# BAYLOR UNIVERSITY

## SALARY REDUCTION AGREEMENT – TAX DEFERRED CONTRIBUTIONS

### SECTION I EMPLOYEE INFORMATION (PLEASE PRINT)

NAME BU-ID NUMBER

### SECTION II REASON(S) FOR SUBMITTING FORM

☐ New Participant ☐ Change Contribution Rate ☐ Change 403(b) Provider ☐ Stop Contribution

### SECTION III AGREEMENT

Baylor University of Waco, Texas, hereafter referred to as the "Employer," and the Employee named in Section I, agree to the following elections made by the Employee.

☐ Effective as of the first pay date indicated, I elect to have my compensation reduced and paid by the Employer to the plan(s) or 403(b) provider(s), as indicated below (subject to the terms and explanation on the back of this form).
Reductions are to be made on the following basis (check one):

☐ Monthly ☐ Monthly for 10 months ☐ Biweekly ☐ Biweekly once a month

| Name of Plan(s) or Provider(s) | Percentage or Amount per Pay Period | | Payroll Date |
|---|---|---|---|
| _____ | _____% | $ _____ | _____ |
| _____ | _____% | $ _____ | _____ |
| _____ | _____% | $ _____ | _____ |

☐ I elect to cease my Tax Deferred 403(b) contributions as of the pay date beginning: _____

I understand that this Salary Reduction Agreement applies to eligible compensation payable to me for pay dates falling on or after this Agreement is in effect and is legally binding.

I further understand that I may change the amount of my salary reduction, with respect to eligible compensation not yet payable, by filing a written notice of change with the Employer before the pay date for which I wish the change to take effect.

I further understand that making contributions is voluntary and that I may terminate this agreement with respect to eligible compensation not yet payable by filing a revised Agreement with the Employer before the pay date for which I wish this Agreement to be terminated.

This Salary Reduction Agreement may not require an amount of contribution which will exceed the maximum amount allowed under Internal Revenue Code ("Code"). I understand that I am responsible for determining that the amount of my salary reduction does not exceed the limits on contributions. I also understand that my Employer will provide to me upon my request any available information from the Employer's records that is necessary to enable me to make these determinations.

### SECTION IV AUTHORIZATION

This agreement has been executed by and on behalf of the parties hereto this, _____ day of _____, _____.

Employee's Signature

_____

BAYLOR UNIVERSITY

Authorized By: _____

Title: _____

Print, sign, and return the completed form to Human Resources no later than the day before the first day of the payroll period for which it is effective. (One Bear Place #97053, Waco,TX 76798)

## GENERAL INSTRUCTIONS FOR COMPLETING FORM

Print, sign, and return the completed form to Human Resources no later than the day before the first day of the payroll period for which it is effective. (One Bear Place #97053, Waco,TX 76798)

Your election will be effective as of the next pay date that falls on or after the date you indicate; provided, however, that if the Employer does not have time to implement your election by that date, it will be implemented as soon thereafter as possible.

Please make a copy of your completed form for your files.

## EXPLANATION FOR COMPLETING EACH SECTION OF THE FORM

**SECTION I – EMPLOYEE INFORMATION**

List the full legal name of the Employee, and the Employee's Baylor University Identification Number (BU-ID Number).

**SECTION II – REASON FOR SUBMITTING FORM**

Place an "X" in each box that applies to your reason for submitting this form. If this is your initial enrollment, elect the first box only. If you are making any other change or ceasing your contributions, elect each box that is applicable. Changing providers and contributions or ceasing contributions may be done any time throughout the year.

**SECTION III – AGREEMENT**

1. Indicate the Plan(s) or Provider(s) to which you want your salary reductions contributed. You can check more than one plan or provider. For each plan or provider, check either the percentage or amount that you are electing for each pay period. You cannot check both a percentage and a dollar amount for the same provider. Your election will be effective as of the next pay date that falls on or after the date you indicate; provided, however, that if the Employer does not have time to implement your election by that date, it will be implemented as soon thereafter as possible.
2. Where applicable, this agreement constitutes an amendment to an existing employment contract.
3. The Employee releases any and all rights, present and future, to receive from the Employer payment of the amounts resulting from the reduction in compensation defined above in any form.
4. If the Employee terminates employment with Baylor University, this agreement shall automatically terminate.
5. If the Employee is on an approved Non-Compensated Leave of Absence from Baylor University, this agreement shall automatically be suspended.
6. If the Employee terminates the 403(b) program, this agreement shall automatically terminate.
7. No provision of this agreement shall affect the Employer's right to discharge the Employee, with or without cause, and each party to the agreement expressly reserves the right to terminate said agreement as of the next pay date.
8. The Employee agrees that the Employer shall have no liability whatsoever for any loss suffered by the Employee:
    a. with regard to his/her election of a tax deferred annuity program;
    b. by reason of the Employer's transmittals of contributions, pursuant to the Employee's instruction.
9. The Employee understands that:
    a. the purpose of the Employer in executing this agreement is to provide the Employee with an opportunity to benefit from the provisions of Section 403(b) of the Internal Revenue Code of 1986 (as amended) of the United States;
    b. the Employer does not recommend to the Employee that he/she participate in the 403(b) program;
    c. the Employer does not promise any particular tax consequences to the Employee;
    d. all computations in connection with the determination of the amount of the salary reduction hereby authorized, including the amount of the exclusion allowance, includible compensation and years of service pursuant to such section 403(b) shall be the responsibility of the Employee.

**SECTION IV – AUTHORIZATION**

In order for the Employer to honor your election on this form, you must fill in the date in this section and sign beneath the words "Employee's Signature." In addition, by signing this form, you authorize the Employer or its designee to honor your instructions.