

INSTRUCTION SHEET

For Tax Sheltered Account reductions started after June 1, 2002
In accordance with SB 273

BDA/Administrators acts as the Third Party Administrator for the voluntary retirement programs your employer offers. If you are enrolling in an annuity, mutual fund or variable annuity we will need the enclosed Salary reduction Agreement, 403(b), 403(b)(7), or 457 Required Information Statement and the Uniform Disclosure Notice (TRS Form) completed. Please include a copy of the application you completed for the company. *Important: The company that you have selected must appear on the TRS list of certified vendors.* You may find a list of certified companies at www.trs.state.tx.us or by calling TRS at 800-223-8778.

SALARY REDUCTION AGREEMENT (SRA):

Print your school districts name on the first blank line and your name on the second. Please read the entire form; ***complete all items or indicate with N/A if an item does not apply.*** Also complete the information at the bottom and provide participant and the representative (broker/agent) signatures.

UNIFORM DISCLOSURE NOTICE:

This form is required by TRS and Texas SB 273 as of June 1, 2002. If you are unable to answer any questions, please contact your provider for answers.

Mail your paperwork to BDA/Administrators; this includes (1) A copy of the application (2) The appropriate SRA (403(b) and/or 457 SRA) and (3) The completed Uniform Disclosure Form. ***All forms must be completed properly and mailed to BDA.*** Incomplete, or unfilled forms may cause a delay in getting your plan issued.

**BDA/Administrators
P.O. Box 49008
Colorado Springs, CO 80949-9008**

E-mail: bdadmin@msn.com

For questions, please call:
1/800-383-7322
or
1-719-528-1301

403(b) PLAN SALARY REDUCTION AGREEMENT

(Where applicable, this agreement constitutes a supplement to an existing employment contract)

This Salary Reduction Agreement is executed by _____ hereafter referred to as the "Employer" and _____ hereafter referred to as the "Employee."

WHEREAS the employer has agreed to allow the employee to participate in an annuity or custodial account purchase program pursuant to Section 403(b) of the Internal Revenue Code and to effect the employee's participation as directed by the employee in this irrevocable and binding agreement; and

WHEREAS the employee wishes to obtain the benefits of Section 403(b) of the Internal Revenue Code, as amended by participating in either an annuity or custodial account purchase program of the Employer wishes to have the Employee receive those benefits.

NOW THEREFORE, in consideration of the mutual promises and conditions appearing below, it is agreed:

Beginning _____, 20__ the Employer will apply the amount of the salary reduction described in paragraph below to the purchase of a nonforfeitable contract for the employee from: (BE SURE TO LIST ALL COMPANIES NEW AND EXISTING; PLEASE DO NOT LIST FUNDS WITHIN A CARRIER)

		NEW	INCREASE	DECREASE	RESUME	EXISTING	STOP
_____ Company Name	_____ Amount Per Pay Period	---	---	---	---	---	---
_____ Company Name	_____ Amount Per Pay Period	---	---	---	---	---	---
_____ Company Name	_____ Amount Per Pay Period	---	---	---	---	---	---
_____ BDA Fee (If Applicable)	_____ Amount Per Pay Period	(PLEASE CHECK THE APPROPRIATE LINE ABOVE)					

TOTAL \$ REDUCTION PER PAY PERIOD (ALL CO'S) _____ TOTAL ANNUAL \$ REDUCTION-FOR CURRENT CAL. YEAR _____

HOW MANY PAYROLL DEDUCTIONS DO YOU HAVE EACH YEAR? 9 10 11 12 20 24 26 OTHER _____
(PLEASE CIRCLE ONE)

IF YOU ARE PARTICIPATING IN THE 50+ CATCH-UP, PLEASE PROVIDE YOUR DATE OF BIRTH: _____

That it understood and agreed between the employer and the employee that such contract is to be purchased at the request of the Employer and that the employee accepts the provisions of the program, and that the employer neither guarantees such contract nor warrants adopted payroll procedures respecting it.

That this agreement is legally binding and irrevocable with respect to amounts earned while it is in effect, and shall terminate upon giving 30 days written notice to the other party.

That no provisions of this agreement shall affect the Employer's right to discharge the Employee, with or without cause, and each party to the agreement expressly reverses the right to terminate said agreement upon giving 30 days written notice to the other party.

If you are participating or would like to participate in the "15 year Catch-up" provision, please complete this section:

Date of Birth _____ Gross Annual Income _____ Date of Hire _____

Total past contributions with present employer through the end of the last calendar year (Include both employee and employer contributions to the plan)

403(b) _____ (employee)	457 _____ (employee)
403(b) _____ (employer)	457 _____ (employer)

If you are currently contributing or have ever contributed under the "15 year Catch-up", please provide the total amount of excess funds contributed under this option: _____

Participant' Signature _____ Date _____

Representative's Name (print) _____ Date _____

Social Security Number _____ Home Telephone _____

Representative's Signature _____

Address _____

City _____ State _____ Zip _____

UNIFORM DISCLOSURE NOTICE TO POTENTIAL PURCHASER OF 403(b)
 ANNUITY CONTRACT THROUGH SALARY REDUCTION AGREEMENT
 WITH EDUCATIONAL INSTITUTION

Section I (for All Annuity Contracts)

Name of Agent Offering the Annuity Contract for Sale:	
Address of Offering Agent:	
Telephone Number of Offering Agent:	
State License Number of Offering Agent:	
State Agency Issuing the Offering Agent's License:	
SEC License or Registration Number of Offering Agent (if applicable):	
Name of Insurance Agency:	
Address of Insurance Agency:	
Telephone Number of Insurance Agency:	
State License Number of Insurance Agency:	
State Agency Issuing the Insurance Agency's License:	
Name of Insurer:	

