

# MERS 457 Opt-Out / Refund Form

Below is information specific to the 457 Supplemental Retirement Program provided by your employer. Read the program specifics and the following Automatic Enrollment Notice section to understand the benefits you are declining by completing this form. Please use this form even if no contributions have been submitted to MERS.

## Program specifics - To be filled out by your employer

Date of eligibility: \_\_\_\_\_ (No more than 90 days from date of signature in Section 3 of the attached form)

### Automatic enrollment program contribution and investment election information:

Automatic Employee Contribution ELECTION: \_\_\_\_\_ (% or flat \$ amount)

Matching Employer Contribution (if any): \_\_\_\_\_ (% or flat \$ Amount)

If there is an Auto-Escalation provision with your employer's 457 Program, each following year the automatic employee contribution will increase by \_\_\_\_\_ (% or flat \$) until it reaches a maximum contribution level \_\_\_\_\_ (% or flat \$).

If automatically enrolled in your employer 457 Program, your contributions will be invested in a MERS Retirement Strategy Fund that's closest to the targeted date of when you turn age 60. Once enrolled in the 457 Program, you may elect to change your investment election at any time.

## Automatic Enrollment Notice

This form is for participants **enrolled less than 90 days** in the program. If you have been enrolled more than 90 days and contributions have been made on your behalf, a [457 Voluntary In-Service Distribution form](#) is required to process a full refund. If you are interested in changing the contribution amounts to something other than your employers' automatic enrollment contribution amount, please see your employer for instructions on how to request those changes.

### 1. Does the auto-enrollment mean I can't make a change to my contribution in the future?

You may change your election (to something higher or lower) at any time by logging into your myMERS account and, from your 457 Plan, selecting the left-hand navigation to "Change my Contributions" link and following instructions. If this feature is not available notify your employer of your desire to change your contributions.

This will start with your payroll following the effective date of your 457 program eligibility. Unless you direct otherwise, the auto-enrollment and any future auto-escalation of that deferred contribution will apply.

### 2. If I do nothing, how much will be taken from my pay and contributed to the 457 Program?

Contributions will be taken out of your pay according to your employers' plan provision stated in the above section filled out by your employer, titled "Program Specifics."

### 3. In addition to the contributions taken out of my pay, what amount will my employer contribute to my 457 Program account?

Matching employer contributions will be stated in the above section titled "Program Specifics."

These matching contributions depend on the amount you contribute and will be made if you are automatically enrolled or if you choose your own contribution level.

If you elect not to participate and withdraw your contributions, you will forfeit any employer matching contributions.

#### **4. How will my 457 Program account be invested?**

Contributions will be invested in the applicable MERS Retirement Strategy Fund until you elect another investment. These funds are designed with your retirement age in mind and assumes you will retire at age 60. This fund automatically adjusts your portfolio mix as you move toward – and through – retirement. Login to your myMERS account from [www.mersofmich.com](http://www.mersofmich.com) for additional information regarding these funds. You may change your investment allocation at any time through your myMERS account or call the MERS Service Center at 800-767-MERS (6377) for assistance.

#### **5. Can I opt out of the auto-enrollment? And if so, what happens to the contributions in my account?**

You have the option to discontinue contributions, or, opt-out of the auto-enrollment feature and may be eligible to request a full refund of any submitted employee contributions if this form is received within 90 days of the first contribution.

If you are eligible for a refund, the amount refunded will be adjusted for gains and losses and any employer contributions will be lost. Your withdrawal will be also be subject to federal income tax (but not the 10% early withdrawal penalty).

#### **6. What are my options after 90 days has lapsed?**

As a voluntary plan, you can stop, increase or decrease contributions into your 457 at any time. If you are no longer interested in participating but more than 90 days has passed you can leave the assets in your account for when you are ready to begin contributions again, and complete any forms required by your employer to notify them of your request to discontinue participating or you can take a distribution by completing a [457 Voluntary In-Service Distribution form](#) and sending to Alerus. For either option, you need to notify your employer of your change in contributions and complete required documentation or forms.

## 457 Opt-Out / Refund Form

Please print clearly • Retain a copy for your records

### 1. Information about you

Last name*	First name*	Social Security Number*	Phone number (with area code)*	
Mailing address*		City*	State*	Zip code*
Email address			Phone number (with area code)	
Employer name*			Division number (6 digits)*	

### 2. Opt-out Acknowledgements (required)

- I have been enrolled less than 90 days and elect to DECLINE ENROLLMENT at this time (Check one).
- I understand that contributions have been made on my behalf and by submitting this request for a refund, **a check in the amount of my contributions, adjusted for gains/losses, will be sent within 30 business days of receipt of this form.** If this refund is more than \$200, it will be subject to 20% federal income tax (but not 10% early withdrawal penalty) and standard state of Michigan tax withholding. Any matching employer contributions into the 457 will be forfeited.
- No contributions have been withheld or deposited as of the date and signature of this form. As there is no refund due to me, no further action is necessary. I understand I *may* be losing matching employer contributions by opting out of participation.

### 3. Required signatures

My signature acknowledges that I have received, read, understand and agree to all pages of this *457 Opt-Out Form* and affirms that all information I have provided is true and correct to the best of my knowledge and belief.

Participant signature *	Social Security Number*	Date (mm/dd/yyyy) *
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I, the employer, certify that this request is in compliance with applicable program provisions and federal law, and that the participant has received from me any notices required by law. MERS is authorized to forfeit any employer match contributions associated within the 90-day permissible withdrawal.

- I approve this employee's request to opt-out of the MERS 457 program
- I deny this employee's request for the following reasons:
- Employee did not opt-out of auto-enrollment within the specified 90-day timeframe.
  - The employee took active control of his account by changing the deferral prior to this request for withdrawal being processed.

Employer signature *	Date (mm/dd/yyyy) *
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\* Required field

**You can submit this form online!** 

If you already have a myMERS account, you can also upload this form online. Look for the **File Upload** feature in the top navigation to easily and securely submit completed forms.

You may also mail completed form to MERS' recordkeeper at:

Alerus Retirement Solutions  
P.O. Box 64535  
St. Paul, MN 55164