

Lamar Institute of Technology
Supplemental TSA Salary Reduction Agreement
Initial Enrollment/Change of Vendor/Change of Contribution Form

With few exceptions, you have the right to request, receive, review and correct information about yourself collected using this form. Before completing this form, read and follow the instructions on page two.

Name (Print) Social Security number or ID number

Department Institution

A. EFFECTIVE DATE

The following election to participate/change in participation in the Supplemental TSA Plan will be effective for:

- ___ Option 1: the next available payroll,
- ___ Option 2: specify pay date _____, or
- ___ Option 3: upon termination or retirement, defer my lump-sum vacation pay.

As authorized by the provisions of Section 403(b), United States Internal Revenue Code, and the TSUS Supplemental Tax Sheltered Annuity Plan, the institution is hereby authorized to reduce my future compensation to purchase for me a nonforfeitable 403(b)(1) or 403(b)(7) TSA account as described below.

B. SELECT/CHANGE CONTRIBUTION AMOUNT AND SELECT VENDOR (if changing vendor only, go to section C; if terminating participation in the Plan, go to section D)

- ___ Reduce my gross compensation by \$ _____ (fixed dollar amount) per month for deposit in a TSA Account with the vendor listed below.
- ___ Upon termination or retirement, defer \$ _____ or _____% of my lump-sum vacation pay for deposit in a TSA Account with the vendor listed below.

Vendor _____
(If this is a change in vendor for a currently participating employee, complete Section C also)

This Salary Reduction Agreement will be in effect until (1) a new agreement is submitted, or (2) the calculated maximum permitted under the Internal Revenue Code as determined by the institution is reached, or (3) at the end of the month during which the Human Resources office receives my written request to stop the TSA salary reduction agreement. (If a request to stop is received after the processing deadline for the month, it will be effective with the paycheck for the following month) and (check *one* of the following):

- ___ deductions will be made in each month that I receive a regular paycheck sufficient to cover the deduction indefinitely until a new agreement is submitted; or
- ___ deductions will be made in each month that I receive a regular paycheck sufficient to cover the deduction through the end of this calendar year only (in which case the stop date will be Dec. 31 and another agreement must be submitted for future calendar year participation); or
- ___ upon termination or retirement, a one-time lump-sum deferral.

In the calendar year for which this agreement applies, have you made or will you make: 401(k) salary reduction contributions or SIMPLE 401(k) contributions with any employer, 408(k)(6) salary reduction SEP amounts or 408(p) SIMPLE IRA amounts with any employer, 403(b) salary reduction contributions with employers other than this institution, or any 501(c)(18) plan elective deferrals? (If you make such deferrals, you must submit this form each year.)

___ Yes (Amount: \$ _____) ___ No

This agreement is inclusive as written and supersedes all previous agreements.

C. CHANGE VENDOR

I elect to change my Supplemental TSA Account vendor

from _____ to _____
Name of current vendor Name of new vendor

I understand the dollar amount of my contribution will not change unless Section B is also completed.

D. STOP CONTRIBUTIONS TO THE SUPPLEMENTAL TAX SHELTERED ANNUITY PLAN

___ Terminate my participation in the Supplemental TSA program effective _____ (may only be a future date, and may not include the next paycheck if submitted after the deadline for processing.)

Vendor _____

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E. EMPLOYEE AGREEMENT

I understand that I bear the risk of the performance of the product(s) of my choosing, that the institution has no fiduciary responsibilities in this area, and that the institution is not liable for any tax consequences occurring under this program. I acknowledge that current federal tax code requires that I begin receiving a minimum distribution from the accumulated funds by April 1 following the year in which I reach age 70½ or retire, whichever is later. This agreement shall be legally binding and irrevocable with respect to salary earned while this agreement is in effect. I understand that either party may change or terminate this agreement as of the end of any month, so that it will not apply to compensation not yet received, by giving written notice of the date of the change or termination. I understand and agree to the following conditions:

1. My election will be subject to retroactive opinions and rulings issued and to be issued by the Internal Revenue Service affecting Section 403(b), Section 415 and 402(g) of the Internal Revenue Code.
2. Any change in interpretation of Sections 403(b), 415 or 402(g) of the Internal Revenue Code or Regulations may require recalculation of my maximum contribution limit and a change in the amount and/or tax status of accounts purchased under provisions of that Code.
3. In the event of any adverse ruling by the Internal Revenue Service regarding the calculation of my maximum contribution limit or my purchase of Tax-Deferred Accounts, I agree to be responsible to the Internal Revenue Service and acknowledge that the institution has the right to make such adjustments in the amount of my maximum contribution limit as deemed necessary by the institution for compliance with such rulings.

Employee signature

Date

F. VENDOR INFORMATION (signature required unless other evidence of account acceptance by vendor is provided)

Signature of Representative

Name(print)

Company

Telephone number

Fax number

E-mail address

G. TO BE COMPLETED BY HUMAN RESOURCES OFFICE

I have verified that the vendor is currently approved for new business under the institution's TSA Plan.

Processed by _____ Date _____

INSTRUCTIONS

1. Complete Section A of the form to indicate the effective date of this agreement. Your TSA contribution will be deducted from the pay you receive during or after the effective month you choose, depending on whether payroll has been processed for that month. For example, if an employee turns in a form before the deadline in January with an effective month of January, the first deduction will be made from the paycheck received at the beginning of February.
2. Complete Section B if starting a new TSA or changing a contribution amount and vendor. Indicate the total amount you wish to have deducted from your paycheck on a monthly basis. Then specify the name of the vendor. The vendor may only be a vendor currently approved under the institutions Supplemental TSA plan for new business. Read the conditions under which the agreement will remain in effect and select one of the three options. Select the first option if you intend for this agreement to continue indefinitely for all pay periods for which you are paid during this and subsequent calendar years. Select the second option if you want this agreement to continue only through the end of the current calendar year. If you choose the second option, you must submit a new Salary Reduction Agreement to contribute again during subsequent years. Select the third option if this agreement is to be effective for a one time lump sum deferral upon termination or retirement. Other contributions disclosed in Section B will reduce the maximum amount you are allowed to contribute to your TSA. Note: Salary Reduction Agreements with an effective month of December will be considered agreements for the next calendar year since December pay is received in the next calendar or tax year.
3. Complete Section C of this form if you are changing your vendor.
4. Complete Section D to stop contributions to the Supplemental TSA plan altogether.
5. Read, sign and date Section E. This applies even if stopping further contributions.
5. Complete vendor information in Section F if this is an initial enrollment or a change in vendor. A signature is required if you are working with an individual vendor representative such as an insurance and annuity company agent or mutual fund broker, but is not required if you have other documentary evidence that the vendor has accepted and opened the account.
6. New TSA participants and participants changing vendors should attach a copy of the vendor application, if possible.
7. Make a copy of this form for your records.
8. Return the form to Human Resources office for processing.

Distribution:

Prepare copies as follows: (Copy with original approval signature to new vendor)

(1) New vendor

HR Employee Benefits File

Employee or former employee