

**SMU 403(b) RETIREMENT SAVINGS PLAN
2009 SALARY REDUCTION AGREEMENT**

Section 1

The undersigned, _____ (Employee) and Southern Methodist University (SMU) hereby agree that with respect to salary paid *on or after the first day of the month following the date this Agreement is signed and submitted to SMU Human Resources*, the terms of employment are amended to reduce the salary payable to Employee and apply such reduction as contribution(s) under the SMU Regular Retirement Plan and Supplement Retirement Account established pursuant to Section 403(b) of the Internal Revenue Code, as amended, or elected by Employee. Contributions will be allocated as elected below.

New Enrollment Contribution Change Termination of Contribution

Current Age _____ Hire Date _____

Section 2 Regular Retirement Plan

Non-Elective Pre-Tax Contributions: Full-time employees age 36 or older with one year of SMU service
(*required as a condition of employment*); 5% of Base Salary;

Elective Pre-Tax Contributions: Full-time (regardless of service) & part-time (with 1 year) age 26+ but less than age 36,
or age 36+ with less than one year of employment; 5% of Base Salary.

Investment Allocation: TIAA/CREF _____% FIDELITY _____% VANGUARD _____%
(*total must equal 100% and any allocation must be at least 25%*)

Section 3 Supplemental Retirement Account (Full-time & Part-time employees; no age or service requirements)

Elective Pre-Tax Contributions: \$ _____ Monthly Bi-weekly

Investment Allocation: TIAA/CREF _____% FIDELITY _____% VANGUARD _____%
(*total must equal 100% and any allocation must be at least 25%*)

Elective After-Tax (Roth) Contributions: \$ _____ Monthly Bi-weekly

Investment Allocation: TIAA/CREF _____% FIDELITY _____%

Section 4

I understand that 2009 **Elective** contributions are subject to a *combined* annual maximum of \$16,500, or \$22,000 if I am age 50 or older, *and acknowledge that I am responsible for ensuring that applicable IRS maximums are not exceeded.*

I hereby release all right to receive payment in any other form for the amount of salary reduction (contributions) indicated herein, if any. 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 to the other party at least thirty days in advance of the requested termination date. Any subsequently completed Salary Reduction Agreement will be deemed a new Salary Reduction Agreement.

I acknowledge that certain penalties may apply with regard to withdrawal of contributions while actively employed, including suspension of contributions.

Signature: _____ **Birthdate:** _____ **SMU ID#:** _____ **Date:** _____

IMPORTANT: Your 403(b) Salary Reduction Agreement will not be processed unless your completed Vanguard, Fidelity and/or TIAA CREF application(s) – if required – is/are submitted with this form.