



Office of Human Resources

PARTICIPATION AGREEMENT FOR SECTION 403(b) TAX DEFERRED ANNUITY

Print Name: \_\_\_\_\_

VSCC I.D.# : \_\_\_\_\_

Social Security No.: \_\_\_\_\_

By this agreement made between Volunteer State Community College (employer) and the employee named above, the parties hereto agree as follows: Employee does hereby request and employer does hereby agree to reduce the salary of employee by the amount(s) indicated below for the purpose of purchasing for the employee an annuity qualifying under the terms of Section 403(b) of the Internal Revenue Code.

Company Name: \_\_\_\_\_

Annual Amount: \_\_\_\_\_

Pay Period Amount: \_\_\_\_\_

Effective Date: \_\_\_\_\_

This agreement shall be legally binding and irrevocable as to each of the parties hereto while employment continues, provided, however, that either party may terminate this agreement as of the end of any pay period, so that it will not apply to salary subsequently earned, by giving written notice prior to the beginning of such pay period of the date of termination.

Both parties hereby acknowledge that this agreement is intended to qualify amounts involved for salary deferral. It is the parties' intent that the annuities purchased, the determination of limitations or exclusion allowance, and other matters directly related to the administration of the employer's deferred compensation plan be consistent with Sections 403(b) and 415 of the Internal Revenue Code and all related regulations, rulings, or other authoritative provisions, in addition to the employer's administrative rules and procedures. Employer shall have the right to unilaterally terminate this agreement if employer has reason to believe continued salary reduction would cause excess contributions, per Internal Revenue Service provisions, to result from continuation. Employer shall have the right with or without seeking employee's advice to direct any company named above to refund to employee any "excess" contributions as such are defined by Internal Revenue Service.

Execution of this agreement does hereby cancel any agreements for salary reductions previously executed by employee for the employer's 403(b) tax-deferred annuity plan. This agreement supersedes and replaces all such prior agreements.

In consideration of execution by employer of the agreement, employee hereby agrees to indemnify and hold harmless and release employer and its trustees, officers, and employees from all claims and liability of any type directly or indirectly arising out of this agreement. Employee acknowledges awareness that participation in certain deferred compensation arrangements with another employer could result in disallowance of deferral of some or all of above amounts. Employee certifies that any and all prior year's participation in Section 457 plan has been disclosed in writing to employer, as well as any previous "election" under Section 415(c) (4).

Employee Signature: \_\_\_\_\_

Date: \_\_\_\_\_

Employer's Approval: \_\_\_\_\_

Date: \_\_\_\_\_