



**IRREVOCABLE SALARY REDUCTION AGREEMENT  
FOR PURCHASE OF SERVICE CREDIT**

NORTH DAKOTA PUBLIC EMPLOYEES RETIREMENT SYSTEM  
SFN 54004 (Rev. 03-2016)

**NDPERS • PO Box 1657 • Bismarck • North Dakota 58502-1657  
(701) 328- 3900 • 1-800-803-7377 • Fax 701-328-3920**

Name (Last, First, Middle)		NDPERS Member ID
Last Four Digits of Social Security Number		Date of Birth
<p>I, _____ (the "Employee"), an employee of the State of North Dakota or a participating political subdivision (the "Employer") and a member of the North Dakota Public Employees Retirement System (the "Retirement System"), hereby authorize the Employer to deduct the following amounts from my compensation and to directly contribute such amounts to the Retirement System as employer pick-up contributions pursuant to Section 414(h)(2) of the Internal Revenue Code for the purchase of certain service credit as described below.</p>		
Deduction Begin Date	Deduction End Date	Monthly Deduction Amount
Description of service credit being purchased		
<p>The undersigned agrees, acknowledges and understands the following:</p> <ol style="list-style-type: none"> <li>1. This Salary Reduction Agreement is irrevocable and binding upon the Employee and the Employer. The deducted amount cannot be increased, decreased or suspended, except as provided in paragraph 5 below.</li> <li>2. Except as provided in paragraph 5, the Retirement System will not accept direct payments from the Employee for the purchase of service credit which is the subject of this Agreement.</li> <li>3. The Employee shall not be entitled to nor shall the Employee be given an option to receive the contributions in cash or any other form of remuneration in lieu of having such contributions paid directly to the Retirement System by the Employer.</li> <li>4. The contributions designated herein relate to compensation paid in payroll periods after the date of commencement of this Agreement.</li> <li>5. This Agreement may terminate before full payment for the Employee's purchase of service credit has been completed only due to the Employee's death, disability, retirement or termination of employment. If this Agreement terminates before full payment is made due to the Employee's disability, retirement or termination of employment, all unpaid installments for the service credit that is being purchased by the Employee shall be accelerated and any remaining amounts due shall be paid by the Employee (as after-tax monies) by the 15<sup>th</sup> of the month following the month of termination. If such remaining amounts due are not paid by this date or if the Agreement terminated due to the Employee's death, the service credit being purchased will be granted on a pro-rata basis up to the amount of installment payments already made.</li> <li>6. I give my consent to NDPERS to provide my employer with a copy of this agreement for the purpose of administrating the purchase payment.</li> <li>7. I understand and agree to make a lump sum payment for the retiree health credit portion of the purchase prior to commencement date of this irrevocable salary reduction agreement.</li> </ol>		
<p><b>I understand and agree to the above provisions and elect to enter into this Irrevocable Salary Reduction Agreement.</b></p>		
<p>_____</p> <p>(Signature of Employee)</p>		<p>_____</p> <p>Date</p>