

For Use By Full-Time Fac/Staff

ELON UNIVERSITY

Agreement for Salary Reduction Under Section 403(b) For Use By Full-Time Faculty and Staff

BY THIS AGREEMENT, made between (the Employee) and Elon University (the "University"), we agree as follows:

Effective for amounts paid on or after _____, _____, which date is subsequent to the execution of this Agreement, the Employee's compensation (as defined in the 403(b) plans) will be reduced by the amount indicated below.

This Agreement shall be legally binding and irrevocable for both the University and the Employee while employment continues. However, either party may terminate or otherwise modify this Agreement as of the end of any month (or pay period, if applicable) by giving at least thirty days written notice so that this Agreement will not apply to compensation subsequently paid. Further, if the Employee subsequently becomes listed on the books and records of the University as a part-time employee (including adjunct faculty), the Employee must complete a separate Salary Reduction Agreement applicable to part-time employees (including adjunct faculty).

Important Note: All eligible full-time employees are able to make voluntary contributions to the **Supplemental Tax Deferred Annuity Plan (the "TDA Plan")**. Full-time employees may **not** make voluntary contributions to the **Defined Contribution Plan (the "DC Plan")**. Upon completion of one year of service (defined as completion of 1,000 hours of service during a computation period), all full-time employees are required to contribute 4% of their compensation to the **DC Plan**. A full-time employee's 4% required contribution is automatic. Any amounts that a full-time employee voluntarily elects to contribute to the **TDA Plan** are in addition to the 4% required contribution to the **DC Plan**. In addition, upon completion of one year of service, the University will contribute an amount equal to 8% of each full-time employee's compensation to the **DC Plan**. No matching contributions are made under the **TDA Plan**.

The amount of the pre-tax compensation reduction per pay period to the **TDA Plan** shall be (check one):

☐ \$ _____ (or) ☐ _____% of compensation (**RCP: Retirement Choice Plus**)

AND/OR

The amount of the Roth after-tax compensation reduction per pay period to the **TDA Plan** shall be (check one):

☐ \$ _____ (or) ☐ _____% of compensation (**Roth**)

As a full-time employee, if I have completed one year of service, I understand that I am required to contribute 4% of my compensation to **DC Plan** as a mandatory contribution.

The total annual amount of my compensation reduction under the **TDA Plan** shall not exceed the statutory limitation under IRC Section 402(g). Further, the total annual combined contribution made by me and the University under both the **DC Plan** and the **TDA Plan** (including the 4% mandatory contribution) shall not exceed the statutory limitation under IRC Section 415.

Catch-Up Contributions:

Please check if applicable:

☐ **I certify that I am age 50 or over, and eligible for additional catch up contributions (maximum amount allowed under law).** This amount must not exceed the statutory limitation under IRC §414(v). Full-time employees may make catch-up contributions only to the **TDA Plan**. Full-time employees may **not** make catch-up contributions to the **DC Plan**.

Effective for tax years beginning after December 31, 2025:

- (i) If my FICA wages from the University in the prior calendar year exceeded \$150,000 (indexed annually), any catch-up contributions must be designated as Roth after-tax contributions per the SECURE 2.0 Act. In that event, the **TDA Plan** will automatically process any voluntary contributions that exceed the standard annual limit as Roth after-tax catch-up contributions. If my voluntary contributions reach the standard annual limit for a calendar year, I may make a different election, such as ceasing voluntary contributions at the limit rather than having any further voluntary contributions deemed to be Roth after-tax contributions.
 - (ii) If my FICA wages from the University in the prior year did not exceed \$150,000 (indexed annually), any catch-up contributions will continue to be treated as pre-tax and/or Roth after-tax contributions, depending on my compensation reduction election made above.
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Date Signed

Employee Signature

Employee Name (Please Print)

Colleague ID Number

Elon University

Employing Institution

Human Resources Representative

Revised: October 23, 2025