



Santa Clara Valley Water District

457(b) Deferred Compensation and 401(a) Defined Match Plan Participation Agreement & Service Request

Page 1 of 4

Personal Information

Plan Name and ID¹: _____ Santa Clara Valley Water District 457(b) and 401(a)

Name: _____

SSN: _____ Date of Birth: _____ Primary Phone: _____

Street Address: _____

City: _____ State: _____ ZIP: _____

Email: _____

How would you like to be contacted if additional information is required? ☐ Phone ☐ Email

¹All selections on this form will apply to both plan types including funding options and beneficiary designations.

Paperless Delivery Consent

Paperless Delivery: By providing your email address you are consenting to electronic (paperless) delivery of documents related to your retirement plan, e.g. - statements, confirmations, terms, agreements, etc. Check the box below if you would prefer to receive paper copies of the documents via US Mail to the address provided above.

☐ I do NOT consent to Paperless Delivery. Please provide the documents related to my retirement plan via US Mail.

Deferral and Contribution Election (457(b) Only)

457(b) Pre-Tax \$ _____ OR _____ % Start Contribution On (Pay Period): _____

457(b) Roth* \$ _____ OR _____ % ☐ **Enroll me in asset rebalancing.** I agree to comply with

Total 457(b) \$ _____ **OR** _____ % and be bound by the terms and conditions of the service

*Contributions to Roth are made on a post-tax basis. Use whole dollar amounts and percentages only; no decimals or fractions.

NOTE: All modifications will be implemented no sooner than the first payroll of the month following the month of the change. Please remember to check your paystub to confirm your elections are accurately reflected and being processed.

Beneficiary Designation

IMPORTANT NOTES: 1) Allocations must total 100% for each category of beneficiary; and 2) If you designate a single primary or contingent beneficiary and do not list a percentage, it will be designated as 100%.

☐ I have additional beneficiaries. If you want to designate more than 2 of each type of beneficiary, you may attach a page with the additional beneficiary information. Allocations must still total 100% for each category.

Primary Beneficiary(ies) (Allocations must total 100%):

1. Full Name: _____ Allocation: _____ %

Relationship: _____ SSN: _____ Date of Birth: _____

Address: _____ Phone: _____

2. Full Name: _____ Allocation: _____ %

Relationship: _____ SSN: _____ Date of Birth: _____

Address: _____ Phone: _____

Contingent Beneficiary(ies) (Allocations must total 100%):

1. Full Name: _____ Allocation: _____ %

Relationship: _____ SSN: _____ Date of Birth: _____

Address: _____ Phone: _____

2. Full Name: _____ Allocation: _____ %

Relationship: _____ SSN: _____ Date of Birth: _____

Address: _____ Phone: _____

Funding Options

Asset Allocation

_____ % American Funds 2010 Target Date Retirement Fund (Class R6)
 _____ % American Funds 2015 Target Date Retirement Fund (Class R6)
 _____ % American Funds 2020 Target Date Retirement Fund (Class R6)
 _____ % American Funds 2025 Target Date Retirement Fund (Class R6)
 _____ % American Funds 2030 Target Date Retirement Fund (Class R6)
 _____ % American Funds 2035 Target Date Retirement Fund (Class R6)
 _____ % American Funds 2040 Target Date Retirement Fund (Class R6)
 _____ % American Funds 2045 Target Date Retirement Fund (Class R6)
 _____ % American Funds 2050 Target Date Retirement Fund (Class R6)
 _____ % American Funds 2055 Target Date Retirement Fund (Class R6)
 _____ % American Funds 2060 Target Date Retirement Fund (Class R6)

International/Global Equity Funds

_____ % American Funds Europacific Growth R6
 _____ % Oakmark International Fund I
 _____ % Vanguard Total International Stock Index Adm

Small Cap

_____ % Boston Partners Small Cap Value II I
 _____ % Harbor Small Cap Growth Opps Institutional
 _____ % Vanguard Small-Cap Index Fund Admiral Shares

Mid Cap

_____ % Artisan Mid Cap Institutional
 _____ % Vanguard Mid Cap Index Admiral Shares
 _____ % Virtus Ceredex Midcap Value

Large Cap

_____ % Dodge and Cox Stock
 _____ % Fidelity Contrafund K
 _____ % Vanguard FTSE Social Index
 _____ % Vanguard Institutional Index I
 _____ % Vanguard Russell 3000

Bonds

_____ % Metropolitan West Total Return Bond I
 _____ % Vanguard Total Bond Market Index Admiral Shares

Fixed/Cash

_____ % Nationwide Fixed Account

100% Total for both columns must equal 100%¹

¹ If I select an investment option that is closed or unavailable, or if I elect a total investment allocation percentage that is less than 100%, I agree that the money will be placed into the American Funds Target Date Fund closest to my anticipated retirement age, based upon my date of birth and a normal retirement age of 65, which is the default investment option. If I elect a total investment allocation percentage greater than 100%, I agree that my application will be rejected and my selections will not be processed.

