

ENROLL  
TODAY

## MERS Defined Contribution *PLUS*



With all of the **financial priorities** you might be juggling, it can be easy to overlook the need to save for retirement.



But let's be honest — we are not going to work forever. It's important to **set aside money** for retirement as early and regularly as you can, because the quality of your non-working years could depend on how much you have been able to save.



When it comes to your retirement, focus on the things you can control!

### Understand Your Savings

You can control how much you save right now! Saving more may be the **single biggest action** you can take to improve your retirement security.

#### What is a company match?



Some people consider it to be **free money**. Each employer determines how much they will contribute towards your account, so be sure to check with your employer to see what match they might offer.

#### Is it enough?



The match limit should not be taken as advice on how much you should invest. Many experts suggest that your annual contribution — your own contribution and the employer match — should equal **10% to 20% of your salary** to be prepared for retirement.

### Invest Your Money

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 **LifePath** target date fund to help you put your money to work more effectively toward your retirement goals.

#### How LifePath Target Date Funds Work

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.

### Who is MERS?

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

## Contributions

**Employer Contributions** are either a fixed amount, fixed percentage, and/or a match of your contributions.

**Your Contributions** may be required and/or voluntary.

**Required** contributions are taken out of your paycheck before taxes and generally cannot be accessed without penalty before separation from employment and attainment of age 59½. If your employer requires contributions, this amount cannot be changed.

Your Required  
Contributions:

**Voluntary** contributions are flexible because you determine how much you want to contribute, both pre-tax and/or after-tax (Roth).

With a **pre-tax** election, you make contributions with pre-tax dollars to get a tax break up front, which helps to lower your current income tax bill.

With a **Roth** contribution, it's basically the reverse. You make your contributions with after-tax dollars, meaning there's no upfront tax deduction.

Regardless of which type you choose, you can start, stop, increase or decrease your contributions without fees or penalties.

Your Voluntary  
Contributions:

Employer Match  
Contributions:

Check with your employer for details of your vesting requirements and specific plan contributions including if your employer offers a match to your voluntary 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).



### 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.

It's important to note that you will need to designate beneficiaries independently for both the *Required Contributions* (defined contribution) and the *Voluntary Contributions* (457 program) of your account.

#### Required Contributions (Employer/Employee)



You can select *Primary* and *Contingent Beneficiaries* for the vested balance of employer contributions and all required employee contributions.

If married, your spouse is automatically the sole Primary Beneficiary and is entitled to the entire vested account balance unless they waive this right in writing.

#### Voluntary Contributions



You can select *Primary* and *Contingent Beneficiaries* for your voluntary contributions.

Your spouse is not required to be the Primary Beneficiary for the voluntary contribution portion of your account.



## Consolidate Your Accounts

You may be able to **roll over / transfer** your money from a qualified retirement plan into your MERS Defined Contribution *PLUS!*

### Why Roll Over to MERS?

**Convenience** – Make it easier to track your investments and manage your account.

**Account Growth** – Our low-cost investments keep more of your money invested for retirement.

**Investment Options** – Access to select investment funds not available to the public.

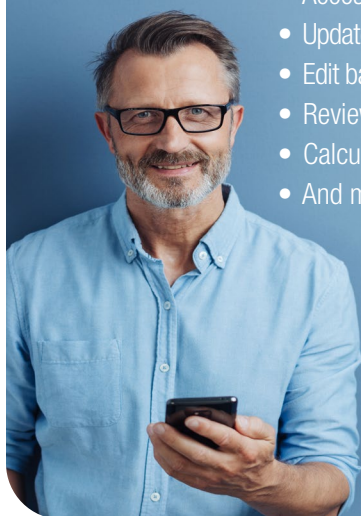
**Tax Deferred** – Keeping your money invested means it will grow tax-deferred until you withdraw it.

**Access** – Funds transferred to your MERS account remain available according to the terms of your original plan. *For example: Pre-tax funds rolled over from a previous 457(b) account can still be withdrawn, penalty-free, at any time.*

To determine if your plan can roll over to MERS, visit [www.mersofmich.com/rollover](http://www.mersofmich.com/rollover).

### 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 Retirement and Benefits*, which has partnered with MERS to provide trading and custodial services for several of our plans, as well as banking services.

This publication contains a summary description of MERS benefits, policies or procedures. MERS has made every effort to ensure that the information provided is accurate and up to date. If this publication conflicts with the relevant provisions of the Plan Document, the Plan Document controls. MERS, as a governmental plan, is exempted by state and federal law from registration with the SEC. However, it employs registered investment advisors to manage the trust fund in compliance with Michigan Public Employee Retirement System Investment Act. Past performance is not a guarantee of future returns. Please make independent investment decisions carefully and seek the assistance of independent experts when appropriate.



## Defined Contribution *PLUS* Enrollment Form

### For Employer Use Only

Name of Employer	Division number (6 digits)*	Date of hire/participation (mm/dd/yyyy)* Rehire?
------------------	-----------------------------	---

### Personal Information

Last name*	First name*	Social Security Number*	
Mailing address*	City*	State*	Zip code*
Email address	Phone number (with area code)	Date of birth (mm/dd/yyyy)*	Gender* <input type="checkbox"/> M <input type="checkbox"/> F

**!** 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

**Part 1 - Required defined contribution amount:** I recognize my participation in the defined contribution plan is required. I authorize my employer to deduct the following contribution amount from my gross wages each pay period:

▶ This is my **one-time election** and only my employer may change provisions moving forward. \_\_\_\_\_% **OR** \$ \_\_\_\_\_.00

#### Want to maximize your income in retirement?

- ☐ Yes, I want to save for my non-working years by making voluntary contributions described in part 2 below.
- ☐ No, I understand that by not making voluntary contributions at this time, means I will retire with less money.

**Part 2 - Voluntary 457 contribution amount:** All contribution changes will be effective the first pay period of the month following the date you submit this form to your employer, or as soon as administratively possible. I authorize my employer to deduct the following contribution amount from my gross wages each pay period:

▶ This amount can be **changed at any time**. You may not exceed the maximum contribution permitted by law.

Pre-tax ☐ 10% ☐ 6% ☐ 2% ☐ Other: \_\_\_\_\_% ☐ Dollar Amount: \$ \_\_\_\_\_

Roth (if adopted) ☐ 10% ☐ 6% ☐ 2% ☐ Other: \_\_\_\_\_% ☐ Dollar Amount: \$ \_\_\_\_\_

Does your employer offer a matching contribution? If so, consider contributing at least enough to receive the maximum employer match. It's free money!

### Signature

Signature*	Date (mm/dd/yyyy)*
------------	--------------------

My signature acknowledges that I have received, read, understand and agree to this Defined Contribution *PLUS* 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 LifePath fund. Once enrolled, I can make changes online or by phone.

▶ **Please submit your completed form to your employer.**



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

## 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.

\* Required field