

SALARY REDUCTION AGREEMENT

Bosque School Defined Contribution Retirement Plan

Name _____

Address _____

City _____ State _____ Zip _____

Election to Defer

I elect to reduce my pay by the percentage (or dollar amount) indicated below, and I hereby authorize the company to deduct that amount from my paycheck and deposit it into the plan. _____ This is a change to my previous election.

_____ % of pay per payroll period **OR** \$_____ per payroll period

- ❖ I understand that I can change my election as permitted periodically by the Administrator unless there is an unforeseen change in my financial circumstances, in which case the Plan Administrator may approve a decrease on other dates.
- ❖ I understand that I can suspend or cancel my election effective 30 days after I give written notice to the Administrator.
- ❖ I understand that if I do cancel or suspend my election, I will not be permitted to put a new deferral election into effect until such time as permitted by the Administrator.
- ❖ I understand that it may be necessary for the Plan to reduce the percentage or dollar amount I have indicated above if the reduction is necessary for the plan to comply with IRS rules, in which case I will be notified by the Plan Administrator.
- ❖ I understand that monies accumulated in the plan as a result of my deferral election will be available to me upon my death, disability, termination of employment, or attainment of normal retirement age, and that taxes will probably be due at the time of a distribution unless the money is rolled into an IRA or another eligible retirement plan.
- ❖ I understand that Monies may also be available in the event of a serious financial hardship and that an additional tax may apply to any such withdrawal unless it is for certain major expenses, as defined by the Internal Revenue Service.

Participant's Signature _____ Date _____

Administrator's Signature _____ Date _____

Election Not to Defer

I do not wish to contribute to the plan at this time. However, I understand that I can elect to contribute to the plan in the future.

Employee's Signature _____ Date _____