MOUNT VERNON NAZARENE UNIVERSITY
AGREEMENT FOR SALARY REDUCTION
Under Section 403(b)

By this Agreement, made between _____ and Mount Vernon Nazarene University, we agree as follows:

Effective for amounts earned on or after _____, the employee's annual basic salary will be reduced by the amount indicated below, and will be submitted by Mount Vernon Nazarene University to the employee's annuity contract(s), allocated between TIAA and CREF as designated by the employee.

The Agreement is legally binding and irrevocable for both the Institution and the Employee with respect to amounts earned while the Agreement is in effect. In addition, an Employee can make only one Agreement for salary reduction each quarter of the calendar year. However, either party may terminate this Agreement as of the end of any month by giving at least thirty days' written notice. The Agreement will not apply to salary earned after the Agreement is terminated.

The amount of the salary reduction shall be _____ % of the basic annual salary, or $_____ per pay, which will produce a total Mount Vernon Nazarene University contribution that does not exceed the employee's statutory exclusion allowance under IRC Section 403(b), the limitations of IRC Section 415, or the limitations of IRC Section 402(g), whichever is less. It is understood that the amount defined above will be paid to TIAA-CREF as premiums for:

_____ Mount Vernon Nazarene University TIAA-CREF Retirement Plan

(Please mark the desired contribution level.)

Employee Contribution Level:

_____ 2% of base salary _____ 5% of base salary

University Contribution:

3.2% of base salary 8% of base salary

For eligible employees completing 15 years of employment:

3.4% of base salary 8.5% of base salary

For employees age 50 or over, an additional catch up contribution of $_____ shall be contributed. This amount must not exceed the statutory limitation under IRC 414(v).

_____ Group Supplemental Retirement Annuities (GSRA):

_____% or $_____ / pay

_____ **MOUNT VERNON NAZARENE UNIVERSITY**

Employee Signature

_____ _____

Date *Signature of MVNU Representative*

07/01/01
04/01/02
08/01/02