

Northwestern Health Sciences University

**AGREEMENT FOR SALARY REDUCTION UNDER SECTION 403(b)**

BY THIS AGREEMENT, made between \_\_\_\_\_ (the Employee) and Northwestern Health Sciences University (University) the parties hereto agree to as follows:

Effective for the amounts earned after \_\_\_\_\_, 20\_\_\_\_, which date is subsequent to the execution of this Agreement, the Employee’s salary will be reduced by the amount indicated below. The University will forward that amount to the Employee’s annuity contract(s) as designated by the Employee.

New \_\_\_\_\_  
Revised \_\_\_\_\_

**A. The amount of the salary reduction shall be: (CHECK ONE)**

- \_\_\_\_\_ % per pay period **OR**
- \$\_\_\_\_\_ per pay period **OR**
- The maximum amount allowed under the law <sup>1</sup>

This amount will produce a total Institution contribution that does not exceed the Employee’s statutory limitation under IRC Section 415 or Section 402(g), which ever is less. For employees age 50 and over, this amount will include any additional catch up contribution permitted under IRC Section 414(v).

**B. The amount specified about will be paid to:**

- TIAA-CREF Retirement Annuities (new employees not eligible)  
\_\_\_\_\_ % per pay period **OR**  
\$\_\_\_\_\_ per pay period
- TIAA-CREF Supplemental Retirement Annuities  
\_\_\_\_\_ % per pay period **OR**  
\$\_\_\_\_\_ per pay period
- VALIC Supplemental Retirement Annuities  
\_\_\_\_\_ % per pay period **OR**  
\$\_\_\_\_\_ per pay period

This Salary Reduction Agreement may not (i) require an amount of contribution which will exceed my maximum exclusion allowance under Internal Revenue Code (“Code”) Section 403(b) or the limitation on annual additions under Code Section 415, or (ii) permit an aggregate amount of salary reduction contribution under the Plan which, when added to elective deferrals made on my behalf to another 403(b) annuity or 401(k) plan maintained by my employer for a taxable year, exceeds \$11,000 (or such higher limit as may be in effect for the year under Code Section 402 ((g)(1)). I understand that I am responsible for determining that the amount of my salary reduction listed above does not exceed the limits on contributions described in this paragraph.

This Agreement shall continue indefinitely until amended or terminated by either party by giving at least fourteen (14) days written notice prior to the date of such amendment or termination.

This Agreement shall terminate any prior Salary Reduction Agreement executed between the Employee and the University under the University’s Section 403(b) program. If the Employee terminates employment with the University or if the University terminates its Section 403(b) program, this Agreement shall automatically terminate.

IN WITNESS WHEREOF the parties hereto have executed this Agreement on this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_\_.

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

\_\_\_\_\_  
(for Northwestern Health Sciences University)

<sup>1</sup> This amount should be reviewed with Human Resources prior to the execution of this Agreement.