

Complete this Form to begin salary reductions.

Notice: This is an official School Corporation Form. You must complete this form to have a valid salary reduction agreement. However, this is not a substitute for any forms your agent or vendor may require in addition to this form. Check with your agent or vendor for any additional forms that may be needed.

SEND COMPLETED FORM TO:
 Human Resources
 NAFCS Administration Building
 2813 Grant Line Road
 New Albany, IN 47150

**NEW ALBANY-FLOYD COUNTY SCHOOLS 403(B) PLAN
 SALARY REDUCTION AGREEMENT**

 Employee Name (First, M.I., Last)

 Employee Address (Street, City, State, ZIP)

 Employee Date of Birth

 Employee Social Security Number

I. AUTHORIZATION TO MAKE OR CHANGE SALARY REDUCTIONS

I agree that my employment agreement with my employer, New Albany-Floyd County Schools (“New Albany-Floyd”), if any, is amended as follows, and that this amendment is incorporated into my employment agreement as of the date of this Salary Reduction Agreement. This amendment of my employment agreement shall automatically apply to my employment agreement for each succeeding year unless amended or terminated on the appropriate form.

I understand (as a teacher) that in order to receive a matching contribution from New Albany-Floyd in the New Albany-Floyd County Schools Retirement Savings Program, I must elect to contribute at least 2.5% of my salary to the 403(b) Plan.

II. INVESTMENT DIRECTION

I direct New Albany-Floyd to forward the amount by which my salary is being reduced to the following Vendor(s) in the amount(s) listed below:

PRE-TAX DOLLAR AMOUNT PER PAY PERIOD

<u>VENDORS</u>	<u>TRADITIONAL</u>	<u>ROTH</u>
Valic _____	\$ _____	
AXA Advisors _____	\$ _____	
Fidelity Retirement Services _____	\$ _____	\$ _____
First Investors Corporation _____	\$ _____	
Oppenheimer _____	\$ _____	\$ _____
Tiaa-Cref _____	\$ _____	
	TOTAL	\$ _____

III. EFFECTIVE DATE OF AGREEMENT

I understand that this Salary Reduction Agreement will be effective as of the first payroll period following the date I complete this Agreement and return it to Human Resources, and that it is only effective with respect to salary received by me after the effective date.

EMPLOYEE REPRESENTATIONS AND UNDERSTANDINGS

- I understand that my salary deferrals under this Agreement cannot exceed any of the contribution limits under Internal Revenue Code (“Code”) Section 402(g) (as explained below), except as permitted by Code Section 414(v) allowing age 50 catch-up contributions (also explained below), that I must have these limits calculated for me by my Vendor, agent, or representative, and that I must provide my Vendor, agent, or representative with the information it needs to calculate these limits.

Code Section 402(g)

- I understand that my salary deferrals under this Agreement are limited by Code Section 402(g) to a “dollar limit.” The general dollar limit is \$17,000 per calendar year. However, my actual dollar limit may be higher than the general dollar limit if I will be 50 years old (or older) by the end of the calendar year.
- If I will be at least 50 years old by the end of the calendar year, I understand that I may make additional “catch-up” salary deferrals above the general dollar limit (discussed above). These additional catch-up salary deferrals, which may be referred to as “age 50 catch-up deferrals,” are provided under Code Section 414(v). I understand that the amount of the age 50 catch-up deferrals that I may make above the general dollar limit is up to an additional \$5,500.
- I understand that the dollar limit, with all appropriate adjustments described above, applies to any contributions I make in a calendar year to any retirement plans in which I participate (not including PERF, TRF, a 457 plan, or flexible benefit plan contributions), including plans maintained by other employers. Therefore, I represent to New Albany-Floyd:
 - I have contributed or will contribute \$_____ (fill in amount or zero if applicable) to a 401(k) plan, a Simplified Employee Pension, another employer’s 403(b) plan, or another employer’s salary reduction retirement plan this year (other than the 403(b) plan).
- I understand that, if my salary deferrals to this 403(b) Plan and to other retirement plans **exceed** the dollar limit, with all appropriate adjustments described above, in any calendar year, **the excess will be taxable** both in the year the deferral was made and in the year of distribution unless I timely request to have the excess returned to me. To have the excess returned to me, I must notify New Albany-Floyd and my Vendor(s) of the excess before March 1 of the year following the year in which the excess deferral was made (e.g., March 1, 2012 for excess amounts deferred in 2011).
- I understand that I may **not** contribute more than the limit under Code Section 402(g) described above, including all catch-up contributions to which I am entitled. I represent that I have provided accurate information to my Vendor, agent, or representative in order to calculate this limit.

Additional Representations

- I understand that this Agreement is legally binding and irrevocable with respect to amounts earned while the Agreement is in effect. Therefore, amounts previously withheld from my pay under the terms of this Agreement cannot be returned to me unless I am eligible for a distribution under the terms of the 403(b) Plan.
- I authorize New Albany-Floyd to release to or obtain from a Vendor any information that the Vendor may reasonably require in order to calculate my contribution limits or to administer my tax sheltered annuity or account.
- I understand nothing contained in this Agreement shall be deemed to give me any right to continue employment with New Albany-Floyd.
- I understand that New Albany-Floyd has not endorsed any Vendor, and has no liability with respect to the Vendor or program I have selected.
- I assume full responsibility for any tax consequences that result from this request and will hold harmless and indemnify New Albany-Floyd from any liability for complying with the directions I have made in the Agreement.

III. DURATION OF AGREEMENT

This Agreement will continue from year to year unless I change or terminate it. I am free to change or terminate the Agreement at any time. New Albany-Floyd may reduce or discontinue my salary deferrals in any year in which this Agreement is in effect if necessary to comply with applicable provisions of the Internal Revenue Code. If I terminate employment with New Albany-Floyd or if New Albany-Floyd terminates the 403(b) Plan, this Agreement shall automatically terminate.

IV. SIGNATURES

Date

Employee's Signature

Date

Signature of Authorized School Representative

<p style="text-align: center;">FOR OFFICE USE ONLY To be completed by the Insurance Services Representative. Date of first Payroll Deduction: _____</p>
