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**TAX-SHELTERED ANNUITY PLAN**  
**ENROLLMENT AND SALARY REDUCTION AGREEMENT (“AGREEMENT”)**

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The undersigned Employee and the Joint District No. 28-J of the Counties of Adams and Arapahoe dba Aurora Public Schools (“Aurora Public Schools” or “District”), as sponsor of the Aurora Public Schools Tax-Sheltered Annuity Plan (“Plan”), hereby agree that:

1. Effective with respect to compensation made available on or after \_\_\_\_\_ (date), that has not been otherwise currently available before this date, the Employee directs and agrees that the compensation to be paid by the District to the Employee shall be reduced by \$ \_\_\_\_\_ or \_\_\_\_\_% of compensation each pay period, not to exceed \$16,500 in calendar year 2009 (\$22,000 if the Employee will be fifty (50) or older in calendar year 2009). Further, this salary reduction may include catch-up contributions if the Employee has completed fifteen (15) or more years of service with the District. If the Employee has completed fifteen (15) or more years of service with the District, the Employee should consult his or her vendor and attach a certification from the vendor as to the additional amount he or she may contribute under this catch-up rule.
2. The Employee may also participate in the Plan by making a rollover contribution to the Plan, excluding after-tax contributions. An Employee who transferred (in accordance with Revenue Ruling 90-24) his or her own account from September 25, 2007 through December 31, 2008, to a contract issued by a vendor who is not a current District-approved Vendor may re-exchange such contract for a contract issued by a current District-approved Vendor through June 30, 2009. If the Employee wishes to do so, but does not wish to make salary reduction contributions, the Employee should insert zero (0) in the blanks in paragraph 1, complete the last page of this Agreement, and any applicable forms from the Vendor.
3. The District shall pay the amount of the salary reduction to the current District-approved vendor(s) (“Current Approved Vendor(s) or Vendor(s)”) designated by the Employee for the purchase of a non-transferable annuity contract and/or custodial account that the Current Approved Vendor represents meets the requirements of Section 403(b) of the Internal Revenue Code of 1986, as amended (the “Code”) to provide retirement benefits for the Employee.
4. The salary reduction specified in paragraph 1 may be changed during the term of this Agreement only by submitting a written request to the Benefits Office by no later than the current month’s payroll cut-off date to be effective in the current pay period. However, no amounts can be deferred that can be paid or have been made available.
5. This Agreement shall apply to compensation paid to an Employee (or former Employee) including: (a) compensation earned while an Employee; (b) compensation paid to a former Employee which is received up to two and one-half (2 ½) months after the Employee’s severance from employment or the end of the Plan Year that includes the date of the Employee’s severance from employment, if it is a payment that would have been paid to the Employee while the Employee continued in employment with the District; (c) any unused accrued bona fide sick, vacation or other leave, which is paid to the Employee or former Employee if paid no later than two and one-half (2 ½) months after the Employee’s severance from employment or the end of

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the Plan Year that includes the date of the Employee’s severance from employment, if it is a payment that would have been paid to the Employee while the Employee continued in employment with the District, and (d) payment by the District to an Employee not currently working for the District because of qualified military service, but limited to the amount such Employee would have received if he/she were working for the District. This Agreement shall continue in effect indefinitely or until the date of termination stated in a written notice given by one party to the other, provided that at least thirty (30) days written notice is given to the Benefits Office.