Address of Insurer:	
Telephone Number of Insurer:	
Name of Insurer's Account Representative Authorized to Respond to Inquiries or Complaints:	
Address of Insurer's Account Representative:	
Telephone Number of Insurer's Account Representative:	
FAX Number of Insurer's Account Representative:	

Section II (for Fixed Annuity Contracts, and Variable Annuity Contracts as Applicable)

Product Name:	
Current Interest Rate or the Formula Used to Calculate the Current Rate of Interest:	
Guaranteed Rate of Interest and Percentage of the Premium to Which the Interest Rate Applies:	
How Interest is Compounded:	
Amount of any Fees, Costs or Penalties	
Up-Front Charges, such as Front-End Sales Load:	
Surrender Charges:	
Withdrawal Charges:	

Deferred Sales Charges, such as Back-End Sales Load:			
Market Value Adjustment Charges:			
Loan Initiation Fee:			
Amount of Any Other Fees, Costs or Penalties:			
Any Other Contract Restrictions that Exceed 10 Years:			
How long the annuity is required to be in force before the purchaser is entitled to the full bonus accumulation value:			
The manner in which the amount of the guaranteed benefit under the annuity is computed:			
Are loans guaranteed to be available under the annuity:	Yes	No	
What restrictions, if any, apply to the availability of money attributable to the value of the annuity once the purchaser is retired or separated from the employment of the employer.			
Does the annuity guarantee the participant the right to surrender a percentage of the surrender value each year, and the percentage, if any:	Yes	No	Guaranteed Percentage: __*
Does the annuity guarantee the interest rate associated with any settlement option:	Yes	No	

Section III (Relating to Variable and Equity-Based Index Annuity Contracts)

Article 6228a-5, Vernon's Texas Civil Statutes, Section 11 provides the following:

- (a) A person who offers to sell an annuity contract that is or will likely be the subject of a salary reduction agreement shall provide notice to a potential purchaser as provided by this section: ...
- (d) A variable annuity must be accompanied by:
 - (1) a notice that includes any item listed in Subsection (c) of this section [Section II of this form] that is applicable to variable annuities;
 - (2) the prospectus; and
 - (3) any other purchasing information required by law.
- (e) An equity-based index contract must state in plain language how the annuity contract will be credited with growth.

Section IV (for All Annuity Contracts)

The company offering this annuity must comply with the provisions of Section 5, Article 6228a-5, Vernon's Texas Civil Statutes (V.T.C.S.) and 34 TAC, Chapter 53.

The TRS Web site may be accessed at www.trs.state.tx.us to determine which companies are in compliance with Section 5. Companies on the *TRS List of 403(b) Certified Companies* have certified they are in compliance with Section 5, Article 6228a-5, V.T.C.S.

A school employee may use a salary reduction agreement to purchase any eligible qualified investment from any company shown on the *TRS List of 403(b) Certified Companies*.

Civil remedies are available to a school employee under the Deceptive Trade Practices Act (Section 17.49, Business & Commerce Code, V.T.C.S.) against a person for selling, offering to sell, or illegally promoting an annuity contract to the employee with the intent that it will be subject to a salary reduction agreement if the annuity is not an eligible qualified investment offered by a company on the *TRS List of 403(b) Certified Companies*.

To inquire or file a complaint about the insurance agent or company, contact the Consumer Protection Division of the Texas Department of Insurance at: Toll Free Number: 1-800-252-3439; In Austin, call: (512) 463-6515; Fax: 512-475-1771; Web site: www.tdi.state.tx.us

The Consumer Protection Division of the Texas Attorney General's Office can be reached at: 1-800-337-3928 or 1-800-621-0508.

This disclosure notice has been explained to me by the agent named in Section I, and I understand that if the investment product related to this notice does not meet the requirements of Texas law and TRS rules, that I have specific legal remedies. I also understand that I will be given a completed copy of this notice.

Signed: _____ Date: _____
Signature of Potential Purchaser

Signed: _____ Date: _____
Signature of Agent Shown in Section I

REQUEST FOR ADJUSTMENT TO "403(b)" PLAN

EFFECTIVE DATE: _____

PARTICIPANT: _____

COMPANY: _____

PLAN: 403(b) _____

EMPLOYERS: COMAL INDEPENDENT SCHOOL DISTRICT _____

PLAN ADMINISTRATOR: BDA/ADMINISTRATORS _____

I AM REQUESTING THE FOLLOWING CHANGE TO THE ORIGINAL SALARY REDUCTION FORM. (PLEASE MARK ONE)

_____ : INCREASE MONTHLY FROM \$ _____ TO \$ _____

_____ : DECREASE MONTHLY FROM \$ _____ TO \$ _____

_____ : CANCEL MONTHLY REDUCTION-TEMPORARILY UNTIL _____

_____ : CANCEL MONTHLY REDUCTION-PERMANENT/EMPLOYEE REQUEST

_____ : CANCEL MONTHLY REDUCTION-EMPLOYEE DECEASED

_____ : CANCEL MONTHLY REDUCTION-EMPLOYEE LEFT OUR EMPLOYMENT

_____ : NEW MAILING ADDRESS: _____

SIGNATURE: _____ DATE: _____

Original to BDA/Administrators
P. O. Box 49008
Colorado Springs, CO 80949-9008
1/800-383-7322
1/719-528-1301