

FICA ALTERNATIVE

DEFERRED COMPENSATION PLAN PARTICIPATION AGREEMENT

PST

NEW ENROLLMENT ADDRESS CHANGE BENEFICIARY CHANGE NAME CHANGE

PARTICIPANT INFORMATION

NAME (Last) (First) (Middle)

ADDRESS (Street / P. O. Box) (Apt. #) (City) (State) (Zip)

SOCIAL SECURITY NUMBER BIRTH DATE

HOME PHONE () WORK PHONE () FEMALE MALE

Beginning (Hire Date) I will participate in the (Employer) Deferred Compensation Plan, I.R.C. Section 457, and hereby forego my rights to receive compensation to the % of my eligible gross annual compensation in return for the benefits provided thereunder. I wish this contribution to be invested in an annuity contract with American United Life. I understand that my total amount of deferred compensation shall not exceed the lesser of the Section 457 dollar limit or 100% of the participant's includable compensation or such other sum as is permissible pursuant to the provisions of Section 457 of the Code in any calendar year. I understand that my participation in this Plan is a condition of employment required by I. R. C. Section 3121 (b) (7) OBRA 1990. I further understand that payment(s) will be based on the value of the individual account (s). I acknowledge that a copy of the Deferred Compensation Plan Document is available to me for my review and understanding. The terms, conditions, and provisions of the Plan Document are hereby incorporated into this agreement.

* NEW EMPLOYEES MUST COMPLETE THE FOLLOWING BENEFICIARY DESIGNATIONS.

PRIMARY: NAME DATE OF BIRTH

RELATIONSHIP SOCIAL SECURITY #

ADDRESS (STREET / P.O. BOX) (APT. #) (CITY) (STATE) (ZIP)

CONTINGENT: NAME DATE OF BIRTH

RELATIONSHIP SOCIAL SECURITY #

ADDRESS

A \$1.00 monthly fee will be applied to inactive participant account balances. Inactive participants are those participants who have not made a contribution to the plan for one year, are no longer employed with the District, and who could, at any time, request a distribution of their account balance.

Statement Concerning Your Employment in a Job Not Covered by Social Security

Your earnings from this job are not covered under Social Security. When you retire, or if you become disabled, you may receive a pension based on earnings from this job. If you do, and you are also entitled to a benefit from Social Security based on either your own work or the work of your husband or wife, or former husband or wife, your pension may affect the amount of the Social Security benefit you receive. Your Medicare benefits, however, will not be affected. Under the Social Security law, there are two ways your Social Security benefit amount may be affected.

Windfall Elimination Provision

Under the Windfall Elimination Provision, your Social Security retirement or disability benefit is figured using a modified formula when you are also entitled to a pension from a job where you did not pay Social Security tax. As a result, you will receive a lower Social Security benefit than if you were not entitled to a pension from this job. For example, if you are age 62 in 2005, the maximum monthly reduction in your Social Security benefit as a result of this provision is \$313.50. This amount is updated annually. This provision reduces, but does not totally eliminate, your Social Security benefit. For additional information, please refer to the Social Security Publication, "Windfall Elimination Provision".

Government Pension Offset Provision

Under the Government Pension Offset Provision, and Social Security spouse or widow(er) benefit to which you become entitled will be offset if you also receive a Federal, State or local government pension based on work where you did not pay Social Security tax. The offset reduces the amount of your Social Security spouse or widow(er) benefit by two-thirds of the amount of your pension.

For example, if you get a monthly pension of \$600 based on earnings that are not covered under Social Security, two-thirds of that amount, \$400, is used to offset your Social Security spouse or widow(er) benefit. If you are eligible for a \$500 widow(er) benefit, you will receive \$100 per month from Social Security, (\$500 - \$400 = \$100). Even if your pension is high enough to totally offset your spouse or widow(er) Social Security benefit, you are still eligible for Medicare at age 65. For additional information, please refer to the Social Security publication, "Government Pension Offset."

For More Information

Social Security publications and additional information, including information about exceptions to each provision, are available at www.socialsecurity.gov. You may also call toll free 1-800-772-1213, or, for the deaf or hard of hearing, call the TTY number 1-800-325-0778, or contact your local Social Security office. I certify that I have received Form SSA-1945 that contains information about the possible effects of the Windfall Elimination Provision and the Government Pension Offset Provision on my potential future Social Security benefits.

Form SSA-1945 (12-2004)

SIGNATURE OF EMPLOYEE

DATE

EMPLOYER PAYROLL SIGNATURE

DATE

FORM MUST BE SIGNED, DATED AND APPROVED BY THE EMPLOYER (PLAN SPONSOR)

white - FFCC yellow - Payroll/HR pink - Employee