SALARY REDUCTION AGREEMENT

DATE: _____________

Campbell University, an organization except from tax under internal Revenue Code section 501 (c) (3) (hereinafter referred to as the "Employer") and ______________________ **a common law employee** (hereinafter referred to as the "Employee") desire to enter into a legally binding salary reduction agreement with respect to amounts earned after the above effective date as permitted by Code section 403 (b) and the regulations thereunder so that the Employee may exclude from his/her gross income his/her Employer's contributions pursuant to this agreement toward the plan name below to extent of the employee's "exclusion allowance" for the year.

The Employee and Employer understand that the funds originate and the tax preference applies to amounts derived through a reduction of the Employee's salary or through the Employee foregoing a salary increase, and the Employer acts as a conduit for funds. Under Income Tax Regulations section 1.403 (b) (3) the Employee is not permitted to make more than one agreement with the same employer during any taxable year of such Employee; and this agreement is irrevocable with respect to amounts earned while the agreement is in effect. However, the Employee may be permitted to terminate the entire agreement with respect to amounts not yet earned.

If the contributions under this agreement are based on prescribed percentage of salary rather than a fixed dollar amount, the mere change in the amount of the Employer's contribution, because of an increase in salary during the year, will not constitute a new agreement.

Therefore, effective as of the date above, the Employer and the Employee hereby agree that the annual compensation of the Employee shall be reduced by the following:

Percentage or amount ______________ on a pre-tax basis

Percentage or amount ______________ on a Roth after-tax basis

The Employer will make these contributions to the Teachers Insurance and Annuity Association and College Retirement Equities Fund to purchase for the benefit of the Employee a tax sheltered annuity contract which is fully vested, non-forfeitable, and non-transferable under the following plan __________________.

The amount of the Employer's contributions pursuant to this salary agreement shall be based upon the Employee's annual compensation and may not exceed annual IRS limits.

This agreement will remain in full force and effect during the continued employment of the Employee until it is terminated either by execution of a new salary reduction agreement or by any other written agreement signed by the parties to terminate the agreement.

____________________________________	Campbell University
Name of Employee	Name of Employer
____________________________________	____________________________________
Signature of Employee	Title of Employee