

# Salary Reduction Agreement for 403(b) Tax Sheltered Annuities (TSA)

## Administrative & Certified Employees of School District No. 4J, Lane County, Oregon

**Implementation:** This Salary Reduction Agreement supersedes any previous Salary Reduction Agreement for the person named below (the "Employee") under the Tax Sheltered Annuity Program (the "Program") offered by School District No. 4J, Lane County, Oregon (the "District"), also known as Eugene School District 4J. The salary reduction specified in this agreement will begin with the first paycheck on or after the date this form is signed by an authorized District official, provided this form is received by the District before the Payroll cutoff date for that paycheck (generally the 15<sup>th</sup> of the month in question).

**Note:** You **MUST COMPLETE AN APPLICATION WITH YOUR TSA VENDOR** before submitting this form.

NAME _____		
ADDRESS _____		
CITY _____	STATE _____	ZIP _____

Employee Telephone Number _____
Employee Identification Number _____

**Select the Appropriate Agreement Type Below:**

- Replace/Override a Previous Salary Reduction Agreement with the District**
- Initiate/Start a Very First Salary Reduction Agreement with the District**
- Discontinue/Cancel an Existing Salary Reduction Agreement**

**Note:** If selecting a new Vendor from the authorized vendor list, you must provide documentation of an established Vendor account with that vendor.

**District Paid Contributions**

By entering a vendor name below in this box and signing this agreement, Employee understands that the appropriate District Paid contribution will be remitted to the Vendor specified. The District understands that it will contribute the appropriate District Paid contribution to the Vendor specified below in this box.

Vendor Name from the complete list of Authorized Vendors for the District 403(b) Program

**Voluntary Contribution**

Optionally, Employee **MAY** elect to contribute amounts in addition to the appropriate District Paid contribution (voluntary contributions are **NOT** required). Such contributions may be made to one, or at most two, Vendors chosen from the full list of Authorized Vendors for the District 403(b) TSA Program, as specified below:

	Vendor Name (Choose from full list of Authorized Vendors)	Contribution per Pay Period
1		\$
2		\$
	<b>Total</b>	<b>\$</b>

**Employee Certification and Signature**

I certify that I have read this complete agreement, including the terms on the second page of this form, and understand my responsibilities as an Employee under this program. I request that the District take the actions specified in this agreement. I understand that all rights under the annuities or custodial accounts established by me under this TSA Program are enforceable solely by my beneficiaries, my authorized representative, or me.

**Employer Certification and Signature**

The District certifies that it will reduce Employee's salary and remit appropriate amounts to the authorized District Vendor(s) as specified herein. It is understood that all rights under the annuities and custodial accounts established by Employee under this TSA Program are enforceable solely by Employee, Employee's beneficiaries, or Employee's authorized representative.

\_\_\_\_\_  
Employee Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Employer Signature

\_\_\_\_\_  
Date

**Please make a copy of both pages of this form for your records and send the original to Payroll.**

# Salary Reduction Agreement for the School District 4J 403(b) Program

## Important Notice

The District offers a Tax Sheltered Annuity (TSA) plan to its employees as a benefit of employment. Section 403(b) of the Internal Revenue Code (IRC) authorizes this plan. Contributions cannot exceed limits imposed by IRC Sections 402(g), 403(b), and 415(c). Therefore, the District reserves the rights to reduce, suspend, and/or reinstate the contributions specified in this agreement at any time, to ensure compliance with all applicable IRC limitations.

Moreover, the District reserves the right to reduce any specific contribution that would result in a net check amount smaller than that required in District administrative policies. Please read carefully the terms of this agreement as they appear below.

## Terms of this Agreement

By signing this Agreement, the Employee agrees to modify her/his salary as specified on the first page of this form. Also, by signing this Agreement, the District agrees to contribute the amounts specified to the designated Vendor on behalf of the Employee, subject to verification that the proposed contributions satisfy all applicable IRC limitations and subject to administrative policies regarding minimum net check amounts. Such amounts are to be allocated among the separate accounts of the Vendor based upon allocation arrangements established and maintained directly between the Employee and the Vendor. The Employee understands and agrees to the following:

1. This Salary Reduction Agreement is legally binding and irrevocable with respect to amounts paid or available while this agreement is in effect.
2. This Salary Reduction Agreement may be terminated at any time for amounts not yet paid or available, and a termination request is permanent and remains in effect until a new Salary Reduction Agreement is submitted;
3. This Salary Reduction Agreement may be changed with respect to amounts not yet paid or available in accordance with the District's administrative procedures; and
4. The District reserves the rights to reduce, suspend, and/or reinstate salary reduction contributions so as to assure that all applicable IRC limitations are satisfied in any given calendar year to which this agreement applies and to assure that administrative policies regarding minimum net check amounts are satisfied.

Employee acknowledges that the District has made no representation to Employee regarding the advisability, appropriateness, or tax consequences of the purchase of any annuity and/or custodial account available from any Vendor. Employee agrees that the District shall have no liability whatsoever for any and all losses suffered by Employee with regard to her/his selection of annuities and/or custodial accounts; their terms; the selection of insurance or regulated investment companies; the financial condition, operation of, or benefits provided by, said insurance or regulated investment companies; or her/his selection and purchase of shares of regulated investment companies. Nothing herein shall affect the terms of employment between the District and Employee. This agreement supersedes all prior salary reduction agreements and shall automatically terminate if Employee's employment is terminated.

The District does not choose the annuity contract or custodial account in which Employee contributions are invested. Employee is responsible for setting up and signing the legal documents to establish annuity contracts and custodial accounts. Employee is responsible for naming a death beneficiary under annuity contracts and custodial accounts. This is normally done at the time the contract or account is established. Beneficiary designations should be reviewed periodically. Employee is responsible for all distributions and any other transactions with Vendors. All rights under contracts or accounts are enforceable solely by Employee, Employee's beneficiaries, or Employee's authorized representative. Employee must deal directly with Vendors to make loans, transfer to different contracts and custodial accounts, begin distributions, or any other transactions.

Employee acknowledges that certain rules and regulations apply to contributions, distributions, hardship withdrawals, loans, and other transactions associated with 403(b) TSA accounts. Employee accepts full responsibility for meeting the terms of such rules and regulations. Detailed information is available on the District's section of the Carruth Compliance Consulting website ([www.ncompliance.com/client/eugene/home.html](http://www.ncompliance.com/client/eugene/home.html)), and should be reviewed by the Employee if a hardship withdrawal, a loan, or any other transaction is contemplated. Finally, Employee acknowledges that an authorized representative of the District will sign this agreement only if all applicable District administrative procedures are satisfied.

**Agent Information: If an agent assisted you in establishing your contract(s) or custodial account(s), please complete the following:**

	Agent Name	Company Name	Telephone Number
1			
2			