

## Texas Wesleyan University Agreement for Salary Reduction under 403(b)

BY THIS AGREEMENT, made between \_\_\_\_\_ (the "Employee") and Texas Wesleyan University (the "Institution"), we agree as follows:

Effective \_\_\_\_\_, 20\_\_, the Employee's salary will be reduced by an amount as shown below, which the Employee will allocate among the funding vehicles approved by the Institution.

The amount of the salary reduction will be \_\_\_\_\_% of annual salary per pay period, which will produce a total contribution that does not exceed the Employee's statutory exclusion allowance under IRC Section 403(b), the limitations of IRC Section 415, or the limitations of IRC Section 402(g), whichever is least. The annual limit for 2021 is \$19,500. Age 50 and above may contribute up to \$26,000 in 2021. This salary reduction will be directed to the Employee's Retirement Choice Plus (RCP) account in the 403(b) plan.

Also, up to the first 6% of annual salary contributed to the Employee's TIAA Retirement Choice Plus (RCP) account, may be matched by the Institution under its discretionary matching program. All employer matching contributions will be directed into the Employee's Retirement Choice (RC) account in the 401(a) plan, and the employer matching contributions will be subject to the 401(a) plan's vesting schedule.

With respect to the salary reduction percentage amount indicated above, allocate the percentage as indicated below. This percentage must total 100%.

\_\_\_\_\_ % Roth elective deferrals

\_\_\_\_\_ % Pretax elective deferrals

This agreement is legally binding and irrevocable for both the Institution and the Employee with respect to amounts paid while the Agreement is in effect. However, either party may terminate this Agreement as of the end of any month by giving at least ten days written notice. The Agreement will not apply to salary earned after the Agreement is terminated.

Signed this \_\_\_\_ day of \_\_\_\_\_, 20\_\_

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

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Witness (Texas Wesleyan University Representative): \_\_\_\_\_

Date: \_\_\_\_\_