Authorization

- ☐ Please send me a copy of the Informational Brochure/Prospectus(es).
☐ Please contact me regarding transferring my other pre-tax retirement plans.
☐ Please send me forms regarding the Catch-up Provisions.

I hereby elect the deferral and/or contribution amount stated above. The 457(b) deferral election will continue until elected otherwise. The deferrals and/or contributions will be allocated to the funding options in the percentages indicated above. Some mutual funds may impose a short-term trade fee. Please read the underlying prospectuses carefully.

I have read and understand the Memorandum of Understanding. I accept these terms and understand that these statements do not cover all the details of the Plan or products.

Signature: _____ **Date:** _____

Retirement Specialist Name (Print): _____ **Agent #:** _____



Santa Clara Valley Water District

457(b) Deferred Compensation and 401(a) Defined Match Plan

Memorandum of Understanding

Page 3 of 4

The purpose of the Memorandum of Understanding is to make you aware of some of the highlights, restrictions and costs of your plan. It is not intended to cover all aspects of the plan and should not be relied upon in making decisions about plan benefits.

I understand and acknowledge the following:

457(b) Plans

1. The maximum annual contribution amount to all 457(b) plans is the lesser of the maximum annual 457(b) contribution limit or 100% of my includible compensation. This amount may be adjusted annually. If you have questions about the maximum contributions limits, they can be found at irs.gov. Under certain circumstances, additional amounts above the limit may be contributed in the Plan if (1) I will attain age 50 or older during the current calendar year, or (2) I am within three years of the Plan's Normal Retirement Age and did not contribute the maximum amount to the 457(b) Plan in prior years. The Plan Document provides additional details about contribution limits. Contributions in excess of maximum amounts are not permitted and will be reported as taxable income when refunded. It is my responsibility to ensure my contributions to all 457(b) plans in which I participate regardless of employer do not exceed the annual limit.
2. It is my responsibility to adjust my contribution amount to comply with applicable limits. If my Plan Sponsor directs, excess deferrals will be returned to me and reported on IRS tax Form 1099-R. I acknowledge that it is my responsibility to make sure my total contributions, including any 457(b), 403(b), and/or 401(k) Plan contributions, including designated Roth contributions, fall within the specified limits. A Nationwide Retirement Solutions, Inc. ("NRS") representative can provide assistance in determining my contribution limits.
3. As opposed to the withdrawal of earnings on pre-tax contributions, the earnings on designated Roth contributions are generally not subject to future taxes as long as the distribution from the Roth account satisfies the requirements to be a "qualified distribution." Qualified distributions can only be made 5 years or more after January 1 of the first year that you made a Roth contribution, and must be made on or after the attainment of age 59½, on or after your death, or your disability. If you previously established another designated Roth account in another plan and are able to roll the funds from this plan to the other plan, the five-year period would begin to run from the date of the first contribution to the first designated Roth account. A non-qualified Roth distribution may result in an additional 10% early withdrawal tax of that portion of the distribution that is includible in gross income, if made from rollovers to this Plan from a qualified plan like a 403(b) plan, unless a regulatory exception applies. Please note that once made, contributions and/or rollovers to a designated Roth account are irrevocable. In the event you wish to make changes, only future contributions and/or rollovers can be redirected.
4. I may withdraw funds from the Plan only upon separation from service; at age 70½; upon an unforeseeable emergency approved by the Plan, when taking a loan, if permitted by the Plan; or, I may take a one-time in-service withdrawal if my account value is \$5,000 or less (as adjusted) and I have not contributed to the Plan for two or more years. In some cases, withdrawal for purchase or repayment of service credits in a Governmental Defined Benefit Plan may be permitted. Additionally, funds may be withdrawn upon my death. All withdrawals of funds must be in compliance with the Internal Revenue Code (the "Code") and applicable regulations as expressed in the Plan Document.
5. I must contribute a minimum of \$20 per month or \$10 per pay to the Plan to satisfy minimum Plan requirements.
6. Contributions, in the form of salary reductions, will be made until I notify NRS or my Plan Sponsor otherwise. Once notification is received, salary reductions will be changed as soon as administratively feasible.
7. Contributions will be invested as soon as administratively feasible upon receipt from the Plan Sponsor.

