

VIRGINIA WESLEYAN UNIVERSITY

SALARY REDUCTION AGREEMENT FOR TAX DEFERRED ANNUITY

BY THE AGREEMENT, made between _____ (the Employee) and Virginia Wesleyan University (the Institution), we agree as follows:

Effective for amounts paid on or after _____, which date is subsequent to the execution of this agreement, the Employee's salary will be reduced by the amount shown below. This amount is **IN ADDITION TO/INSTEAD OF** the 5% reduction required by policy as a condition of full-time employment (**for employees age 30 and over**) at the Institution and the 8.5 % being contributed to the employee's annuity contract(s) by the Institution.

This Agreement is legally binding and irrevocable for both the Institution and the Employee with respect to amounts earned while the Agreement is in effect. However, either party may terminate this Agreement as of the end of any month by giving written notice. The Agreement will not apply to salary earned after the Agreement is terminated.

The amount of the salary reduction shall be _____% of the gross per pay period (or \$ _____ per pay period), which will produce a total Institution contribution that does not exceed the Employee's statutory exclusion allowance under IRC Section 403(b), the limitations of IRC Section 415, or the limitations of IRC Section 402(g), whichever is least.

The amount designated above will be contributed by Virginia Wesleyan University to the following authorized funding vehicles:

TIAA Retirement Account (RA) _____% (or \$) per pay period.
Institutional rules/restrictions **DO** apply

TIAA Supplemental Retirement Account (SRA) _____% (or \$) per pay period.
Institutional rules/restrictions **DO NOT** apply

With respect to the salary reduction amount indicated above, designate the percentage of your total SRA contribution to be contributed to your **Roth 403(b) account. This percentage must total 100%.**

_____ % Roth (after tax) Elective Deferrals

_____ % Pre Tax Elective Referrals

By signing this agreement, the Employee agrees that:

1. He/she is responsible for determining that his/her salary reduction amount does not exceed the limits of the applicable law;
2. He/she is responsible for the accuracy of the information provided by the Employee, which is used in determining the employees maximum annual contribution limit;
3. The employer has no liability for any losses suffered by the employee that result from his/her participation in the 403(b) program;
4. The employee acknowledges that the employer has made no representation to the Employee regarding the advisability, appropriateness, or tax consequences of the purchase of the 403(b) program. Nothing herein shall affect the terms of employment between the Employer and the Employee;
5. This agreement supersedes all prior salary reduction agreements and shall automatically terminate if your employment is terminated.

I certify that I have read this complete Agreement and that my salary reductions do not exceed contribution limits as determined by applicable law. I understand my responsibilities as an employee under the 403(b) program and I request the employer to take the action specified in this Agreement. I understand that all rights under the annuity(s) or custodial accounts established by me under the 403(b) program are enforceable solely by me, my beneficiary, or my authorized representative.

Signed this _____ day of _____

Employee Signature: _____

Employee Name Printed: _____

By: _____
(Name) (Title)

Virginia Wesleyan University
(Employing Institution)