



SALARY REDUCTION AGREEMENT

IMPORTANT: Be sure to read all sections of this Salary Reduction Agreement before signing it.

SECTION A. Employer and Plan Information

GENERAL INFORMATION

Name of Plan _____
Name of Employer _____
Address _____
City _____ State _____ Zip _____

Employee Information

Name _____
Home Address _____
City _____ State _____ Zip _____
Employee Number _____ Social Security Number _____

SECTION B. Limits On Elective Deferrals

TERMS OF AGREEMENT *To Be Completed By the Employer*

Subject to the requirements of the Employer's SIMPLE IRA Plan, each Employee who is eligible to enroll as a Contributing Participant may set aside a percentage of his or her pay into the Plan (Elective Deferrals) by signing this *Salary Reduction Agreement*. This *Salary Reduction Agreement* replaces any earlier *Salary Reduction Agreement* and will remain in effect as long as the Employee remains an eligible Employee or until he or she provides the Employer with a new *Salary Reduction Agreement* as permitted by the Plan. Beginning in 2002, a Participant who is age 50 or older by the end of the Year may be allowed to make Catch-Up Contributions. A Participant's Elective Deferrals (excluding Catch-Up Contributions) may not exceed \$7,000 for tax Year 2002; \$8,000 for 2003; \$9,000 for 2004; \$10,000 for 2005 and thereafter. For tax Years after 2005, these limits may be increased to reflect a cost-of-living adjustment, if any.

Changing This Agreement

An Employee may change the percentage of pay he or she is setting aside into the Plan. Any Employee who wishes to make such a change must complete and sign a new *Salary Reduction Agreement* and give it to the Employer during the Election Period or any other period the Employer specifies on the *Participation Notice & Summary Description*.

Terminating Agreement

An Employee may terminate this *Salary Reduction Agreement*. After terminating this *Salary Reduction Agreement*, an Employee cannot again enroll as a Contributing Participant until the first day of the Year following the Year of termination or any other date the Employer specifies on the *Participation Notice & Summary Description*.

Effective Date

This *Salary Reduction Agreement* will be effective for the pay period which begins _____.

SECTION C. Salary Reduction Agreement

AUTHORIZATION AND INVESTMENT SELECTION

I, the undersigned Employee, wish to set aside, as Elective Deferrals, _____% or \$_____ (which equals _____% of my current rate of pay) into my Employer's SIMPLE IRA Plan by way of payroll deduction.

NOTE: If you are eligible to defer, your SIMPLE IRA Plan permits Catch-Up Contributions and you attain age 50 before the close of the Plan Year, you may make Catch-Up Contributions under the SIMPLE IRA Plan. Certain limits, as required by law, must be met prior to being eligible to make Catch-Up Contributions. Your election above will pertain to Elective Deferrals which may include Catch-Up Contributions. See your Employer for additional information, including the Catch-Up Contribution limit for the Year.

I agree that my pay will be reduced in the manner I have indicated above, and I affirmatively elect to have this amount contributed to the investments listed below. This *Salary Reduction Agreement* will continue to be effective while I am employed, unless I change or terminate it as explained in Section B above. I acknowledge that I have read this entire *Salary Reduction Agreement*, I understand it and I agree to its terms. Furthermore, I acknowledge that I have received a copy of the *Participation Notice & Summary Description*.

Name and Address of SIMPLE IRA provider:

Investment Options (select one)

- _____
- _____
- _____

Signatures

Signature of Employee

Authorized Signature for Employer

Date

Title

Date