

**LENOIR-RHYNE COLLEGE**

**SALARY REDUCTION AGREEMENT**

By the agreement, made between \_\_\_\_\_ and Lenoir-Rhyne College, the parties hereto agree as follows:

Effective for amounts earned on or after the first day of \_\_\_\_\_, 20\_\_\_\_, (which date is subsequent to the execution of this agreement) the Employee's base salary will be reduced by the amount indicated in item (1) or (2) below. At the same time, the College will contribute a corresponding amount to the Employee's annuity contract(s), which the Employee will allocate among the TIAA and CREF accounts.

This Agreement is legally binding and irrevocable for both the College and the Employee with respect to amounts earned while the Agreement is in effect. However, either party may terminate this Agreement as of the end of any month by giving at least thirty days' written notice. The Agreement will not apply to salary earned after the Agreement is terminated.

**The amount of the salary reduction\* shall be as follows:**

\_\_\_\_ (1) Three percent of the Employee's base salary in accordance with the College's TIAA-CREF Retirement Plan.

or

\_\_\_\_ (2) The amount of (1) above plus amounts designated below, which will produce a total Institution contribution that does not exceed the Employee's statutory exclusion allowance under IRC Section 403(b), the limitations of IRC Section 415, or the limitations of IRC Section 402(g), whichever is least.

Or

\_\_\_\_ (3) For employees age 50 or over, an additional catch up contribution of \$\_\_\_\_\_ shall be contributed. This amount must not exceed the statutory limitation under IRC 414(v).

The amount designated in (1) above will be paid as contributions to the Employee's TIAA-CREF Retirement Annuities. The amount(s) designated in (2) and (3) above will be paid as premiums to:

\_\_\_\_ TIAA-CREF  
RA \_\_\_\_\_ \$ or %

GSRA \_\_\_\_\_ \$ or %

\_\_\_\_ Ameriprise Financial

\_\_\_\_ Thrivent Financial for Lutherans

Signed this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_\_

by \_\_\_\_\_  
(Employee)

and \_\_\_\_\_  
(Authorized College representative)

\* This amount should be reviewed with the Business Office prior to execution of this agreement.