

## NYU Supplemental Tax-Deferred Annuity Plan Salary Reduction Agreement & Investment Selection Form

NYU's **Supplemental Tax-Deferred Annuity (STDA)** Plan offers an opportunity for you to save money for retirement and reduce your current taxes at the same time. Follow these steps to enroll in the plan.

**Step 1:** Read the Summary Plan Description (SPD) booklet which gives you an overview of how the plan works. The SPD is available online on the NYU Benefits Resource Center via NYU Home – [www.home.nyu.edu](http://www.home.nyu.edu) or you may request a paper copy by contacting the NYU Benefits Office at [benefits@nyu.edu](mailto:benefits@nyu.edu) or 212-998-1270.

**Step 2:** Think about how much you want to contribute to the plan. You may contribute an amount of your salary up to the IRS limit for your age as shown below. *Important: If you participated in another employer's plan during the same calendar year in which you begin participation in the NYU plan, your total contributions for all plans combined must not exceed the IRS limit.*

**Step 3:** Think about how you would like to invest. Refer to the kits furnished by TIAA-CREF and Vanguard which are available from the NYU Benefits Office. These kits provide information about over 70 investment funds available in NYU's STDA plan. And, they also review the fund performance charts for the historical performance of all the funds. You may choose as many funds as you like within each company.

However, the maximum that you can contribute is limited by law, as shown below:

### MAXIMUM CONTRIBUTION AMOUNTS UNDER THE ECONOMIC GROWTH AND TAX RELIEF RECONCILIATION ACT OF 2001 (EGTRRA)

| CALENDAR YEAR | IF YOU ARE UNDER AGE 50 | IF YOU ARE AGE 50 OR OLDER |
|---------------|-------------------------|----------------------------|
| 2009          | \$16,500                | \$22,000                   |

### INSTRUCTIONS

- If you are joining the NYU Supplemental Tax-Deferred Annuity Plan for the first time, complete *all* sections of this form and return it to the NYU Benefits Office.
  - You must also complete and attach application forms for TIAA-CREF and/or Vanguard to indicate your choice of investment funds.
- If you are a current participant in the NYU Supplemental Tax-Deferred Annuity Plan, complete:
  - Section 1 if you wish to change how much you contribute to the plan.
  - Section 3 if you wish to change the allocation of your contributions between TIAA-CREF and Vanguard.
  - Section 4 to authorize all changes.
- Your completed forms should be sent to:

**NYU Benefits Office**

Campus Mail Code 8923, 7 East 12th Street, 2nd Floor, New York, NY 10003-4475  
E-mail: [benefits@nyu.edu](mailto:benefits@nyu.edu) Telephone: 212-998-1270 Fax: 212-995-4050

|             |                        |                  |
|-------------|------------------------|------------------|
| Name        | Social Security Number |                  |
| Department  | Job Title              | Date of Hire     |
| NYU Address | NYU Email Address      | NYU Phone Number |

Visit the NYU Benefits Resource Center via NYUHome at [www.home.nyu.edu](http://www.home.nyu.edu) – Work Tab

TO REQUEST A TIAA-CREF OR VANGUARD KIT, OR FOR QUESTIONS, CONTACT YOUR NYU BENEFITS SPECIALIST AT 212-998-1270 OR EMAIL [benefits@nyu.edu](mailto:benefits@nyu.edu)

**SECTION 1: SALARY REDUCTION AGREEMENT** – Complete this section if you are joining the NYU Supplemental Tax-Deferred Annuity Plan for the first time or if you are a current participant and wish to change the amount you contribute to the plan.

New York University (hereinafter called the University) and the above named employee (hereinafter called the employee) hereby agree as follows:

- Check “A” if you want to contribute the maximum amount permitted for the calendar year under IRS limits.
- Check “B” if you want to contribute a lesser amount, which must be expressed as a percentage of your base salary.

\_\_\_A: The University will reduce the employee’s salary by the maximum amount permitted under the IRS limits for the employee, spread over the year in equal contributions per pay period. (Salary reductions for mid-year enrollments are capped at 1/12th the annual maximum contribution per month.) It will be effective with the pay period that commences after the date on which this agreement is received, accepted and executed by the NYU Benefits Office. This agreement applies only to amounts payable after the agreement becomes effective.

