

**VIRGINIA WESLEYAN COLLEGE**

**SALARY REDUCTION AGREEMENT FOR TAX DEFERRED ANNUITY**

BY THE AGREEMENT, made between \_\_\_\_\_ (the “Employee”) and Virginia Wesleyan College (the “Institution”), we agree as follows:

Effective for amounts paid on or after \_\_\_\_\_, \_\_\_\_, which date is subsequent to the execution of this agreement, the Employee’s salary will be reduced by the amount shown below. This amount is **IN ADDITION TO/INSTEAD OF (for employees under the age of 30)** the 5% reduction required by policy as a condition of employment at the Institution and the 8.5 % currently being contributed to the employee’s annuity contract(s) by the Institution.

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

**The amount of the salary reduction shall be \_\_\_\_\_%** of the gross annual salary (or \$ \_\_\_\_\_ per pay period), which will produce a total Institution 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 amount designated above will be contributed by Virginia Wesleyan College to the following authorized funding vehicles:

TIAA-CREF Retirement Account (RA) \_\_\_\_\_% (or \$)  
Institutional rules/restrictions **DO** apply

TIAA-CREF Supplemental Retirement Account (SRA) \_\_\_\_\_% (or \$)  
Institutional rules/restrictions **DO NOT** apply

Signed this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

\_\_\_\_\_  
Employee

\_\_\_\_\_  
Employee Name Printed

By \_\_\_\_\_  
(Name) (Title)  
\_\_\_\_\_  
Virginia Wesleyan College  
(Employing Institution)