SALARY REDUCTION AGREEMENT

This Salary Reduction Agreement is executed by _____ hereafter referred to as the "Employee" and _____ hereafter referred to as the "Employer."

WHEREAS the Employer has agreed to allow the Employee to participate in an annuity of custodial account purchased program pursuant to Section 403(b) and/or 403(b)(7) of the Internal Revenue Code; and to effect the Employee's participation as directed by the Employee in this irrevocable and binding agreement; and
WHEREAS the Employee wishes to obtain the benefits of ____ Section 403(b) and/or 403(b)(7) of the Internal Revenue Code of 1986, as amended, by participating in either an annuity or custodial purchase of the Employer, and WHEREAS the Employer wishes to have the Employee receive those benefits.
NOW THEREFORE, in consideration of the mutual promises and conditions appearing below, it is agreed:

1. That as of _____, 20___ (a date subsequent to the execution of this agreement) the annual rate of salary otherwise payable to the Employee shall be reduced by ($_____) according to the following schedule:

$_____ Per month beginning _____, 20___ through _____, 20___

$_____ Per month beginning _____, 20___ and thereafter, not withstanding anything to the contrary by the parties to the agreement.

2. That the Employer will apply the amount of the salary reduction described in paragraph 1 to the purchase of a nonforfeitable contract for the Employee from: (BE SURE TO LIST ALL COMPANIES NEW AND EXISTING; BE SURE TO LIST ANY COMPANIES THAT ARE BEING STOPPED OR CANCELED)

New	Increase	Decrease	Existing	Stop	INSURANCE/INVESTMENT CO.	AMOUNT PER MONTH
☐	☐	☐	☐	☐	_____	_____
☐	☐	☐	☐	☐	_____	_____
☐	☐	☐	☐	☐	_____	_____

_____ TOTAL ANN. REDUCTION–CURRENT CALENDER YR

_____ TOTAL MONTH. REDUCTION – (ALL COMPANIES)

ADDRESS FOR REMITTANCE OF MONEY _ _____
_____
_____

3. That it is understood and agreed between the Employee and the Employer that such contract is to be purchase at the request of the Employee under a program adopted by the Employer and that the Employee hereby accepts the provisions of that program, and that the Employer neither guarantees such contract not warrants adopted payroll procedures respecting same.

4. That no provision of the 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 upon giving 30 days written notice to the other party.

5. That the guidelines of Senate Bill 273 of the 77th Legislature of the State of Texas, as amended, have been followed by both the Representative and Participant, and only the companies approved by the Teacher Retirement System of Texas have been named above for salary reduction.

_____
Participant's Signature Date

_____
Social Security Number Home Telephone

_____.
Address

_____
City State Zip Code

_____
Representative's Name (Print) Date

_____
Representative's Signature Phone Number

NOTE: Salary Reduction Agreement valid ONLY with Disclosure Statement and State approved Uniform Disclosure Notice (signed by both parties).

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