\_\_\_B: The University will reduce the employee’s salary by \_\_\_% per pay period (not to exceed 100% of pay after FICA and FICA HI tax withholding and any pre-tax benefit reductions). It will be effective with the pay period that commences after the date on which this agreement is received, accepted and executed by the NYU Benefits Office. This agreement applies only to amounts payable after the agreement becomes effective.

The University shall apply the amount of salary reduction to one or more non- forfeitable annuity contracts and/or custodial accounts in accordance with the directions contained in the most recent Investment Selection form submitted by the employee and accepted by the University.

This agreement is legally binding and irrevocable with respect to amounts payable while it is in effect, except that the University may reduce the amount of the salary reduction if it is determined that such amount exceeds the limitations of Internal Revenue Code Sections 403(b), 402(g), 414(v), or 415. This agreement will remain in effect until changed by the employee (or revoked by the University).

**A Note on Tax-Deferred Contributions and State Practices:** Your contributions to the NYU Supplemental Tax Deferred Annuity Plan (a 403b plan) are taken from your pay check before Federal and State taxes are calculated.

State laws, however, can differ from state to state. New York State and New York City do not currently tax your individual contributions. However, New Jersey, Massachusetts , and Pennsylvania consider your contributions to a 403(b) plan as taxable income. Therefore, if you if you reside in one of these states, you may have to include your 403(b) contributions in your State or Local taxable income. Consult with a tax advisor, if necessary.

**SECTION 2: STATEMENT OF CONTRIBUTIONS FOR THIS CALENDAR YEAR** – Complete this section if you are joining the plan and have contributed to another tax-deferred plan during the same calendar year you began participation in the NYU plan.

If you contributed any of your salary on a tax-deferred basis to a 403(b) or 401(k) plan other than a plan of NYU during the same calendar year in which you will be participating in the NYU plan, please provide the information requested below:

\$

Total Year-to-Date Elective Deferrals by Employee Under Another Employer’s 403(b) or 401(k) Plan

Date Contributions Began

Date Contributions Ended

*Note: If you participate in any qualified retirement plan other than an NYU plan, you should be aware of two limits that may require aggregation with the other plan or plans.*

- *First*, the annual dollar limits on elective deferrals discussed above apply to all 403(b) and 401(k) pre-tax contributions made by you during any calendar year. If, within a calendar year, you are employed by another employer and make pre-tax contributions to another employer’s 403(b) or 401(k) plan, you need to take the contributions you make to the other employer’s plan into account before making an election under the NYU plan.
- *Second*, if you own more than 50% of a trade or business (such as a consulting practice) that sponsors a retirement plan (including a Keogh plan), your total contributions under that plan and the NYU plan may not exceed the “415 limit” (\$46,000 for 2008).

***It is your responsibility to inform NYU of any such contributions.***

**SECTION 3: INVESTMENT SELECTION** – Complete this section if you are joining the NYU Supplemental Tax-Deferred Annuity Plan for the first time or if you are a current participant and you wish to change your investment allocations between TIAA-CREF and Vanguard.

You can change your voluntary contribution percentage at any time during the year.

**NYU SUPPLEMENTAL TAX-DEFERRED ANNUITY (STDA) PLAN**

*Complete this section if you are participating in the STDA for the first time or if you want to change your existing investment allocations.*

I hereby authorize the University to allocate my voluntary contributions to the STDA Plan as follows (check one):

- 0% Vanguard  100%TIAA-CREF
- 25%Vanguard  75%TIAA-CREF
- 33% Vanguard  67%TIAA-CREF
- 50% Vanguard  50%TIAA-CREF
- 67% Vanguard  33%TIAA-CREF
- 75% Vanguard  25%TIAA-CREF
- 100% Vanguard  0%TIAA-CREF

I have attached my completed application forms for TIAA-CREF and/or Vanguard that indicate my choice of investment funds.

**SECTION 4: AUTHORIZATION** – Complete this section to authorize the elections made in sections 1, 2, and 3.

Employee Signature

Social Security Number

Date

Name (print)

**Verified by:**

Benefits specialist

Date

Date received by NYU Benefits Office