6. The Aurora Public Schools’ administrative regulations (DLB-R) for Tax-Sheltered Annuities, as may be amended or modified (“regulations”) are hereby incorporated by this reference and made a part of this Agreement.
7. Employee participation in the Plan is voluntary. The Employee agrees, however, that participation in the Plan is subject to the terms and conditions of this Agreement and the regulations. The Employee agrees that his or her failure to comply with the terms of this Agreement or of the regulations will result in termination of the Employee’s participation in the Plan. The Employee also agrees that failure by his or her Vendor(s) to cooperate with the District can result in termination of the Vendor’s participation in the Plan.
8. The Employee further agrees that, if any adjustments are made by the Internal Revenue Service to the District’s federal withholding tax reports due to the failure of either the Employee or the Employee’s Vendor to comply with the requirements of Code Section 403(b), the District has the right to recover the amount of all such adjustments from the Employee.
9. This Agreement shall supersede and terminate any prior salary reduction agreements between the Employee and the District.
10. The Employee agrees that the annual amount of his/her salary reduction contributions under this Agreement, any similar agreement for the PERA Code Section 401(k) plan, or under any other salary reduction agreement, cannot exceed the limitations that are specified in the regulations and the applicable provisions of the Code. The Employee understands that the Vendor(s) will conduct periodic testing to determine compliance with the applicable limitations and, the Employee agrees that, if the Vendor or the District determines that the Employee’s salary reduction contributions are in excess of the annual limit, the Vendor or the District will ask the Employee to submit any relevant information. After consideration of such information, the Vendor and/or the District will take such corrective action as the Employer determines is necessary to bring the Employee’s salary reduction contributions into compliance with the applicable limits, including, but not limited to, reduction or suspension of future salary reduction contributions or refund of excess salary reduction contributions, adjusted for earnings and/or losses in accordance with the Plan. Any decision made by the District will be final and binding on the Employee. The Employee will

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- fully cooperate with and will instruct his/her Vendor(s) to promptly comply with any directions from the District.
11. The Employee agrees and understands that contributions are suspended for at least six (6) months after the receipt of a hardship distribution or a qualified reservist distribution under this Plan and all other plans maintained by the District.
  12. The Employee agrees and understands that, by sponsoring the Plan, the District:
    - a. has undertaken no investigation and makes no representations or warranties of any kind with respect to the financial condition or stability of any Vendor; and
    - b. has undertaken no investigation and makes no representations or warranties of any kind with respect to the suitability or future performance of any investment option that is or may be offered to the Employee by any Vendor; and
    - c. is not responsible in any way for the results, financial consequences or tax consequences of either the Employee’s decision to participate in the Plan, the Employee’s selection of any particular Vendor, or the Employee’s decision to select any investment option offered by a Vendor.
  13. The District has full authority and complete discretion to construe, interpret and apply any provision of the regulations, to determine the eligibility of any employee or Vendor to participate in the Plan, to determine the allowable amount of salary reduction contributions, and to determine any issue of compliance with the requirements of Code Section 403(b). The District’s determination of any issue that may arise under the regulations or the Plan shall be final and binding on the Employee and/or the Vendor.
  14. Nothing in this Agreement shall be deemed to create or constitute an employment agreement or contract or any form of a property right, and nothing contained herein shall be construed or deemed to give the Employee any right to be retained in the employ of the District.
  15. The District reserves the right to amend or terminate the Plan or this Agreement at any time for any reason it determines to be appropriate.
  16. By execution of this Agreement, Employee waives and releases any and all rights, present or future, to receive payment in any other form of the amount of the salary reduction specified in paragraph 1 except: (a) the right of the Employee’s estate upon the Employee’s death while in the employ of the District, or (b) the right personally upon the termination of the Employee’s employment, by reason other than death, to receive all or any part of the amount specified for which the Employee has already rendered services but which the District is not otherwise obligated to pay.

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17. This Agreement may be amended only by means of a writing that is signed by both of the parties hereto.

The parties have executed this Agreement on the dates given below.

APPROVED BY

DISTRICT:

AURORA PUBLIC SCHOOLS

By: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

EMPLOYEE:

Print Name: \_\_\_\_\_

Signature: \_\_\_\_\_

Social Security # \_\_\_\_\_

Address: \_\_\_\_\_

Designated Agent: \_\_\_\_\_

Vendor: \_\_\_\_\_

Address: \_\_\_\_\_

Phone: \_\_\_\_\_