



403b Salary Reduction Agreement ("SRA") For Tax Sheltered Annuities and Custodial Accounts

Before you sign, please read all information on this form: (Note: ALL employees are eligible to participate in a 403b Plan, except students who are attending MPS. A Tax Sheltered Annuity ("TSA") is an investment account that is set aside for your retirement (only), and is paid for with "pre-tax" dollars. A Custodial Account ("CA") is the group or individual custodial account or accounts, established for each Employee, by the Employer, or by each Employee individually to hold assets of the Plan. The Maximum Allowable Contribution ("MAC") each year is subject to the IRS annual limits posted each calendar year and applicable catch-up provisions for employees over 50.

First Name, Middle Initial, Last Name: _____

New Election

Change in Election

The above named individual elects to become a participant in the Medford Public Schools 403b Plan and agrees to be bound by all terms and conditions of the Plan. By executing this agreement, the Employee authorizes MPS to reduce his/her compensation and have that amount contributed, as an elective deferral on his/her behalf, into the annuity or custodial accounts as selected by Employees. It is intended that the requirements of all applicable state and federal income tax rules and regulations will be met. Employee also understands and agrees to the following:

- This Salary Reduction Agreement ("SRA") is legally binding and irrevocable with respect to amounts paid or available while this agreement is in effect.
- This Salary Reduction Agreement may be terminated at any time, given 10 days' notice in writing to MPS Payroll Office.
- A new Salary Reduction Agreement must be submitted to start or restart any 403b payroll deduction and can only be submitted in accordance with MPS administrative procedures.
- Employee is responsible for providing the complete and necessary information at the time of enrollment and/or any changes therein including account number for designated Plan.
- Employee is responsible to determine that the SRA deduction amount does not exceed the limits set forth by law.
- Employee agrees to indemnify and hold MPS harmless against any and all actions, claims, demands, that may arise from the purchase of annuities or custodial accounts.

- Employee acknowledges that MPS has made no representation to Employee regarding the advisability, appropriateness, tax consequences, or financial claim of the annuity or custodial accounts.
- Employee agrees that MPS shall have no liability whatsoever for any and all losses suffered by Employee with regard to his/her selection of annuity, custodial account, or investment strategy.
- Employee is responsible for setting up and signing legal documents to establish an annuity contract or custodial account with only vendors who have agreed in writing to the conditions of the Medford Public Schools 403b Plan and have been accepted by a vote of the MPS School Committee.

This agreement supersedes all prior salary reduction agreements and shall automatically terminate if Employee's employment is terminated.

52 PAYS 26 PAYS \$ _____ PER PAY % _____ PER PAY

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 MPS take the action specified in this agreement. I understand that all rights under TSA, or CA established by me under the Plan are enforceable solely by my beneficiary, my authorized representative or me.

Employee Signature: _____ Date: _____

Acknowledgment and Representation of Sales Agent/Representative

I agree to comply with all pertinent written directives regarding the solicitation of Employees. A calculation of maximum allowance will be provided annually for Employee contributing more than the allowable IRS contributions. Furthermore, my employer (company) agrees to indemnify and hold harmless MPS, any individual member of the governing board and the Employee participating in the 403b Program against any claims based on an error in the Maximum Allowable Contribution I provided, except where the error is based upon erroneous information provided by MPS or Employee.

Sales Agent/Representative Name: _____ Phone: _____

Plan Account Number for Employee (Provided by Sales Agent): _____

Employer Signature: _____ Date: _____