



SALARY REDUCTION AGREEMENT

BY THIS AGREEMENT, made between _____ (the Employee) and Willamette University (the Institution), we agree as follows:

Effective for amount paid on or after _____, _____, which date is
(month and day) (year)
subsequent to the execution of this Agreement, the Employee's salary will be reduced by the amount indicated below. At the same time, the Institution will contribute a corresponding amount to the Employee's annuity contracts (or custodial accounts), which the Employee will allocate among the funding vehicles approved by the Institution.

This Agreement shall be legally binding and irrevocable for both the Institution and the Employee while employment continues. However, either party may terminate or otherwise modify this Agreement as of the end of any month by giving at least thirty days written notice so that this Agreement will not apply to salary subsequently paid.

The amount of the salary reduction shall be \$ _____ per month (or _____% of gross annual salary if applicable).¹ This amount will produce a total Institution contribution that does not exceed the Employee's statutory limitation under IRC section 415 or Section 402(g), whichever is less.

- This amount includes the catch up salary reduction and corresponding contribution for employees age 50 or over. This amount must not exceed the statutory limitation under IRC Section 414(v).
- This amount includes the service related catch-up contribution for employees with 15 or more years of service. This amount cannot exceed \$3,000/year for a lifetime total of \$15,000.

The amount will be contributed by the Institution to the following authorized funding vehicles:

- TIAA-CREF Group **Supplemental** Retirement Annuity
- TIAA-CREF **Additional** Retirement Contribution (only participants with existing "Additional" contributions prior to July 1, 2006, may choose this option)
- VALIC (American General)
- Vanguard
- Calvert

Signed this _____ day of _____, _____

Employee Signature: _____

Employing Institution: _____ Willamette University _____

By: _____
(Administrator's signature and title)

¹ This amount should be reviewed with the Human Resources Office prior to the execution of this Agreement.