



**Billings Public Schools
403(b) Plan
Salary Reduction Agreement**

Part 1. Employee Information:

Name: _____ **SS#:** _____

Address: _____

Part 2. Agreement

The above named Employee elects to become a participant in the Billings Public Schools 403(b) Plan (Plan) and agrees to be bound by all the terms and conditions of the Plan. By executing this agreement, Employee authorizes Employer to reduce his or her compensation and have that amount contributed as an elective deferral and/or as a salary reduction contribution to the Roth 403(b) option, on his or her behalf into the annuity or custodial accounts as selected by Employee. Any contributions must be with an approved vendor under the Plan. It is intended that the requirements of all applicable state or federal income tax rules and regulations (Applicable Law) will be met. Employee understands and agrees to the following:

- 1) This Salary Reduction Agreement is legally binding and irrevocable with respect to amounts paid or available while this agreement is in effect;
- 2) This Salary Reduction Agreement may be terminated at any time for amounts not yet paid or available, and that a termination request is permanent and remains in effect until a new Salary Reduction Agreement is submitted; and
- 3) This Salary Reduction Agreement may be changed with respect to amounts not yet paid or available in accordance with Employer's administrative procedures.

Employee is responsible for providing the necessary information at the time of initial enrollment and later if there are any changes in any information necessary or advisable for Employer to administer the Plan. Employee has read the Plan Document and agrees to all terms of the Plan Document. Employee is responsible for determining that the salary reduction amount does not exceed the limits set forth in applicable law.

Furthermore, Employee agrees to indemnify and hold Employer harmless against any and all actions, claims, and demands whatsoever that may arise from the purchase of annuities or custodial accounts. Employee acknowledges that Employer has made no representation to Employee regarding the advisability, appropriateness, or tax consequences of the purchase of the annuity and/or custodial account described herein. Employee agrees Employer shall have no liability whatsoever for any and all losses suffered by Employee with regard to his/her selection of the annuity and/or custodial account. Nothing herein shall affect the terms of employment between Employer and Employee. This agreement supersedes all prior salary reduction agreements and shall automatically terminate if Employee's employment is terminated.

Employee is responsible for setting up and signing the legal documents to establish an annuity contract or custodial account.

Employee is responsible for naming a death beneficiary under annuity contracts or custodial accounts. Employee acknowledges that this is normally done at the time the contract or account is established and reviewed periodically.

Employee is responsible for all distributions and any other transactions with Vendor. All rights under contracts or accounts are enforceable solely by Employee, Employee beneficiary, or Employee's authorized representative or as otherwise specified in the Plan Document. Employee must deal directly with Vendor or

designated Third Party Administrator to make loans, transfers, apply for hardship distributions, begin regular distributions, or any other transactions.

Part 3. Voluntary Salary Reduction Information: (Check all that apply)

- Initiate new salary reduction Please complete Part 4.
- Change salary reduction This is notification to change the amount of my elective deferral to the new amount listed in Part 4.
- Change Funding Vendor Provider This is notification to change my Funding Vendor – Complete Part 4.
- Discontinue salary reduction Please discontinue my elective deferral to the following Funding Vendor:
_____.

Implementation Date (next available pay on or after): _____.

Part 4. Vendor Selection & Amount of Pre-Tax Deferrals:

	Amount Per Pay Period	Vendor
1.	\$	
2.	\$	

Part 4a. Vendor Selection & Amount of After-Tax Salary Reduction Contributions to the Roth 403(b):

	Amount Per Pay Period	Vendor
1.	\$	
2.	\$	

Part 5. Employee Signature

I certify that I have read this complete agreement and provided the information necessary for Employer to administer the Plan and that my salary reductions will not exceed the elective deferral or contribution limits as determined by Applicable Law. I understand my responsibilities as an Employee under this Program, and I request that Employer take the action specified in this agreement.

Employee Signature: _____ Date: _____

Part 6. Vendor Signature

Vendor hereby accepts this Salary Reduction Agreement and Agrees to abide by the terms of Billings Public Schools’ 403(b) Plan Document.

Vendor Signature _____ Vendor Name: _____ Date _____

Part 7. Employer Signature

Employer hereby accepts this Salary Reduction Agreement

Employer Signature _____ Title _____ Date _____