401(a) Plans

1. The annual defined contribution limit to all 401(a) plans is the lesser of the IRS maximum 415 limit, or 100% of my eligible compensation. This amount may be adjusted annually. If you have questions about these limits they can be found at irs.gov. I understand that current or future participation in additional benefit plans, such as 403(b) and/or 401(a) plans, may affect my maximum annual contribution limit under the 401(a) plan, in accordance with the Code.
2. I may withdraw vested funds from the Plan only upon severance from employment. Some plans may also permit distribution upon reaching normal retirement age as defined in the Plan Document; upon a financial hardship approved by the Plan; upon disability or when taking a loan, if permitted by the Plan Document. In some cases, withdrawal for purchase or repayment of service credits in a Governmental Defined Benefit Plan may be permitted. Additionally, funds may be withdrawn upon my death. All withdrawals of funds must be in compliance with the Code and applicable regulations, as expressed in the Plan Document. An additional 10% early withdrawal tax may apply in some circumstances. Please consult your tax advisor prior to requesting a distribution.

All Plans

1. My participation in the Plan is governed by the terms and conditions of the Plan Document. Fund prospectuses are available upon request at santaclarawaterdcp.com or by calling 800-769-4457.
2. Generally, distributions from the Plan must begin no later than the April 1 following the year I reach age 70½ (or age 72 if born after June 30, 1949). If I continue to work for this employer beyond age 70½ (or age 72 if born after June 30, 1949), generally, my distributions must begin no later than the April 1 following the year I separate from service or retire. Please consult the plan document for further details. Normally, all pre-tax distributions are taxable as ordinary income and are subject to income tax in the year received. My distributions must be made in a manner that satisfies the minimum distribution requirements of Code section 401(a)(9), which currently requires benefits to be paid at least annually over a period not to extend beyond my life expectancy. Failure to meet minimum distribution requirements may result in my being subject to a 50% federal excise tax.
3. The funds in my accounts may be eligible for rollover to a traditional or Roth IRA or to another eligible retirement plan. The "Special Tax Notice Regarding Plan Payments" provides detailed information about my options. Due to important tax consequences related to distributions, I have been advised to consult a tax advisor. I expressly assume the responsibility for tax consequences relating to any distribution, and I agree that neither the Plan nor the Administrative Services Provider shall be responsible for those tax consequences.
4. All amounts contributed into the Plan and earnings on the amounts contributed are held in a trust, custodial account or annuity contract for the exclusive benefit of the participants and their beneficiaries.
5. Underlying investment options may be periodically changed or restricted.
6. NRS will permit participants and beneficiaries to exchange amounts among the Variable and Fixed investment options as frequently as permitted by the Plan, subject to the limits and rules set by each Fund and the Contract. Changes may be made by calling 800-769-4457 or logging on to santaclarawaterdcp.com. Options for investments may vary by the source of the money invested.
7. I understand that an administrative expense fee is deducted daily from the plan account. The expense fee that is deducted is 0.15% per year.

8. Any beneficiary designation I made on this form will supersede any prior beneficiary designation and shall become effective on the date accepted by the Plan, provided that this designation is accepted by the Plan prior to my death. Further, any benefits payable at my death shall be paid in substantially equal shares to my beneficiaries unless I specify otherwise. My death benefits will be paid first to my Primary Beneficiaries. If any of my Primary Beneficiaries predecease me, then my death benefits will be paid to the remaining Primary Beneficiaries. Contingent Beneficiaries will only receive benefits if no Primary Beneficiary survives me. If no beneficiary designation is on file, benefits will be paid as set forth in the Plan Document. If I participate in both a 457(b) plan and a 401(a) plan administered by NRS, I understand my beneficiary designations made on this form will apply to both plans unless I have indicated otherwise.
9. I must notify NRS of any address changes, beneficiary changes, contribution changes, allocation changes or errors on my account statement.
10. I will receive a statement of my account quarterly.
11. All telephone exchange requests will be recorded for the participant's protection.
12. Transfers between investment options are provided for under the Plan subject to limitations or restrictions (including redemption fees), if any, as imposed by the investment providers. I understand that any information regarding limitation or restrictions as they apply to the Plan may be obtained from the Plan Administrator.
13. If applicable, I understand that no changes will be effective until they are processed by NRS.
14. The earliest your enrollment or contribution change can start is the first day of the month following the month of your completed request. Please remember, your employer's processing schedule will determine the actual effective date of the contribution. It is the Plan Sponsor's/Pay Center's responsibility to ensure deferrals do not commence too early.

