

William Jewell College Salary Reduction Agreement

1. Participant Information

Participant Name: _____ SSN: Last 4 digits _____
Home Address: _____ City: _____ State: _____
ZIP Code: _____ Daytime Telephone: (_____) _____ Date of Hire: _____

2. Retirement Plans

I want my election to apply to the retirement plans marked below:

College Matched (5% maximum)

____ GuideStone Financial Resources ____ TIAA/CREF ____ American Century Mutual Funds

Not Matched

____ GuideStone Financial Resources ____ TIAA/CREF ____ American Century Mutual Funds

3. Participant Election

I, the undersigned participant, hereby elect to:

Tax-sheltered contributions:

____ initially reduce my salary by _____ (percentage) of compensation (not to exceed applicable legal limitations)

____ cease my salary reduction contributions effective with wages made available to me after this date.

____ change my existing salary reduction amount to _____ (percentage) of compensation (not to exceed applicable legal limitations).

Roth after-tax elective deferrals: Please check either TIAA _____ or Guidestone _____

____ deduct _____ (whole percentage or dollar amount) of compensation (not to exceed applicable legal limitations). I understand (1) my election regarding Roth (after-tax) elective deferrals is irrevocable once the employer withholds the deferrals from my paycheck; and (2) any change of election regarding the Roth (after-tax) elective deferrals is effective only for deferrals from paychecks I receive after the plan administrator accepts my change of election notice.

____ cease my Roth after-tax elective deferral contributions.

4. Participant Signature

I understand that the amount of such reduction, pursuant to this election, will be withheld from my paychecks and paid by my Employer into my account in the plan. This reduction will apply to wages made available to me after this date. This election will remain in effect until I revoke it in writing or until I complete a new salary reduction agreement.

Participant Signature: _____ Date: _____

Employer Signature: _____ Date: _____

SALARY REDUCTION AGREEMENT

You may use this form to: (1) make an initial salary reduction agreement, (2) stop your salary reduction contributions, or (3) change the amount of your existing salary reduction contributions.

General Information

Your Salary Reduction Agreement is a written, legally binding agreement between you and your employer. It is an agreement whereby you direct your employer to reduce compensation not yet currently available (referred to as “your salary”) by a specific percentage or amount. Your employer then sends this amount to the plan or plans specified in the agreement as a tax-sheltered contribution or an irrevocable Roth after-tax elective deferral contribution to your account in accordance with Section 403(b) of the Internal Revenue Code (“Code”). Your employer may also make contributions to the plan in addition to your salary reduction contributions.

Deferral of Taxes

Code Section 403(b) treats your employer contributions, if any, as well as contributions made under a Salary Reduction Agreement in the same way: that is, they are tax deferred. Consequently, you do not pay federal income tax on these contributions or the earnings until they are withdrawn from the plan, provided that the contributions do not exceed applicable legal limitations. (For other purposes, such as contribution limits or distribution restrictions, there may be differences under the Code and under the plan in the treatment of direct employer contributions and contributions made under a salary reduction agreement.)

Money contributed under a Salary Reduction Agreement is sent directly to the plan by your employer. This money is not reported as taxable income in Box 1 on your Form W-2. However, it is reported in Box 13 on the Form W-2.

Contributions made under a Salary Reduction Agreement are subject to Social Security and Medicare taxes (FICA).

Limitations on Contributions

The Internal Revenue Code limits the amount of salary reduction contributions that you may make each calendar year. Failure to comply with the Code Section 402(g) limit on tax-sheltered contributions and/or Roth elective deferral contributions may disqualify the tax-favored status of your account. GuideStone Financial Resources of the SBC or TIAA/CREF can assist you in determining your annual maximum contribution limits. This is particularly important if you participate in more than one plan.

If your employer’s plan provides for a matching contribution, the employer’s matching contribution is based on the plan’s definition of compensation.

Modification of Your Salary

You may change the percentage of your salary reduction agreement at any time for compensation not yet currently available. Your current Salary Reduction Agreement will continue until you sign a new Salary Reduction Agreement.

For most people, it is wise to designate salary reduction contributions as a percentage of salary rather than a fixed dollar amount. If your salary increases during the year, your contribution will increase automatically without having to make a new agreement.

You may cancel your Salary Reduction Agreement at any time with respect to compensation not yet currently available.

Execution of the Agreement

You and an appropriate officer of your employer should sign the Salary Reduction Agreement. Keep a copy of the agreement with your tax records. Your employer should keep the original agreement.