

**Lawrence University
Salary Reduction Agreement**

By this agreement, made between _____, LU ID# _____
(the "Employee") and **Lawrence University**, we agree as follows:

Effective for amounts paid on or after the first day of _____, 200____ and subsequent pay periods, and the Employee's salary will be reduced by the amount shown below. At the same time, the University will contribute a corresponding amount to the Employee's annuity contract(s) or custodial accounts, which the Employee will allocate among the funding vehicles approved by the University.

This Agreement shall be legally binding and irrevocable for both the University and the Employee while employment continues. However, either party may terminate or otherwise modify this Agreement as of the end of any month (or pay period, if applicable) by giving at least thirty days written notice so that this Agreement will not apply to salary subsequently paid.

The amount of the salary reduction shall be:

1. REGULAR RETIREMENT PLAN

The amount that is required as the Employee's contribution under the University's retirement plan;

2. TAX DEFERRED SAVINGS PLAN

An additional _____% gross annual salary or \$ _____ per pay period (biweekly). (This amount should be reviewed with Payroll prior to the execution of this Agreement.)

For employees 50 or over, an additional catch-up contribution of \$ _____ shall be contributed. The amount must not exceed the statutory limit under IRC 414(v).

Based on the calculation performed by TIAA-CREF and/or Fidelity (attach calculation to this form), I am eligible to make a contribution of up to \$3,000 per year under the 15 year rule for a total of \$15,000. I wish to make a contribution of \$ _____ per pay period for the 15 year rule contribution.

The amount(s) indicated above will produce a total University contribution that does not exceed the Employee's statutory exclusion allowance under IRC Section 403(b) or the limitations of IRC Section 415 or Section 402(g), whichever is least.

If (1) is checked, the amount designated will be contributed by the University to the following authorized funding vehicles:

| | |
|---------------------|---------|
| TIAA - CREF (Group) | _____ % |
| Fidelity | _____ % |
| Total | = 100 % |

If (2) is checked, the amount that is required as the employee's contribution will be contributed by the University to the following authorized funding vehicles:

| | |
|---------------------|---------|
| TIAA - CREF (Group) | _____ % |
| Fidelity | _____ % |
| Total | = 100 % |

I have received a copy of the appropriate Summary Plan Description (s).

Signed: _____ Date: _____

Lawrence University by _____

Name

Title

Eligibility Date: _____ **Note: Effective date is the first full pay period following the eligibility date.**