

Employer Responsibilities:

- In order to guarantee compliance, *all* paperwork must be processed by First Financial before the Payroll Department takes out a 403(b) deduction from an employee's paycheck. Our transmittal (an excel spreadsheet) is the approval to you that we have assured compliance and that you may now begin deductions. (an example has been attached)
- Direct all inquiries from sales representatives and employees regarding 403(b) accounts to your First Financial Retirement Specialist.
- **IRS requires you to provide annual notification to all employees.** Therefore, please distribute the "Employee Retirement Newsletter" to all employees. **Make sure this is available to employees via your website, employee handbook, bulletin boards, bus barn, posted in the building etc.**
- **REMINDER:** Notify us of any personnel or office changes (i.e. Payroll / Bus. Mgr. contact, address, phone/fax # etc).
- 403(b) funds received without the proper prior paperwork will be returned to the Payroll Department.
- Advise your Retirement Service Specialist when an employee terminates or is on a leave of absence.
- Any paperwork received from a vendor should be forwarded to us for review. Please do not sign anything that has not been reviewed by First Financial.

Agent Solicitation:

- **BE AWARE:** Texas law states: if you allow one agent to solicit then you must allow them all. The solicitation rules states "No on-campus solicitation" therefore notify us of *any* unauthorized Sales Agent in your district.

Universal Availability:

All employees must be offered the opportunity to contribute to a 403(b) plan, however, certain employees may be excluded from the plan:

- Employees who will contribute \$200.00 annually or less.
- Non-resident aliens
- Employees who normally work less than 20 hours per week (under 1,000 hours annually). We do recommend that you make part-time employees aware of the 403(b) program.
- Students performing services described in section 3121(b)(10). (This information may be found in the *Internal Revenue Bulletin: 2005-2*, available online).

First Financial recommends you permit ALL employees to participate in 403(b) contribution to avoid the tracking of hours, as required by the IRS, as well as any possible violation of the universal availability requirement.

403(b) Form Requests:

- *Only* the First Financial Salary Reduction Agreement form will be accepted. One has been attached as an example.
- The SRA as well as additional information can be obtained from our website at: www.ffga.com.

