Office of Human Resources

UNIVERSITY of HAWAI'I SYSTEM

October 25, 2011

On October 20th, the Internal Revenue Service announced the 403(b) tax-deferred annuity maximum contribution limits for **2012**:

- Employees under the age of 50 – The annual base deferral limit will increase $500 from the current limit of $16,500 to **$17,000** in 2012;

- Employees age 50 and higher – There was no change in the Age 50 catch-up limit. Participants age 50 and higher, may contribute up to **$22,500** ($17,000 + $5,500).

All participants interested in contributing up to their maximum limit for 2012, should review their last pay statement and determine if their "AP 700" monthly deferral amount needs to be adjusted. To change the contribution amount, a UH Salary Reduction Agreement (SRA) must be completed and submitted. A form fillable version is available at: www.nbsbenefits.com/UH403b/forms/UHSRAForm.pdf. To contribute the maximum amount, complete the SRA as follows:

- Fill in the "Employee Information" section.

- List the Effective Date as: **January 5, 2012**.

- If the participant is starting a contribution, check "Initiate New Salary Reduction" or, to change your contribution amount, check "Change Salary Reduction" and indicate the monthly amount of the current contribution and the new monthly amount.

  - **$1416.66/month** ($708.33/pay check) for employees under age 50, or
  - **$1875.00/month** ($937.50/pay check) for employees age 50 or higher

- Indicate the new monthly contribution amount under "Monthly Contribution" of the "Service Provider(s)" section, write in the name of their provider in the "Service Provider" area and list the three digit "SP Code" for their service provider. A complete list of SP codes is available on the "Investment Provider" section of the website.

- Complete the "Employee Signature" and "Agent/Registered Representative Information" sections.

- Submit the SRA to National Benefit Services (NBS) at their mailing address or via their toll-free fax number that are listed on page two of the SRA form. To meet the payroll deadline, SRAs may be submitted anytime before, but not later than, **December 8, 2011**.

Questions related to investment choices should be directed to the participant's financial advisor. For SRA processing questions, call NBS at 800-274-0503 ext. 240 or email uh403b@nbsbenefits.com.

2440 Campus Road, Honolulu, Hawai'i 96822-2246
Telephone (808) 956-8988, Facsimile (808) 956-3952