

AMENDMENT TO EMPLOYMENT CONTRACT

It is agreed by _____ School District, hereinafter referred to as "District", and _____, hereinafter referred to as "Employee," that the employment contract between them for the 20__ - 20__ school year be amended in the following manner:

1. The salary to be paid to the Employee by the District shall be reduced by the sum of \$_____ per month, (_____ payments) beginning with the salary warrant payable on _____, 20__.
2. The amount of such salary reduction shall be transmitted by the District for the purpose of non-forfeitable (except for failure to pay future premiums) _____ annuity issued by said insurance company or _____ shares in a regulated investment company, to be held in a Custodial Account. "Custodial Account" shall be that account established for the Employee in accordance with the provision of Section 403(b)(7) and related sections of the Internal Revenue code.

_____ New Reduction	_____ Additional Company	_____ Decrease Existing Amount
_____ Increase Existing Amount	_____ Change of Company	

NAME OF INSURANCE COMPANY/REGULATED INVESTMENT COMPANY(IES) MONTHLY AMOUNT OF %

A. _____ \$ _____
 Name of Company (Must be complete name) Registration Number

Name of Agent Address Telephone

Account No.

B. _____ \$ _____
 Name of Company (Must be complete name) Vendor Code Number

Name of Agent Address Telephone

Account No.

3. By signing this document, the Employee directs the District to withhold at the above level and acknowledges that he/she has been advised by qualified tax counsel and agrees to indemnify and hold the District harmless from any and all taxes, penalties, and costs which may occur due to any over-withholding of tax sheltered annuity funds generated by this amendment to the employment contract.
4. The above monies will be transmitted to the specified insurance company(ies) and/or regulated investment company (ies) by the 5th working day following receipt of the payroll deduction by the disbursing agent.
5. The Employee hereby both authorizes the disbursing agent to recover any amount erroneously transmitted by it, from the company(ies) receiving the erroneous amount, and directs the company(ies) so affected to immediately transmit those amounts to the disbursing agent.
6. The employee releases any and all rights, present and future, to receive payment of the sums from the District resulting from such salary reduction in any form except: (1) the right of the Employee to designate the beneficiary of sums to be paid from the Employee's custodial account, together with sums withheld by the District but not yet transmitted to the designated regulated investment company, upon the Employee's death; (2) the right of the Employee, upon termination of employment by reason other than death, personally to receive all or any part of the amount specified for which service has been rendered but which has not been deducted to be transmitted (a) to the life insurance company or (b) for the purchase of shares of a regulated investment company, together with such amount as shall be in the employee's Custodial Account; or (3) the right of the Employee as to receipt of sums so paid upon her/his death.
7. The Employee acknowledges that the District has made no representation to the Employee regarding the advisability, appropriateness or tax consequences of the purchase of the annuity or shares described herein. The Employee agrees the District shall have no liability whatsoever for any and all losses suffered by the Employee with regard to her/his selection of the investment; the terms of investment; the selection of the insurance company or regulated investment company, the solvency of, operation of or benefits provided by said insurance company or regulated investment company, or her/his selection and purchase of shares of regulated investment companies.
8. This amendment shall automatically apply to the employment contract entered into between the District and the Employee for each succeeding school year unless amended or terminated by written notice to the District prior to the expiration of the then current school year.

Date: _____ 20__

Employee Signature,

Employee Social Security Number

Authorized Signature (School District)

Distribution: White-District Yellow-Employee Pink-Disbursing Agent Goldenrod-Insurance Agent