Nationwide Life Fixed Account

1. A guaranteed interest rate is declared quarterly and credited daily, which is not lower than the minimum annual rate.
2. Nationwide may earn a spread on assets held in the Nationwide Fixed Account, which is reflected in the crediting rate. The spread represents the difference between what Nationwide earns on investments and what it credits to the Fixed Account as interest.
3. Exchanges or transfers may be made based upon one of the following options as chosen by your employer:
 - a. Exchanges and/or transfers of money from the Fixed Account may be made no more than twice a year and may not exceed 20% of the participant's Fixed Account value. Once the 20% limit has been reached, no further exchanges/transfers will be permitted out of the participant's Fixed Account during the remainder of the calendar year. If the Fixed Account value is less than or equal to \$1,000, the participant can exchange/transfer up to the entire account value. Each exchange/transfer will count toward the limitation of two exchanges/transfers out of the Fixed Account per year. Additionally, a five-year Exchange/Transfer election allows for the systematic movement of 100% of the participant's account value out of the Fixed Account on a monthly basis over a five-year period. If elected, the participant cannot defer, exchange, or transfer into his/her Fixed Account during the five-year term without canceling this election.

-OR-

- b. Exchanges and/or transfers from the Fixed Annuity may be made up to 100% of the participant's account value. The total of all participant exchanges and/or transfers cannot exceed 12% of the total amount held in the Deposit Fund for the employer under the Fixed Account as of December 31 of the previous calendar year. Once this aggregate limit is met, no further exchanges or transfer into any participant's Fixed Account will be permitted.

Exchange: An exchange is the movement of money between the Nationwide Life Fixed Account and Variable Annuity options and/or between funds in the Variable Annuity option.

Transfer: A transfer is the movement of money between product providers within the same plan.

Mutual Fund Options

1. I understand that the Net Asset Value of a mutual fund changes on a daily basis and that there is no guarantee of principal or investment return.
2. I have received and reviewed the participating fund prospectus and/or been provided a contact phone number to obtain the fund prospectus.
3. I understand that pursuant to the Plan Document, deferred amounts will be invested per my selection of funding options specified on the Participation Agreement or as otherwise amended.
4. I understand some mutual funds may impose a short term trading fee. (Please read the underlying prospectuses carefully).

Mutual Fund Payments Disclosure

Nationwide Retirement Solutions, Inc. and its affiliates (Nationwide) offer a variety of investment options to public sector retirement plans through variable annuity contracts and trust or custodial accounts. Nationwide may receive service fee payments from mutual funds or their affiliates in connection with the processing of transactions and distribution of those investment options. For more detail about the service fee payments Nationwide may receive, please visit santaclarawaterdcp.com.

Endorsement Disclosure

Nationwide has endorsement relationships with the National Association of Counties, the United States Conference of Mayors, and the International Association of Firefighters Financial Corporation. More information about the endorsement relationships may be found online at santaclarawaterdcp.com.

Consent to Paperless Delivery and Access

By providing your email address here, you are agreeing and consenting to receive and view plan benefit statements, correspondence and confirmations, and other communications electronically. These materials will be provided through an e-mail message notifying you that electronic documents are available online for you to view and print. This replaces all written communication associated with your Retirement Plan(s) serviced by Nationwide and you will no longer receive these documents via US Mail. By providing your consent to paperless delivery, you are acknowledging and confirming that you are consenting to receive Plan Communications electronically, as they are now available or as they may be required or become available in the future and that you have access to view and print your documents electronically from the website and to save them from your computer or other electronic device. If you would like to receive the above referenced documents in paper form via US Mail you can do so by contacting Customer Service at 800-769-4457 and request paper. You may opt out of paperless delivery of your plan related documents at any time. There is no additional cost to receive documents in paper format via US Mail.

Changing Your Email Address and Your Paperless Delivery Preferences

You are able to update your email address or change your Paperless Delivery Preferences anytime either on the web site or via Customer Service.

Your Right To Revoke Consent

You have the right to revoke your consent to receive documents electronically. Your consent shall be effective until you revoke it by changing your delivery preferences via Customer Service or on the website by selecting US Mail delivery.