

403(b) Salary Reduction Agreement

The Lincoln National Life Insurance Company
PO Box 2340
Fort Wayne IN 46801-2340
Phone 800-4LINCOLN (800 454-6265)

**Employee and
Employer
Information**

Employee's name

Social Security no. _____ Gross annual salary \$ _____

Employer's name

Date salary reductions are to begin

Type of agreement New agreement Increase in salary reduction
 Change in funding vehicle Decrease in salary reduction
 403(b) Pre Tax 403(b) Roth

Agreement

The employee and employer listed above, have entered into this salary reduction agreement to obtain for the employee the benefits of section 403(b) of the Internal Revenue Code of 1986. In consideration of the mutual promises and conditions appearing below, it is agreed that:

- Effective on the date listed above (which is after the effective date of this agreement) the employer will reduce the employee's compensation by either \$ _____ or _____ % each regular pay date, based on the gross annual salary listed above.
- Payments shall be applied according to the following schedule:
 \$ _____ per _____ from _____ to _____.
(month/day/year) (month/day/year)
 \$ _____ per _____ from _____ to _____.
(month/day/year) (month/day/year)
 \$ _____ per _____ from _____ contracted by the parties
(month/day/year)
 to this agreement.
- The employer will apply the amount of the salary reduction under this agreement in accordance with the section 403(b) program maintained by the employer as contributions to the nonforfeitable section 403(b) annuity contract(s) (or section 403(b)(7) custodial accounts, if applicable.). The salary reduction amount shall be allocated among section 403(b) funding vehicles as follows:
 _____ \$ _____ or _____ %
 _____ \$ _____ or _____ %
- \$ _____ or _____ % of any bonus which is not already earned or currently being earned, should be directed to the funding vehicle(s) noted above.

Signatures

By signing below, you signify that you have read, understand, and agree to the "Agreement" and "Terms and Conditions" sections of this salary reduction agreement.

Employee's signature _____ Date

Employer's signature _____ Date

**Terms and
Conditions**

This agreement is legally binding and irrevocable with regard to amounts already deferred, as to both the employer and the employee while employment continues, with respect to amounts earned while it is in effect. This agreement applies only to amounts earned after this agreement becomes effective. This agreement shall not apply to amounts earned after it is terminated.

The annuity is to be purchased at the request of the employee, but the employer may, at any time, terminate the contributions.

The employee will defer no more than allowed by the following:

- (a) the limit on contributions under IRC section 415, or
- (b) the limit on elective deferrals under IRC section 402(g)

and authorize the return of any excess contributions, in the manner and to the extent allowed by the Code

- (c) the limit on age 50 deferral under IRC section 414(y).

Each party to the agreement expressly reserves the right to terminate this agreement upon giving written notice to the other party. In addition, this agreement shall terminate, with respect to amounts not yet earned if:

- The employee enters into a new salary reduction agreement.
- The employee terminates employment with the employer
- The employer terminates the section 403(b) program

No provision of this agreement shall affect the employer's right to discharge the employee with or without cause.

Amounts attributable to contributions under this agreement may not be distributed from a section 403(b) annuity contract or section 403(b)(7) custodial account until the employee is age 59½, severance from employment, dies, becomes disabled (within the meaning of IRC section 72(m)(7)) or has incurred a hardship as permitted in the Code.