and is not affiliated with any vendor company.

**Crider Insurance Services, Inc.**

6300 Ridglea Place Suite 315

Fort Worth, TX 76116

800-466-2324 email: [criderins@aol.com](mailto:criderins@aol.com)



# AUTHORIZATION FORM FOR 403(b) TRANSACTIONS

This form must be completed and submitted with all other required forms for establishing, changing, modifying, or any movement of your 403(b) assets will be approved. Crider Insurance Services, Inc. will return approved requests or forward to insurance/investment provider companies as directed by employee or agent/representative.

**NAME OF SCHOOL DISTRICT:** \_\_\_\_\_

## ACCOUNT INFORMATION

Owner/Participant Name \_\_\_\_\_  
Last First Middle

Mailing Address \_\_\_\_\_  
Street City State Zip

Social Security Number \_\_\_\_\_ Date of Birth \_\_\_\_\_

Work/Daytime Phone Number \_\_\_\_\_ Home Phone Number \_\_\_\_\_

Email address \_\_\_\_\_

**Employment Status (check one)**  Currently Employed  Retired  Severed from above district  
If Retired/ Severed provide date of retirement/severance \_\_\_\_\_

Investment/Annuity Provider \_\_\_\_\_

Product Name \_\_\_\_\_ Policy or Account Number \_\_\_\_\_

## ACTION REQUESTED (Please check each that applies)

- TRANSFERS** Call 800-466-2324 to verify if your employer/former employer allows transfers. Check appropriate box.
  - Money coming from another employer's 403(b) plan to the current Employer's 403(b) plan. Note, the prior employer's plan must allow transfers out of its plan and the current employer must allow transfers into its plan.
  - Money transferring out of prior employer to new employer  
Note: The new employer's plan must allow transfers into its plan. The prior employer must allow transfers out of its plan.

Transfer assets from the \_\_\_\_\_  
(name or insurance/investment company) to  
\_\_\_\_\_ insurance/investment company.

\_\_\_\_\_ (name of employer transferring assets from).

Transfer assets as follows:

- Full Balance
- Partial Balance Amount \$ \_\_\_\_\_

- EXCHANGES** (Change of insurance/investment selection within the current employer's 403(b) plan.

Transfer assets from: \_\_\_\_\_  
(name of insurance/investment company)

Transfer assets to: \_\_\_\_\_  
(name of insurance/investment company)

Transfer assets as follows:

- Full Balance
- Partial Balance Amount \$ \_\_\_\_\_

- LOANS**

Amount of loan request \$ \_\_\_\_\_

Current balance in account \_\_\_\_\_

**IMPORTANT: Loan amount may not exceed (A) the lesser of \$50,000 reduced by (1) the highest outstanding balance of loans from the plan during the one year period ending on the day before the date on which loan was made or (2) the outstanding balance of loans from the plan on the date on which such loan was made with this employer or any related employer) or (2) the greater of 50% of present value of the nonforfeitable accrued benefit (surrender value) under the plan, or \$10,000.**

Insurance/investment company where current 403(b) and/or 457 accounts are with this employer:

\_\_\_\_\_  
\_\_\_\_\_

Have you ever take out a 403(b) or 457 loan with current employer?

- Yes  No

If yes, what is the name(s) of the company(ies)?

Is there a balance still due on loans with current employer?  Yes  No

If yes, what is the current balance due on the loan? \_\_\_\_\_

Is there a balance still due on loans with former employers?  Yes  No

If yes, what is the current balance due on the loan? \_\_\_\_\_

Have you ever defaulted on a 403(b) or 457 loan?  Yes  No

If yes, what is the name of the company? \_\_\_\_\_

I have outstanding loans from other retirement plans.  Yes  No

If yes, please list below:

\_\_\_\_\_  
\_\_\_\_\_

**WITHDRAWALS/DISTRIBUTIONS**

- Financial Hardship -- Documentation, including receipts to verify the hardship need and amount requested must be submitted. By completing this request, I certify that I have exhausted all other financial resources available to me.

