

Salary Reduction Agreement for 403(b)(1) and 403(b)(7) Programs

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 403(b) 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 investment sponsor 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 investment sponsor 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 investment sponsor company to offer services under its 403(b) program. In the event that the authorization of any investment sponsor company is so revoked, the Employer may require that you designate a new investment sponsor 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 - -

NIU Employee ID Number

Part 4: Contribution Information:

(Select all that apply)

Initiate new salary reduction
Please deduct the amount of
per pay period. Alternatively:
Please deduct the percentage of
per pay period

Change salary reduction
This is a notification to change the amount of my
investment sponsor company salary reduction
From: To:

Change Investment Sponsor Company
This is a notification to change my investment
sponsor company (indicate amounts in Part 5)
from
to

Discontinue salary reduction
Please discontinue my salary reduction with
the following investment sponsor company:

**Employee is utilizing the 15 year catch-up
provision of an excess of \$3000. Verification
required from Company.**

**For employees age 50 or over, an additional
catch-up contribution of shall be
contributed.**
(Statutory limitation under IRS 414(v))

Part 5: Service Provider:

\$ or % of Compensation per pay check	Service Provider
1	<input type="text"/>
2	<input type="text"/>

Effective Pay Period:

Salary reduction instructions shall be implemented in accordance with Employer's administrative schedule.

Part 6: 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.

<input type="text"/>	<input type="text"/>
Employee Signature	Date

**Part 7: Acknowledgement & Undertaking of
Investment Sponsor Company Sales
Agent/Representative:**

I agree to comply with all pertinent written directives regarding the solicitation of Employees. I agree to indemnify and hold harmless the Employer, its officers and employees, and individual members of the NIU Board of Trustees and the Employee participating in the 403(b) program against any claims based upon erroneous information provided by Employer or Employee.

Investment Sponsor Company Sales
Agent/Representative Name (Please print)

Telephone Number
Address

<input type="text"/>	<input type="text"/>
Signature	Date

Part 8: Employer Representative Signature:

Employer hereby agrees to this Salary Reduction Agreement.

<input type="text"/>	<input type="text"/>
Signature	Date