

Salary Reduction Agreement

TAX-DEFERRED ANNUITY PROGRAM

Employee Name: _____ Date Processed at College Benefits Office: _____
Last 4 Digit Social Security Number: _____ College: _____
Address: _____ Date of Hire: _____
_____ Salary: _____
_____ Goal Amount: _____

The undersigned parties agree that the employee will participate in the Tax-Deferred Annuity Program; and that, with respect to amounts paid on or after _____, the employee's salary shall be reduced by the percentage indicated below, and the employer will contribute that salary reduction amount to the employee's Tax-Deferred Annuity Account at the Professional Staff Congress (PSC) Federal Credit Union.

The employee must specify a salary reduction percentage (in whole numbers) in the space provided below or this Salary Reduction Agreement will not be valid. Salary reductions to the Tax-Deferred Annuity are made after all other mandatory CUNY deductions.

This agreement shall be legally binding and irrevocable as to each of the parties hereto while employment continues and will only cover amounts earned while in effect. An automatic renewal will occur every December 31 thereafter, unless a revised Agreement is made before the first of the year in which the Agreement is to take effect. It is also understood that this Salary Reduction Agreement may be terminated by either party as of the end of any month with at least 60 days prior written notice and that only two Salary Reduction Agreements can be made for a calendar year. A third may be accepted if it is a change to zero percentage. The employee may not contribute to more than one Tax-Deferred annuity plan at a time.

The employee is responsible for determining the tax effect of this Agreement, including determining that the Salary Reduction amount does not exceed the lesser of the amount permitted to be contributed in that year in accordance with the provisions of Section 415 of the Internal Revenue Code of 1954, as amended, or the "exclusion allowance" as determined in accordance with the provisions of Section 403(b)(2) of said Code. The employer agrees to provide to the employee, upon request, the available earnings information from the employer's records that is necessary to enable the employee to make these tax determinations.

The Salary Reduction Maximum percentages listed below may be inaccurate if you have made Tax-Deferred contributions to other carriers, including transfers between such carriers; if you are or have been employed on a part-time basis, have had a break in service, transferred from one CUNY campus to another, or are or have been on a Leave of Absence; or if you will receive income in addition to base salary while at CUNY. In these situations, please call HRC at 1-800-786-1598 for a recalculation.

The employee agrees to hold the City University of New York harmless under this Agreement, provided that any and all sums withheld by the employer pursuant to this Agreement are remitted to the PSC-Federal Credit Union to purchase non-forfeiture contracts in accordance with Section 403(b) of the Internal Revenue Code of 1954 as amended.

Please complete all required information and return to HRC (envelope enclosed).

I elect to reduce my annual salary by _____% (whole numbers only) provided that this percentage does not exceed the maximum allowed by Section 415 and 402(g) of the Internal Revenue Code as indicated above. In addition to other limitations, under the Economic Growth & Tax Relief Reconciliation Act of 2001, the maximum percentage amount generally cannot exceed \$15,500. For employees age 50 and over, the above Goal Amount will include the additional catch up contribution permitted under Section 414(v) of the Internal Revenue Code, which is \$5,000 for 2008. Participation in the NYC 401(k) and 457 Government Plans may limit your ability to participate in the 403(b) Tax Deferred Annuity Plan.

EMPLOYEE

Signature: _____

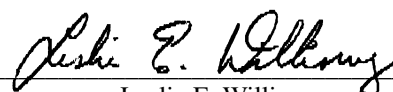
Date: _____

By: _____

HRC Representative

CUNY

By: _____



Leslie E. Williams

Title: University Director of Employee Benefits

Check if currently contributing to 401(k) Plan

Check if currently contributing to 457 Government Plan