

Needham Public Schools

Salary Reduction Agreement 457(b) Program

Part 1: Important Employee Information

1. Your employer does not choose the annuity contract or custodial account in which your contributions are invested.
2. You are personally responsible for setting up and signing the legal documents to establish your annuity contract or custodial account.
3. In order to receive the expected tax results, you are personally responsible for investing in annuity contracts or custodial accounts that meet the requirements of Section 457 of the Internal Revenue Code.
4. You are responsible for naming a death beneficiary under your annuity contracts or custodial accounts. This is normally done at the time the contract or account is established, and can be revised later. Beneficiary designations should be reviewed periodically with the investment sponsor company.
5. You are responsible for all distributions and any other transactions with the Service Provider company. As applicable, all rights under contracts or accounts are enforceable solely by you, your beneficiary or authorized representative. You must deal directly with the Service Provider company to obtain loans, transfer to different contracts or custodial accounts, begin distributions, or for any other transaction.
6. You are responsible for determining that salary reductions do not exceed the allowable contribution limits under applicable law.
7. The Employer may revoke the authorization of any Service Provider company to offer services under its 457 program. In the event that the authorization of any Service Provider company is so revoked, the Employer may require that you designate a new Service Provider company for future contributions.

Part 2: Agreement

The named Employee agrees to modify his/her salary as indicated. Employer agrees to contribute this amount on Employee's behalf into the annuity or custodial accounts selected by Employee. It is intended that the requirements of all applicable state or federal income tax rules and regulations will be met. The Employee understands and agrees to the following:

1. this Salary Reduction Agreement is legally binding and irrevocable with respect to amounts paid or available while this Agreement is in effect;
2. this Salary Reduction Agreement may be terminated at any time for amounts not yet paid or available, and that a termination request is permanent and remains in effect until a new Salary Reduction Agreement is submitted.

Employee is personally responsible for determining that the salary reduction amount does not exceed the limits as set forth in applicable law. Furthermore, Employee agrees to indemnify and hold Employer harmless against any and all actions, claims and demands whatsoever that may arise from the purchase of annuities or custodial accounts.

Employee acknowledges that Employer has made no representation to Employee regarding the advisability, appropriateness or tax consequences of the purchase of the annuity and/or custodial account described herein. All investment decisions have been made solely and unilaterally by Employee based upon Employee's own analysis and judgment. The involvement of the Employer is ministerial only, for the sole purpose of implementing the request of the Employee. Employee agrees Employer shall have no liability whatsoever for any and all losses suffered by Employee with regard to his/her selection of the annuity and/or custodial account, its terms, the selection of the insurance company or regulated investment company, the financial condition, operation of or benefits provided by said insurance company or regulated investment company. Nothing herein shall affect the other terms of employment between Employer and Employee. This Agreement supersedes all prior salary reduction agreements and shall automatically terminate if Employee's employment is terminated.

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Part 3: Employee Information:

Name _____
Address _____

Social Security Number: _____

Effective Date: _____

Part 4: Contribution Information:

(Select all that apply)

Initiate new salary reduction

YOU MUST SUMMIT ACCOUNT VERIFICATION FROM SERVICE PROVIDER

Amount to deduct per pay period: _____

Service Provider: _____

Change salary reduction

This is a notification to change the amount of my
Tax Sheltered Annuity salary reduction

From: _____ To: _____

Change Service Provider

YOU MUST SUMMIT ACCOUNT VERIFICATION FROM SERVICE PROVIDER

This is a notification to change my Tax Sheltered Annuity

from _____

to _____

Revised 2/16/10

Part 4: Contribution Information (cont):

I wish to participate in the Special 457
Catch Up Election

Date of Birth: _____

Date of Hire: _____

Elective Deferral Limit: _____

(please see Service Provider for details)

Discontinue salary reduction

Please discontinue my salary reduction with
the following Service Provider:

Part 5: Employee Signature:

I certify that I have read this complete Agreement and that
my salary reductions do not exceed contribution limits as
determined by applicable law. I understand and agree to
accept my responsibilities as an Employee under this
Program. I request that Employer take the action specified
in this Agreement. I understand that all rights under the
annuity or custodial account established by me under the
Program are enforceable solely by me, my beneficiary or
my authorized representative.

Employee Signature: _____ Date: _____

**Part 6: Employer (Needham Public School)
Representative Signature:**

Employer hereby agrees to this Salary Reduction Agreement.

Employer Signature: _____ Date: _____