

ENROLL  
TODAY

## MERS Defined Contribution Plan



### About the Plan

The MERS Defined Contribution Plan provides you an invested retirement account that you manage, with contributions from you and your employer. Your future retirement benefit is determined by your account balance, which is affected by how much is contributed, the performance of your investments, and how many years you are invested.

This plan is a qualified retirement plan under Section 401(a) of the Internal Revenue Code (also known as a governmental money purchase plan). Unlike a private sector 401(k) plan, governmental plans **require** enrollment and there is not the flexibility to change employee contributions over time. In order to encourage retirement savings many governmental employers also offer a 457 program to employees.



### Contributions

Contributions are the amount of money that go into your account each pay period. These can be something your employer contributes toward your retirement as well as what you put in from your own pay check. The rules are generally determined by your employer.

**Employer Contributions** are typically a fixed amount, or a match of your contributions.

Your Employer  
Contributions:

**Employee Contributions** can be either required or voluntary. Required contributions are generally taken out pre-tax, which reduces your current taxable income. Voluntary contributions are after-tax and can be changed any time.

Your Employee  
Contributions:

Check with your employer for contribution rules that apply to you. IRS rules limit the total contributions made to your account, including both your employer's and your contributions.



Our convenient online calculators enable you to estimate what your financial future may look like and help you decide what makes the most sense to reach your goals. Find the *457 Savings Calculator* under Resources at [www.mersofmich.com](http://www.mersofmich.com).

### Who is MERS?

MERS is an independent, professional retirement services company that serves local units of government across the state of Michigan. MERS listens and works in partnership with our members to deliver a superior value that meets our members' needs.

## Vesting

Vesting is your eligibility to claim your employer contributions. It is based on a required amount of time you must work (or other service credit) to qualify. Check with your employer to see what that requirement is for your position. Employee contributions; however, are always yours to keep and do not require vesting eligibility to claim after employment.

There are two other types of governmental service credit you may be eligible to use to help you meet your vesting requirements: **MERS-to-MERS** and the Reciprocal Retirement Act (also known as **Act 88**). If you have been enrolled in another Michigan governmental employer's retirement plan, you may be eligible to use it to help meet this employer's vesting requirement.

Vesting Requirement:



## Name Your Beneficiaries

One of the most important things you can do for yourself and your family is to name beneficiaries and keep your information updated. You can update beneficiary and contact information any time by logging into your myMERS account through the MERS website.



**Primary Beneficiary** would receive your *Defined Contribution* portion (plus/minus investment performance). If married, your spouse must be named your *Primary Beneficiary* unless they waive this right in writing.



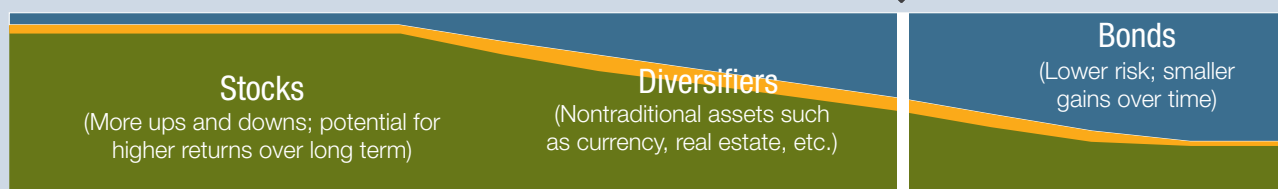
You'll also be asked to provide *Contingent Beneficiary* in case your Primary is deceased.

## Investments

While you can't control the markets, you can control where your money is invested. Initially, your money will be invested in an age-appropriate **Retirement Strategy** fund to help you put your money to work more effectively toward your retirement goals.

### How the Retirement Strategy Fund Works

First, you select the year you expect to retire.



#### Early Career

The fund starts out in mostly stocks where higher gains are expected and the risk of losses can be absorbed over time.

#### Nearing Retirement Age

The fund automatically shifts to more bonds. They earn less, but the risk of sudden losses is reduced.

#### During Retirement

Your money stays invested where stable earnings can help offset your withdrawals over time.

You can change your investment allocation online after you sign-up for your myMERS account. For more information on your investment options, please visit our website.

