State of New Jersey • Department of the Treasury

DIVISION OF PENSIONS & BENEFITS — DEFINED BENEFIT & DEFINED CONTRIBUTION BUREAU

P.O. Box 295, Trenton, NJ 08625-0295

SALARY REDUCTION AGREEMENT - SUPPLEMENTAL ANNUITY COLLECTIVE TRUST (SACT)

It is agreed by and between _____ (employee) and

_____ (employer) that the employee agrees to a reduction in the amount of his/her salary in return for the employer's agreement to use the amount of such reduction in salary to purchase, on behalf of the employee, an annuity which qualifies under the provisions of Section 403(b) of the Internal Revenue Code of 1954 as amended.

For such purposes, the employee hereby authorizes and the employer agrees to:

1. REDUCE the employee's includible compensation (base salary less pension contributions) by _____ percent (the amount of the reduction to be rounded to the nearest whole dollar) beginning with the effective date certified by the New Jersey Division of Pensions & Benefits (NJDPB) on the *Employer's Certification of Payroll Deductions*. This agreement shall remain in force for at least one year without modification unless canceled because of termination of the employment relationship. It shall continue as specified above unless terminated or modified after one year. Notice of termination or modification shall be given by submitting a Change of Contribution Rate Request and a newly executed *Salary Reduction Agreement*.

2. REMIT monthly to the Supplemental Annuity Collective Trust (SACT) of New Jersey the sum of such reduction in includible compensation as premiums on the annuity which is purchased by the employer on behalf of the employee pursuant to the provisions of P.L. 1963, c.123 (Chapter 123), as amended and supplemented.

3. The employee's rights to the annuity purchased by the employer on the employee's behalf pursuant hereto shall be nonforfeitable.

_____
Name of Employing Agency

_____
Employee's Signature

_____
Address of Employing Agency

_____
Retirement System

_____
Location Code Number. (Payroll Number)

_____
Membership Number

_____
Signature and Title of Employer's Agent

_____/_____/_____
Date

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SALARY REDUCTION AGREEMENT — CONFIRMATION OF RECEIPT

_____/_____/_____
Effective Date

_____
Administrator's Signature

_____/_____/_____
Date