



## **403(b) Plan Salary Reduction Agreement**

By this agreement, made between Southern State Community College and \_\_\_\_\_ (the employee), the parties agree as follows:

Effective with compensation paid after the date of this agreement, the Employee's salary will be reduced so the part of compensation which otherwise would be paid to the employee directly will instead, be used in payment of premiums under the terms and provisions of Section 403(b) of the United States Internal Revenue Code of 1986, as amended. For this purpose, the College is authorized to reduce the amount of the employee's monthly base salary by \$ \_\_\_\_\_, starting with the \_\_\_\_\_ pay date.

The College will, concurrently, apply such amount toward the purchase of a 403(b) contract, on which the employee shall be designated Owner, to be issued by:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Both parties agree that the amount specified in this agreement may not exceed the limits of Internal Revenue Code Section 403(b), 415 and 402 (g).

This agreement is binding and irrevocable with respect to salary paid while this agreement is in effect. However, this agreement may be canceled at anytime with respect to salary not yet paid. The employee understands that they will be considered to be withdrawn from the annuity program at Southern State Community College upon termination of employment or upon notice, in writing, to the Payroll Office.

Name of Employee (please print): \_\_\_\_\_ Social Security #: \_\_\_\_\_

Employee Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Status of Agreement: New \_\_\_ Increase \_\_\_ Decrease \_\_\_ Other \_\_\_