



GOVERNORS STATE UNIVERSITY
Tax Deferred Annuity Plan
Salary Reduction Agreement under Section 403(b)

This is an official University document. Salary deferral contributions will NOT be made to the 403(b) Plan on your behalf until you have completed and returned this agreement to the University Human Resources, Benefits Office, as well any forms required by your selected vendor to designate your beneficiary and investment elections.

Name: _____ Employee SSN _____

Date of Birth: _____ CARS ID# _____

Effective Pay Period: 1st or 16th of _____, or first available pay period after the date indicated.
(month) (year)

This Salary Reduction Agreement ("Agreement") is entered into between the above-named employee ("Employee") of Governors State University and Governors State University ("University") in order for salary deferral contributions to be made to the Governors State University Tax Deferred Annuity Plan ("Plan") under Section 403(b) of the Internal Revenue Code ("Code").

I. AUTHORIZATION TO MAKE SALARY DEFERRAL CONTRIBUTIONS

I hereby direct the University to reduce my salary by the amount completed below, and to forward this salary deferral contribution to the vendor identified below, in accordance with the State salary and annuity withholding act, 30 ILCS 105/30(c). I understand that this contribution will be deducted from my salary on a pre-tax basis.

Flat Dollar Amount Per Pay Period
(enter a dollar amount only)

Vendor	Pre-Tax Contributions		Total Contributions
1. _____	\$ _____	=	\$ _____
2. _____	\$ _____	=	\$ _____
3. _____	\$ _____	=	\$ _____
4. _____	\$ _____	=	\$ _____
5. _____	\$ _____	=	\$ _____
 Total Dollar Amount	 \$ _____	 =	 \$ _____

II. EFFECTIVE DATE AND DURATION OF AGREEMENT

I understand that this Agreement will take effect as soon as administratively practicable following the date I complete this Agreement and return it to Human Resources Benefits Office and will remain in effect until I change or terminate it by submitting a new Agreement. I acknowledge that this Agreement applies only to salary not yet paid or made available to me. I understand that the University may reduce or discontinue this Agreement at any time if necessary to comply with the applicable provisions of the Internal Revenue Code.

III. TERMINATION OF AGREEMENT

I want to stop my salary deferral contributions to the Plan, effective, _____, or as soon as administratively
(date)
practicable after I have completed this Agreement and returned it to Human Resources Benefits Office.

IV. SIGNATURES

I have read the information on the back side of this form and represent that I understand the same. I agree to follow the rules and procedures of the Plan and my vendor. I certify to Governors State University, as Plan Sponsor/Administrator, that I am not participating (making contributions) in any other employers' 403(b) or 401(k) plan in this calendar year and I will advise Governors State University if and when I do participate in one.

Date

Employee's Signature

Date

Signature of Authorized University Representative

V. EMPLOYEE REPRESENTATIONS AND UNDERSTANDINGS

Applicable Contribution Limits

- I understand that my salary deferral contributions under this Agreement cannot exceed the contribution limits under Code Section 402(g) or 415(c) (as explained below), except as permitted by Code Section 414(v) allowing age 50 catch-up contributions (as explained below).
- I understand that Code Section 402(g) limits my salary reduction contributions under this Agreement to a "general dollar limit." However, my actual dollar limit may be higher than the general dollar limit if I will be 50 years old (or older) by the end of the calendar year, or I have completed 15 years of service with the university.
- If I have completed 15 years of service with the University or I will be at least 50 years old by the end of the calendar year, I understand that I may make additional "catch-up" salary reduction contributions above the general dollar limit. These additional catch-up salary reduction contributions are provided under Code Section 414(v).
- I understand that the dollar limit, with all appropriate adjustments described above, applies to any contributions I make on a pre-tax basis in a calendar year to any retirement plans in which I participate (not including SURS, deferred compensation plans or flexible benefit plan contributions), including plans maintained by other employers.
- I understand that, if my salary deferral contributions to this Plan and to other retirement plans exceed the applicable dollar limits described above in any calendar year, the excess will be taxable both in the year the contribution was made and in the year of distribution unless I timely request to have the excess returned to me. To have the excess returned to me, I must notify the University or my vendor of the excess before March 1 of the year following the year in which the excess contribution was made (e.g. March 1, 2008 for excess amounts deferred in 2007). If the notice is timely given, my vendor will distribute the excess amount of the contribution (with any accrued earnings) to me on or before April 15 of the year following the excess contribution.
- I understand that my salary deferral contributions to the Plan and other retirement plans for each year are also limited, except as permitted under Code Section 414(v) allowing age 50 catch-up contributions, by the general rules of Code Section 415.
- I understand that I may contact the Human Resources Benefits Office for information on the applicable current contribution limits detailed above.

Additional Representations

- I understand that this Agreement is legally binding and irrevocable with respect to amounts earned while the Agreement is in effect. Therefore, amounts previously withheld from my pay under the terms of this Agreement cannot be returned to me unless I am eligible for a distribution under the terms of the Plan.
- I authorize the University to release to or obtain from my vendor any information that it may reasonably require in order to calculate my contribution limits or to administer my accounts under the Plan.
- I understand that nothing contained in this Agreement shall be deemed to constitute an employment agreement, and nothing contained herein shall be deemed to give me any right to continued employment with the University.
- I acknowledge that the University does not warrant the performance or the appropriateness of any investment and will not be responsible for any investment gains or losses, penalties or tax consequences resulting from this Agreement.
- I agree to follow the rules and procedures of the Plan, the University and my vendor, and any salary reduction under this agreement shall automatically terminate with the last payment received from the University, but in no event beyond 2-1/2 months after the employee's termination date.

FOR OFFICE USE ONLY: To be completed by Human Resources Benefits Office Representative:

Pay Date of Reduction: _____