

# Pennsylvania State System of Higher Education



## Tax Sheltered Annuity Program Salary Reduction Agreement

Retirement Plan:    SERS                       Original                       15 yr. Special Election

PSERS                       Change Dollar Amount                       Age 50 'catch-up'

ARP                       Transfer Companies

Pay Options:             20                       Restart

26                       Stop TSA

By THIS AGREEMENT, made between \_\_\_\_\_ (herein thereafter referred to as Employee') and the  
(print employee's name)

Pennsylvania State System of Higher Education (herein thereafter referred to as the 'SYSTEM'), the parties agree as follows:

Effective with amounts earned as the paydate \_\_\_/\_\_\_/\_\_\_, (which date is subsequent to the date of this Agreement), the Employee's basic biweekly salary will be reduced by \$ \_\_\_\_\_ or \_\_\_\_\_%, provided that the System shall not be required to reduce the Employee's basic biweekly salary to the extent that any amount elected to be deferred may not be deferred on a pre-Federal income tax basis in accordance with the requirements of the Internal Revenue Code by 1986, as amended, (the "Code"), including, the limitations on contributions under Code Section 415, the limitations on excludable contributions under Code Section 402 (g), or similar provisions. The Employee may property defer and acknowledges that the System will rely on such information in its determination.

This Agreement shall be legally binding and Irrevocable as to each of the parties hereto while employment continues, subject to the following: (1) either party may terminate this Agreement by giving at least 30 days written notice to the other party of the date of termination; however, this Agreement shall apply to all amounts earned while the Agreement is in effect; (2) no more than two Agreements for salary reduction may be made within a calendar year; and (3) this Agreement supersedes all of the Employee's prior Agreements. It is understood that time periods relative to the termination of the payroll reduction amount will be determined based upon the existing payroll system's operating procedures.

The Employee acknowledges that the agreement of the System to defer the Employee's salary is not a System endorsement of the tax-sheltered annuity carrier of the Investments made available to the Employee by the carrier. The Employee further acknowledges and agrees that it is his/her sole responsibility to determine whether the carrier and the investments made available by the carrier are appropriate to him/her.

The contribution amount defined above will be paid by the System on the Employee's behalf to the following tax-sheltered annuity carrier:

Carrier Name \_\_\_\_\_

& Address: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Signed on: \_\_\_\_\_

month      day      year

By: \_\_\_\_\_

(Employee Signature)

Personnel Number

Payroll Code: \_\_\_\_\_



\_\_\_\_\_  
(Signature on behalf of PASSHE)

\_\_\_\_\_  
(Title)

Date of 1st CHG:      DATE of 2nd CHG:

\_\_\_\_\_                      \_\_\_\_\_

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