

**HIRAM COLLEGE**

*Agreement for Salary Reduction Under Section 403(b)*

BY THIS AGREEMENT, made between \_\_\_\_\_ (the Employee) and HIRAM COLLEGE (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 indicated below.

This Agreement shall be legally binding for both the Institution and the Employee while employment continues. However, either party may terminate or otherwise modify this Agreement as of the end of any month (or pay period, if applicable) by giving written notice so that this Agreement will not apply to salary subsequently paid; except that an employee contribution, after one year of service, is required and is subject to the following table, which corresponds to the number of years of his/her service with the College:

<u>Years of Service</u>	<u>Required Employee Contribution Percentage</u>
1 to 3 years	2%
4 to 7 years	3%
8 to 11 years	4%
12 or more years	5%

\_\_\_\_\_ (Indicate election by checking line or circle the choice listed above)

The undersigned employee makes a one-time irrevocable election not to have the above table apply, and instead to have his/her annual compensation reduced by 5 percent per year.

The amount of the salary reduction shall be \_\_\_\_\_ % of base annual salary (or \$ \_\_\_\_\_ per pay period if applicable). This amount will produce a total contribution that does not exceed the Employee's statutory limitation under IRC Section 415 or Section 402(g), whichever is less. If the employee wants to contribute the maximum allowable statutory calendar year amount, this must be indicated below to permit the Institution to do this.

The amount will be contributed to the following authorized funding vehicles:

- \_\_\_\_\_ TIAA-CREF Retirement Annuity Contract
- \_\_\_\_\_ TIAA-CREF (Group) Supplemental Retirement Annuity Contract

I want to contribute the maximum allowable calendar year amount. \_\_\_\_\_  
(Employee initials)

For employees age 50 or older, an additional catch-up contribution of \$ \_\_\_\_\_ shall be contributed. This amount must not exceed the statutory limitation under IRC 414(v).

Signed this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_\_.

\_\_\_\_\_  
(Employee Signature)

\_\_\_\_\_  
Social Security Number

By \_\_\_\_\_  
Human Resources Office Representative