

EASTERN MICHIGAN UNIVERSITY

2009 SECTION 403(b) SUPPLEMENTAL RETIREMENT ANNUITY SALARY REDUCTION AGREEMENT

By THIS AGREEMENT between _____,

(Employee Name)

Social Security Number _____/_____/_____, Employee Identification E _____, and Eastern Michigan University, the parties agree as follows:

Effective pay ending _____, the employee's salary will be reduced and remitted per pay period to (Specify a pay period ending date)

the specified 403(b) vendor indicated below (check one option).

_____ TIAA-CREF Group Supplemental Retirement Annuity

_____ TIAA-CREF Retirement Annuity (RA) (The RA option is only for participants already using the RA)

_____ Commonwealth Annuities

This agreement is legally binding and may be changed or terminated by either party upon thirty (30) days written notice (via a new salary reduction agreement or a Stop Form available in the Benefits Office, 140 McKenny Hall).

Select **one** of the salary reduction options listed below and circle either biweekly or semi-monthly:

_____ % of employee's biweekly/semi-monthly salary

\$_____ per employee's biweekly/semi monthly salary

(NOTE: The percentage or flat dollar amount indicated above will remain in effect until a new salary reduction agreement form is submitted to the Benefits Office.)

The **salary reduction amount** shall be based on the option(s) indicated below (put a check mark for option one and, if applicable, write-in the dollar amount for option two and/or option three):

_____ the maximum deferral under IRC Codes 415 and 402(g) for 2009 (100% of compensation or \$16,500), whichever is less. In addition to the maximum amount permitted under IRC Code 415 and 402(g), the total annual salary reduction amount shall include the following catch-up provision(s):

\$_____ up to \$3,000.00, if employee has at least 15 or more years of service (15-Year Rule)¹. This amount must be verified by the Benefits Office.

\$_____ up to \$5,500.00, if employee will be at least 50 years of age in Calendar Year 2009 (414(v)).

[The amount you contributed in prior years under the 15-Year Rule² must be verified with the Benefits Office.]

¹ Contributions made under the 15-Year Rule have a lifetime maximum. The sum of those contributions in excess of the 402(g) limit (beginning in 1987) cannot exceed \$15,000. Therefore, the employee must keep track of his/her tax-deferred contributions above the 402(g) limit made to any 403(b) funding vehicles such as TIAA-CREF Supplemental Retirement Annuities or funding vehicles offered by other carriers under the employer's plan.

² If you were eligible for both the age 50 catch-up and the 15-Year Rule in a prior year, and you contributed less than the maximum amount under both, then any amount that you contribute over the general 402(g) limit will be used to reduce your \$15,000 lifetime maximum first.

I understand that this salary reduction is a voluntary one, and I am responsible for the selection of and amounts contributed to the available investment vehicles.

Based on my per-pay deduction amount and number of pays received, I certify that my total annual deduction will not exceed the applicable limitations of Sections 415 and 402(g) or the catch-up contributions under the 15 year rule and 414(v) (if applicable) of the Internal Revenue Code (IRC).

Signed on _____, 20 ____
(Month/Day)

By: _____
(Employee Signature) (Department)

To be completed by a representative in the Benefits Office

Amount Not to Exceed: \$ _____ . _____

Signed on _____, 20 ____
(Month/Day)

By: _____
(Benefits Representative - EMU)

403(b) Human Resources (12/09/2008)

For those employees who are in TIAA-CREF as their regular retirement plan, the sum of employer and employee contributions cannot exceed \$49,000.00. (If age 50, you can contribute an additional \$5,500 over this limit in 2009).