ISD #656 Faribault Public Schools
710 17th ST SW, Faribault MN 55021

SALARY REDUCTION AGREEMENT
FOR 403(B) and 457 PROGRAMS

Important Notice

Before you sign: Read the important information on the reverse side of this form. For each employee who contributes more than per pay day or per year limits, Faribault Public Schools requires a verification of limits to be done before the request will be processed.

Part 1. Employee Information: **Employee ID:** _____

Employee Name: _____ Last 4 digits of Social Security #: _____

Employees's DOB: _____

Employee Address: _____

Bargaining Group:
☐ Teacher ☐ Principal ☐ EA ☐ Custodian ☐ Community Ed
☐ Cabinet ☐ Clerical ☐ Coor/Dir ☐ Paraprofessional ☐ Other_____

Part 2. Contribution Information: (Select all that apply & complete amounts in part 3)

☐ New salary reduction and/or district match amount **Effective Date:*** _____
☐ Change salary reduction amount and/or district match amount
☐ Discontinue TSA salary reduction with the following Service Provider(s): _____
☐ Employee's deductions (this tax year) to all 403b plans or all 457 plans are expected to exceed $19,000 per year.
☐ Employee is over age 50 and planning to deduct an additional $6,000 in the current calendar year

***Teachers* (Maximum payroll deductions amounts are limited to the basic limit plus additional allowances for over age 50)**

- Requests are accepted any time from September 1st - May31st.Requests received over the summer will be held until September 1st.
- Completed Salary Reduction Agreement forms received by 4:00 p.m. one payday will be processed for the following payday.

Part 3. Service Provider Information: (Select one vendor and applicable plan(s) in the tables below)

Vendors		
☐ **AXA Equitable**	☐ **MN State Deferred Comp**	☐ **Horace Mann**
☐ **Aspire**	☐ **Reliastar Life Insurance Co**	☐ **Waddell & Reed**
☐ **Ameriprise Financial**	☐ **Thrivent Financial**	☐ **VALIC**
☐ **ESI Education Minnesota**	☐ **New York Life Insurance Co**	

Plan	**EMPLOYEE DEDUCTION****		**EMPLOYER MATCH*****	
	Per Check	**Annual**	**Per check**	**Annual**
☐ **403b plan**				
☐ **403b Roth plan**				
☐ **457 plan**				

Catch Up Provisions

If you are contributing more than the basic limit to a 403(b) and/or 457, must check the box below:

☐ I am contributing $_____ using the Age 50 and older catch up election.

**The Deduction amount listed here will override previous elections.
***Eligibility for a district match is based on your employment/union contract. Verify eligibility for the match before requesting it. If your employment/union contract has a monthly maximum, employer match will be prorated from receipt through the end of the calendar year.

Part 4. Agreement:

The above named Employee agrees to modify his/her salary as indicated above. Employer agrees to contribute this amount on Employee's behalf into the annuity or custodial accounts selected by Employee. It is intended that the requirements of all applicable state or federal income tax rules and regulations (Applicable Law) will be met. The 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 the Employer's administrative procedures.

Employee is responsible for determining that the salary reduction does not exceed the limits as 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; its terms; the selection of the insurance company or regulated investment company; the financial condition, operation of or benefits provided by said insurance company or regulated investment company; or his/her selection and purchase of shares of regulated investment companies. Nothing herein shall automatically terminate if the Employee's employment is terminated.

Important Information

Part 5. Employee Signature

I certify that I have read this complete agreement and that my salary reductions do not exceed 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. I understand that all rights under the annuity or custodial account established by me under the Program are enforceable solely by me, my beneficiary, or my authorized representative.

Employee Signature:_____ Date: _____

Part 6. Acknowledgement and Representation of Financial Advisor / Investment Representative:

(*NOTE: If no financial advisor/ investment rep is working on behalf of the employee, the employee should include the acct # and sign this section.)

Please confirm that the employee's account is set up and active by providing the contract **account number**: _____

The account *must* be set up with the investment company before any payroll deductions can be processed.

I agree to comply with all pertinent written directives regarding the solicitation of Employees. I will provide a limit calculation for each employee who contributes more than $19,000 annually. Furthermore, I agree to indemnify and hold harmless the Employer, any individual member of the governing board and the Employee participating in the 403(b) Program against any claims based on an error in the limit calculation that I provided, except where the error is based upon erroneous information provided by Employer or Employee.

Investment Advisor Name: _____ Phone #: _____

(Please print)

Address: _____

Signature: _____

Submit form and limit calculation (if applicable) to:

Meghan Knutson; Benefit Specialist
Faribault Public Schools
710 17th ST SW
Faribault, MN 55021
(P) 507-333-6007 (F) 507-333-6050