**You must take the maximum loan available to you before taking a Hardship Withdrawal if loans are allowed by your employer's Plan and your vendor company.**

Reason for hardship: Check one (will not be processed if not checked)

- Deductible Medical Expense in excess of 7.5% of gross income
- Casualty loss of principal residence
- Purchase of principal residence
- Funeral expense for immediate family
- Prevent eviction from principal residence
- Post secondary education, tuition, room and board or related fees

If hardship withdrawal is taken, IRS regulations prohibit contributions to this Plan or any other plan your employer sponsors for six months following the Hardship withdrawal

- Disability – Permanent disability as defined in IRC Section 72(m)(7) – Physician verification required
- Required Minimum Distribution (RMD)
- Normal Distribution (Severance from employment, age 59 ½ or older, or other reason not Listed).

**ROLLOVER CONTRIBUTION**

Reason for rollover distribution: (check all that apply)

- Age 59 ½ or more
- Disabled
- Severance from employer on \_\_\_\_\_ (retirement, change of employment, termination) \_\_\_\_\_ date (employment, termination)

Rollover assets from: \_\_\_\_\_  
(name of insurance/investment company)

Rollover assets to: \_\_\_\_\_  
(name of insurance/investment company)

Transfer assets as follows:

- Full Balance
- Partial Balance Amount \$ \_\_\_\_\_

**QUALIFIED SERVICE CREDIT**

Moving funds from a 403(b) account to purchase years of service from an approved governmental pension plan.

Move assets from: \_\_\_\_\_  
(name of insurance/investment company)

Move assets to: \_\_\_\_\_  
(name of governmental pension plan)

Move assets as follows:

- Full Balance  
 Partial Balance Amount \$ \_\_\_\_\_

I understand, acknowledge and certify that:

- ◆ \_\_\_\_\_ Independent School District and/or Crider Insurance Services, Inc. acting in the capacity of Third Party Administrator for 403(b) administration is authorized to review this transaction request.
- ◆ I further have attached documents necessary for the insurance/investment company to process the transaction.
- ◆ I have met the applicable requirements under my prior plan to request a rollover distribution (if applicable).
- ◆ \_\_\_\_\_ Independent School District and/or Crider Insurance Services, Inc. acting in the capacity of Third Party Administrator for 403(b) administration will determine if the loan feature is available to me (if applicable).
- ◆ I have provided full, accurate and complete information.

_____ Employee (participant) Signature	_____ Date
_____ Authorized Signature _____ Independent School District	_____ Date
_____ Authorized Signature Crider Insurance Services, Inc.	_____ Date

Only one authorizing signature is required for approval. The date signed by the District or by its Third Party Administrator for 403(b) administration shall be the date the transaction is approved.

Mail, FAX or email a copy to:  
Crider Insurance Services, Inc.  
6300 Ridglea Place Suite 315  
Fort Worth, TX 76116  
800-466-2324 FAX: 817-735-8301  
Email: [criderins@aol.com](mailto:criderins@aol.com)



**AZTEC MUNICIPAL SCHOOLS  
403(b) VENDOR STATUS AS OF MARCH 1, 2013**

<u>COMPANY NAME</u>	<u>STATUS</u>	
<b>AMERICAN GENERAL LIFE INSURANCE (AIG)</b>	<b>1</b>	i
<b>ING RELIASTAR</b>	<b>1</b>	
<b>METROPOLITAN LIFE INSURANCE COMPANY</b>	<b>1</b>	

(1) Designates companies which have signed Information Sharing Agreements, accept new participants and continuing contributions from current participants under the 403(b) plan.

To add a new vendor company:

- The company must be approved by Aztec Municipal Schools
- The company must complete an Investment Service Provider or Information Sharing Agreement prior to being added to the plan.
- See instructions at [www.criderins.com](http://www.criderins.com), forms – click on Aztec Municipal Schools