

DELTA COLLEGE 403(b) RETIREMENT PLAN SALARY REDUCTION AGREEMENT FOR ELECTIVE DEFERRAL

EMPLOYEE INFORMATION		ACCOUNT SERVICE PROVIDER INFORMATION	
Employee Name		Company Name	
Social Security #		Contact Name	
Date of Birth		Contact Phone #	
Bi-Weekly Reduction	\$ or %	Account #	
Effective Date of Salary Reduction (requires 2 weeks for payroll processing)			

Employee responsibilities as participants of the Delta College 403(b) Retirement Plan:

1) The Employee must ensure that he/she is not exceeding the lower of the annual elective deferral limit or the annual addition limit established by the IRS, whether or not the elective deferrals and annual additions are contributed with the same employer, under the same retirement plan, or to the same Account Service Provider. All elective deferrals excluded from income that the Employee makes to each 403(b), 401(k), 501(c)(18), SIMPLE, and SEP retirement plan during a tax year must be combined when determining the maximum annual elective deferrals allowed under the Delta College 403(b) Retirement Plan. All annual additions, including elective deferrals, non-elective contributions and after-tax contributions that the Employee makes to each 403(b) retirement plan and other qualified SEP retirement plans during a tax year must be combined in accordance with IRS regulations when determining the maximum annual additions allowed under the Delta College 403(b) Retirement Plan. Delta College has no responsibility for determining the amount of elective deferrals that an Employee may contribute to a tax-sheltered annuity or custodial account, including such an annuity or custodial account under the Delta College 403(b) Retirement Plan.

2) The Employee must disclose to each 403(b) Account Service Provider under the Delta College 403(b) Retirement Plan the full amount of all elective deferrals and annual additions he/she is making during the tax year, whether or not the elective deferrals and annual additions are contributed with the same employer, under the same retirement plan, or to the same Account Service Provider.

3) If the Employee elects to contribute more than the general annual limit under Code §402(g)(1) during a tax year under the Delta College 403(b) Retirement Plan, the Employee must provide a MAC (Maximum Amount Contributable) calculation from the 403(b) Account Service Provider listed above to the Delta College 403(b) Plan Administrator within 60 days of the election for each tax year. The MAC calculation must document the dollar amount(s) and type(s) of additional contributions the Employee has elected. The two types of additional contributions available are the Years-of-Service (15-Year Rule) under Code §402(g)(7) and the Age-50 Catch-up provisions under Code §414(v). IRS regulations require that if the Employee is eligible to make additional contributions in a tax year under both the Years-of-Service and Age-50 Catch-up provisions, he/she must first maximize the Years-of-Service contribution before making any additional contributions under the Age-50 Catch-up provision.

4) In the event that contributions are made on behalf of the Employee which exceed the limits permitted by Sections 403(b), 402(g), 414(v) and/or 415 of the Internal Revenue Code, the Employee must assure that such excess deferrals, contributions and income on these amounts are returned to the Employee as required by the Internal Revenue Code.

5) The Employee acknowledges that Delta College, its agents, employees and representatives have made no representations to the Employee regarding the advisability, appropriateness, or tax consequences of the purchase of the annuity and/or custodial account which is the subject of this Agreement.

6) The Employee understands that this Agreement applies only to amounts available to the Employee after the effective date of the Agreement and that this Agreement is legally binding and irrevocable as to amounts earned while the Agreement is in effect. The Employee may initiate, change or discontinue his/her elective deferral amount(s) and/or 403(b) Account Service Provider(s) under the Delta College 403(b) Retirement Plan

at any time during the year, however, the number of Salary Reduction Agreement changes allowed during a tax year is limited to four (4). The Employee may terminate the Agreement for future contributions by filing a written statement with the Delta College 403(b) Retirement Plan Administrator which states that the Agreement shall be terminated. This limitation refers exclusively to the Salary Reduction Agreement(s) made between the Employee and the Delta College 403(b) Plan Administrator, and is not intended to refer in any manner to the individual investment elections the Employee may make with each 403(b) Account Service Provider.

7) The Employee understands that this Agreement is not intended to create any employment agreement between the Employee and Delta College and that this Agreement does not modify any policy or procedure of Delta College concerning the Employee's employment with the College.

8) The Employee agrees that Delta College, its Board of Trustees, employees, agents and representatives shall have no liability for any losses suffered by the Employee arising from his/her selection of a tax-sheltered annuity and/or custodial account; the terms of such annuity and/or custodial account, the selection of the investment provider for such annuity and/or custodial account, the financial condition, operation of, or benefits provided by any investment in such annuity and/or custodial account; or his/her selection and purchase of shares of regulated investment companies.

I fully understand my responsibilities as a participant in the Delta College 403(b) Retirement Plan and agree to provide both the Delta College 403(b) Plan Administrator and my 403(b) Account Service Provider(s) with accurate, timely information. I accept full responsibility for determining that the annual elective deferral amount(s) elected in my Salary Reduction Agreement(s) under the Delta College 403(b) Retirement Plan do not exceed the legal limits. Furthermore, I agree to indemnify and hold Delta College, its Board of Trustees, agents, employees and representatives and the Delta College 403(b) Plan Administrator harmless in any case, matter or proceeding involving or relating to alleged adverse tax consequences affecting any tax sheltered annuity or custodial account sold to me, including, but not limited to, any case, matter or proceeding in which it is alleged that there was a failure to calculate or improper calculation of the permissible limitations under current Code §§403(b), 402(g), 414(v) or 415 or under corresponding provisions of future tax laws. I acknowledge that such indemnification may include the amount of under-withheld taxes, interest and penalties as well as costs incurred with respect to an IRS audit. I further acknowledge that I may incur adverse income tax consequences, including disqualification of my tax-sheltered annuity or custodial account, additional income taxes, interest and penalties and agree that I am solely responsible for such adverse tax consequences.

Employee Signature: _____ Date: _____

Please send completed agreement to Jeanne Doyle in the Finance Office.
Go to www.irs.gov and read *Publication 571* for more information regarding 403(b) retirement plans.

Plan Administrator Use Only

Date Received: _____ Benefit Code: _____

Date Effective on Payroll: _____ Administrator Signature: _____