## Rollovers

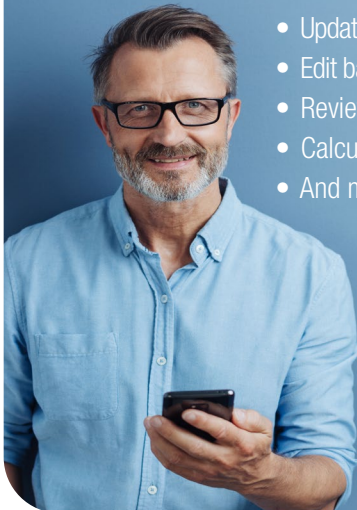
A rollover allows you to move your money from a qualified retirement plan into your MERS Defined Contribution plan, consolidating accounts for easier oversight, compounded savings, and the benefit of MERS' low fees.

The MERS Defined Contribution Plan accepts rollovers from other qualified plans such as other 401(a) plans, supplemental 457(b) plans, individual retirement accounts (IRAs), and other employer provided plans. You do not have to pay any federal income tax on the amount you roll over. Your money will continue to grow tax-deferred until you start to make withdrawals.

- Take advantage of MERS' low fees to maximize savings
- Consolidate information in one easy location
- Visit [www.mersofmich.com](http://www.mersofmich.com) for more information

### Welcome to the myMERS app


- View account balance
- Access statements and tax forms
- Update beneficiaries
- Edit banking details
- Review contributions
- Calculate estimates
- And more



Scan Me

### MERS keeps you connected:

There are a variety of ways to connect with MERS and get the information you want:

- [www.mersofmich.com](http://www.mersofmich.com)
- myMERS online account access
- Service Center **800.767.6377**
- Quarterly Statements
- Follow *MERS of Michigan* on Facebook 
- Webinar events
- A gallery of video education
- 1-on-1 Scheduler to speak directly with a MERS retirement expert

You may receive information from *Alerus Financial*, which has partnered with MERS to provide trading and custodial services for several of our plans, as well as banking services.



# Defined Contribution Retirement Plan Quick Enrollment Form

## For Employer Use Only

Name of Employer	Division number (6 digits)* 1 _____	Date of hire/participation (mm/dd/yyyy)* Rehire?
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## Personal Information

Last name*	First name*	MI	Full SSN*
Mailing address*		Gender* <input type="checkbox"/> Male <input type="checkbox"/> Female	Date of birth (mm/dd/yyyy)*
City*	State*	Zip code*	Daytime phone number (with area code)*
Email address			Marital status* <input type="checkbox"/> Single <input type="checkbox"/> Married

**!** Your email address ensures you get important information about your plan(s). Please provide a personal email so we can reach you if you change employment or retire. MERS will never share your personal data for use beyond administration of your benefits.

## Contribution information

I recognize my participation in the program is mandatory. I understand that my contributions will be placed in an age-appropriate MERS Retirement Strategies fund. Once enrolled, I can make changes online or by phone.

I authorize my employer to deduct the following contribution amount from my gross wages each pay period:

- ▶ **Mandatory contribution amount:** \_\_\_\_\_% **OR** \$ \_\_\_\_\_ .00  
This is my one-time election. Only my employer may change provisions moving forward.
- ▶ **Voluntary after-tax contribution amount:** \_\_\_\_\_% **OR** \$ \_\_\_\_\_ .00  
This amount can be changed at any time. You may not exceed the maximum contribution permitted by law.

## Signature

I have completed, understand, and agree to all pages of this *Defined Contribution Retirement Plan Quick Enrollment Form* and affirms that all information I have provided is true and correct. I understand that my rights under the plan shall be governed by the terms and conditions of the MERS Plan Document pursuant to all applicable state and federal laws, rules, and regulations.

I understand that my contributions will be placed in an age-appropriate Retirement Strategies Fund. Once enrolled, I can make changes online or by phone.

Signature*	Last four digits of SSN*	Date (mm/dd/yyyy)*
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▶ **Please submit your completed form to your Human Resources representative.**

**\*** To review other investment options, designate beneficiaries, or roll qualified funds into your Defined Contribution account, please visit [www.mersofmich.com](http://www.mersofmich.com).

\* Required field

## What's Next?

- 1 Complete the Enrollment Application**  
After completing the above information, submit it to your employer.
- 2 Receive Welcome Email**  
Once your employer enters your information, MERS will send you a welcome email with more information about your plan.
- 3 Set up your myMERS account**  
After receiving your welcome email, visit [www.mersofmich.com](http://www.mersofmich.com) to log in to your myMERS account.

Enter **beneficiary information** and verify contact details (*including email*) are accurate and up to date.