

**SALARY REDUCTION AGREEMENT FOR THE
BENEDICTINE UNIVERSITY DEFINED CONTRIBUTION RETIREMENT PLAN**

Check one: ☐ New Enrollment ☐ Change to Elections ☐ No Change to Elections

Employee Name (First, M.I., Last)

Employee Address (Street, City, State, ZIP)

This Salary Reduction Agreement ("Agreement") is entered into between the above-described employee ("Employee") of Benedictine University and Benedictine University ("University") in order for salary reduction contributions to be made to the Benedictine University Defined Contribution Retirement Plan ("Plan") under Internal Revenue Code Section 403(b).

I. AUTHORIZATION TO MAKE SALARY REDUCTION CONTRIBUTIONS

I understand that my participation in the Plan is voluntary, and that any salary reduction contributions I make to the Plan are subject to the limitations of Internal Revenue Code Sections 402(g), 414(v) and 415 (*see Section IV for more information on these limits*). I direct the University to reduce my salary (as defined in the Plan) by the following amounts:

- ☐ **Salary Reduction Contributions to Retirement Annuity (RA).** I am an eligible employee under the terms of the Plan and have satisfied the age and service requirements under the Plan. I hereby direct the University to reduce my salary (as defined in the Plan) by (*check one only*):

☐ 1% ☐ 2% ☐ 3% ☐ 4% ☐ No Change to my elections

per pay period and to contribute such amount to the Plan. *I understand that my salary reduction contributions may be matched by the University, and that I will be notified of the percentage match in effect each year, if any.* I understand that my salary reduction contributions, along with the University's matching contribution, if any, will be made to the Retirement Annuity (RA) under the Plan.

NOTE: If you submit this Agreement before you have completed the age and service requirements under the Plan, any salary reduction contributions elections you make to the Plan will be treated as *supplemental* salary reduction contributions until you have satisfied these requirements.

- ☐ **Supplemental Salary Reduction Contributions to Supplemental Retirement Annuity (SRA).** I understand that I may also make *supplemental* salary reduction contributions to the Plan that will not be matched by the University. I hereby direct the University to reduce my salary (as defined in the Plan) by the following amount: _____% (*enter a whole percentage*) per pay period and to contribute such amount to the Plan. I understand that all supplemental salary reduction contributions will be made to the Supplemental Retirement Annuity (SRA) under the Plan.

II. DURATION OF AGREEMENT

I understand that this Agreement will take effect as soon as administratively practicable following the date I complete the Agreement and return it to Human Resources, and will remain in effect until I change or terminate it by submitting a new Agreement. I understand that this Agreement is only effective with respect to salary paid or made available to me after its effective date. I understand that I may change this Agreement at any time by submitting a new Agreement, and that such new Agreement shall be effective as set forth above. I understand that I may terminate this Agreement at any time by submitting a Salary Reduction Agreement Termination Notice. I further understand that the University may reduce or discontinue this Agreement at any time if necessary to comply with the applicable provisions of the Internal Revenue Code or a change in Plan terms.

III. SIGNATURES

By signing this Agreement, the Employee agrees to follow the rules and procedures of the Plan, the University, and vendor.

Date

Employee's Signature

Date

Authorized Representative's Signature

IV. EMPLOYEE REPRESENTATIONS AND UNDERSTANDINGS**Applicable Contribution Limits**

- I understand that my salary reduction contributions under this Agreement cannot exceed the contribution limits under Code Section 402(g) or 415(c) (as explained below), except as permitted by Code Section 414(v) allowing age 50 catch-up contributions (as explained below).
- I understand that Code Section 402(g) limits my salary reduction contributions under this Agreement to a "dollar limit." The general dollar limit is \$23,000 for calendar year 2024 (this dollar limit will be adjusted by cost of living increases thereafter). However, my actual dollar limit may be higher than the general dollar limit if I will be 50 years old (or older) by the end of the calendar year.
- If I will be at least 50 years old by the end of the calendar year, I understand that I may make additional "catch-up" salary reduction contributions above the general dollar limit. These additional catch-up salary reduction contributions, which are referred to as "age 50 catch-up contributions," are provided under Code Section 414(v). I understand that the amount of the age 50 catch-up contributions that I may make above the general dollar limit is up to an additional \$7,500 for 2024 (this dollar amount will be adjusted by cost of living increases thereafter).
- I understand that the dollar limit, with all appropriate adjustments described above, applies to any salary reduction contributions I make in a calendar year to any retirement plans in which I participate (not including a 457 plan, deferred compensation plans or flexible benefit plan contributions), including plans maintained by other employers.
- I understand that, if my salary reduction contributions to the Plan and to other retirement plans exceed the applicable dollar limits described above in any calendar year, the excess will be taxable both in the year the contribution was made and in the year of distribution unless I timely request to have the excess returned to me. To have the excess returned to me, I must notify the University or my vendor of the excess before March 1 of the year following the year in which the excess contribution was made (e.g. March 1, 2025 for excess amounts deferred in 2026). If the notice is timely given, the vendor will distribute the excess amount of the contribution (with any accrued earnings) to me on or before April 15 of the year following the excess contribution.
- I understand that my total contributions (my salary reduction contributions and the University's matching and nonelective contributions) to the Plan for each year are also limited, except as permitted under Code Section 414(v) allowing age 50 catch-up contributions, by the general rules of Code Section 415 to the lesser of \$69,000 for 2024 (this dollar amount will be adjusted by cost of living increases thereafter) or 100% of compensation.

Additional Representations

- I understand that this Agreement is legally binding and irrevocable with respect to amounts paid or made available while the Agreement is in effect. Therefore, amounts previously withheld from my pay under the terms of this Agreement cannot be returned to me unless I am eligible for a distribution under the terms of the Plan.
- I authorize the University to release to or obtain from my vendor any information that my vendor or the University may reasonably require in order to calculate my contribution limits or to administer my account.
- I understand that nothing contained in this Agreement shall be deemed to constitute an employment agreement, and nothing contained herein shall be deemed to give me any right to continued employment with the University.
- I acknowledge that the University does not warrant the performance or the appropriateness of any investment and will not be responsible for any penalties or tax consequences resulting from this Agreement.

FOR OFFICE USE ONLY: To be completed by Human Resources Representative:

Confirm Vendor Enrollment Forms Completed

Date of First Payroll Reduction: ____/____/____