

Statement of Understanding and Hold Harmless Agreement Regarding Tax Sheltered  
Annuity  
Program

The undersigned, hereinafter referred to as 'Employee.' for and in consideration of making a 403(B) annuity program (Program) available through the Board of Education (Board) and other good and valuable consideration, the adequacy and sufficiency of which are hereby acknowledged, agrees as follows:

1. The Employee expressly understands and agrees that the Board and District assumes no liability, and makes no warranties and representations to the Employee, with respect to any income tax consequences resulting from the Program or from the Employee's participation in the Program.
2. The Employee expressly agrees to bear all risk of loss and to remain primarily liable for any income tax or other financial consequences resulting from participation in the Program.
3. The Employee agrees to indemnify and hold the Board and District harmless against any and claims and demands whatsoever that may result from the Employee's participation in the Program, including, but not limited to, claims for income tax and actions resulting from the purchase of annuities for Employees in amounts in excess:
  - a) the "exclusion allowance" as defined in Section 403(B) of the Internal Revenue Code (IRC)
  - b) the maximum allowable pursuant to IRC Section 415 (the maximum allowable for the aggregate of all deferred plans in which the Employee participates)
  - c) the maximum allowable pursuant to the "Special Catch-up Election (limited to \$3,000 per annum)
4. The Employee agrees to inform the District if any withholding from compensation is for repayment of a loan against his/her 403(B) account.
5. The Employee acknowledges that he/she has chosen the TSA Vendor without recommendation of the District or Business Office staff. No guarantee of any kind has been made to the Employee by the District or its agents regarding the vendor, its financial condition or its interest or dividend paying capabilities.
6. The Employee understands and agrees that if he/she has any questions with respect to contribution levels, withdrawals and other tax, legal and financial related considerations in connection with the annuity, he/she will consult his/her own tax, legal and financial advisors and the Vendor issuing the annuity.

Acknowledgment:

Employee \_\_\_\_\_ Date \_\_\_\_\_