

**SALARY REDUCTION AGREEMENT FOR
GARDEN CITY SCHOOL DISTRICT
DEFERRED COMPENSATION 457 PLAN**

1. EMPLOYEE AND EMPLOYER INFORMATION

Name of Employee _____

Address _____

Social Security Number _____ - _____ - _____

Name and Address of Employer: Garden City School District
Executive Director, Business Services
1333 Radcliff
Garden City, MI 48135

2. CONTRIBUTIONS

(i) Employee identified above hereby agrees to reduce his compensation from the Employer by \$_____, or by _____%, for each regular pay period beginning _____, 20____, for purposes of having such reduced compensation amounts contributed by the Employer as salary reduction contributions to the contract or custodial account issued to, or established for, the Employee by the annuity company or custodian named in (ii) below.

(ii) All such salary reduction contributions and all employer contributions shall be forwarded by the Employer to:

Annuity Co. or Custodian _____
Representative's name _____
Address _____
Account Number _____

(iii) This Agreement shall be automatically renewed as of the first day of each calendar quarter hereafter, unless prior to the first day of any calendar quarter the Employee and Employer agree in writing to amend or replace this Agreement effective as of the first day of such calendar quarter. The Employee and Employer shall not enter into more than one salary reduction agreement in any one calendar quarter.

(iv) The foregoing agreement in regard to salary reduction contributions is legally binding and irrevocable with respect to compensation which becomes available to the Employee while it is in effect. However, it may be terminated at any time by either the Employee or the Employer with respect to compensation which has not yet become available to the Employee.

3. COMPLIANCE WITH TAX LIMITATIONS

The Employee shall be responsible for determining that any salary reduction contributions pursuant to this Agreement do not exceed permitted limitations of the Internal Revenue Code (the "Code"). The Employer is not responsible for the Employee's compliance with the foregoing limitations and has given no advice, nor made any representations, with respect to these limitations or any other federal, state or local tax consequences resulting from this Agreement.

4. INVESTMENT OF CONTRIBUTIONS

By signing this Agreement the Employee acknowledges that:

(i) Employee has made all investigations and inquiries that he deems necessary relating to the investment risks and tax treatment of investments selected by Employee under the Plan.

- (ii) Employee assumes responsibility for periodic review of investment performance and changes in investment risk or tax treatment, and will seek professional advice if necessary.
- (iii) Employee understands that the Employer and its agents and employees have not made any investigation concerning Employee's investments under the Plan and have not given Employee any recommendations or advice; Employee also understands that they will not do so in the future.
- (iv) Employee understands that complex tax laws apply to Plan investments and he assumes full responsibility to comply with those laws and will hold the Employer harmless against any claims, damages, or expenses associated with Employee's failure to comply.
- (v) Employee understands that selection of a beneficiary and/or a pay-out option for Plan investments could have important financial and tax consequences for his family and estate, and that those consequences could change as family and financial circumstances change. Employee assumes full responsibility for obtaining appropriate and ongoing professional advice on these matters.

5. **ACCEPTANCE**

_____ Date _____
 Employee signature

GARDEN CITY SCHOOL DISTRICT

By _____ Date _____
 Its _____
 Title

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