

# Standard Participant Transfer and Rehire Rules

## (See reverse for Plan Continuation Rules)

Under the standard participant transfer rules, participants who are rehired and/or transfer to a new division are enrolled in the active plan for that division, regardless of the plan type they were previously enrolled in. A Participant Transfer Certification form is required. Employers who want an alternative to the standard transfer policy have the option to adopt the plan continuation rules instead. See the reverse side of this document to learn more about plan continuation rules.



**Note:** DB means Defined Benefit and DC means Defined Contribution

Transferring/rehiring **TO** a division with:

		DB	DC	Hybrid
Transferring/terminating FROM:	DB	<ul style="list-style-type: none"> <li>DB accrual under the first plan is entirely transferred to the <b>new DB plan</b></li> <li>Entire service will be calculated under the DB provisions of the new division upon retirement</li> <li>Vesting schedule of new DB plan applies, with combined service used to meet vesting</li> </ul>	<ul style="list-style-type: none"> <li><b>DC is the new plan</b></li> <li>Contributions begin according to the default rate of the DC plan</li> <li>DB accrual is frozen</li> <li>Service is combined to meet vesting and eligibility requirements under each plan</li> </ul>	<ul style="list-style-type: none"> <li><b>Hybrid is the new plan</b></li> <li>Contributions begin according to the default rate of the Hybrid plan</li> <li>DB accrual is frozen</li> <li>Service in Hybrid plan begins as of effective date of transfer/rehire</li> <li>Vesting schedule of new plan applies, with combined service used to meet vesting</li> </ul>
	DC	<ul style="list-style-type: none"> <li><b>DB is the new plan</b></li> <li>DC account remains invested; no new contributions are deposited</li> <li>Service in DB plan begins as of effective date of transfer/rehire</li> <li>Service is combined to meet vesting and eligibility requirements under each plan</li> </ul>	<ul style="list-style-type: none"> <li>Contributions begin according to the default rate of the <b>new DC plan</b></li> <li>Service from both DC plans will be combined into the new plan</li> <li>The vesting schedule from the new plan will apply, and all combined service is used to meet the vesting schedule</li> </ul>	<ul style="list-style-type: none"> <li><b>Hybrid is the new plan</b></li> <li>Service in Hybrid plan begins as of effective date of transfer/rehire</li> <li>The participant's DC account balance will be transferred to the DC portion of Hybrid</li> <li>Contributions begin according to the default rate of the new DC plan</li> <li>The vesting schedule from the new plan will apply; combined service is used to meet vesting requirements</li> </ul>
	Hybrid	<ul style="list-style-type: none"> <li><b>DB is the new plan</b></li> <li>Accumulated assets in Hybrid-DC remain invested, but no new contributions are made</li> <li>Accrual under the Hybrid-DB plan is frozen</li> <li>Service in DB plan begins as of effective date of transfer/rehire</li> <li>Service is combined to meet vesting requirements under each plan</li> </ul>	<ul style="list-style-type: none"> <li><b>DC is the new plan</b></li> <li>Accrual under the Hybrid-DB plan is frozen</li> <li>Accumulated assets in Hybrid-DC will be transferred to the new DC plan</li> <li>Contributions begin according to the default rate of the DC plan</li> <li>Service is combined to meet vesting requirements under each plan</li> </ul>	<ul style="list-style-type: none"> <li>The entire first Hybrid account is transferred to the <b>new Hybrid plan</b></li> <li>Entire service will be calculated under the new Hybrid plan provisions upon retirement</li> <li>Service is combined to meet vesting requirements under each plan</li> </ul>

# Plan Continuation Rules

**(See reverse for Standard Participant Transfer and Rehire Rules)**

Under the *plan continuation rules*, participants who are rehired and/or transfer to a new division will be enrolled in the same plan type as the division they are being transferred from or previously enrolled in, whether open or closed, if such a plan exists. When both open and closed plans of that type exist, the employee will be enrolled in the open plan. If the same plan type does not exist, the employee is enrolled in the open plan for that division, regardless of plan type. A Participant Transfer Certification form is required.

Employers may adopt the plan continuation rules by *Resolution Establishing a Uniform Transfer Provision*.



**Note:** DB means Defined Benefit and DC means Defined Contribution

Transferring/rehiring **TO** a division with:

		Closed DB / Open DC	Closed DB / Open Hybrid Plan	Closed DC / Open DB	Closed DC / Open Hybrid	Closed Hybrid / Open DB	Closed Hybrid / Open DC
Transferring/terminating FROM:	DB	<ul style="list-style-type: none"> <li><b>Closed DB is the new plan</b></li> <li>DB accrual under the first plan is entirely transferred to the new [closed] DB plan</li> <li>Entire service will be calculated under the DB provisions of the new division upon retirement</li> </ul>	<ul style="list-style-type: none"> <li><b>Closed DB is the new plan</b></li> <li>DB accrual under the first plan is entirely transferred to the new [closed] DB plan</li> <li>Entire service will be calculated under the DB provisions of the new division upon retirement</li> </ul>	<ul style="list-style-type: none"> <li><b>Open DB is the new plan</b></li> <li>DB accrual under the first plan is entirely transferred to the new DB plan</li> <li>Entire service will be calculated under the DB provisions of the new division upon retirement</li> </ul>	<ul style="list-style-type: none"> <li><b>Open Hybrid is the new plan</b></li> <li>Contributions begin according to the default rate of new Hybrid plan</li> <li>DB accrual is frozen</li> <li>Service in Hybrid plan begins as of effective date of transfer/rehire</li> <li>Vesting schedule of new Hybrid plan applies, with combined service used to meet vesting</li> </ul>	<ul style="list-style-type: none"> <li><b>Open DB is the new plan</b></li> <li>DB accrual under the first plan is entirely transferred to the new DB plan</li> <li>Entire service will be calculated under the DB provisions of the new division upon retirement</li> </ul>	<ul style="list-style-type: none"> <li><b>Closed Hybrid is the new plan</b></li> <li>Contributions begin according to the default rate of new Hybrid plan</li> <li>Participant's accrual is frozen under DB; service in Hybrid begins as of transfer/rehire effective date</li> <li>Vesting schedule of new Hybrid plan applies, with combined service used to meet vesting</li> </ul>
	DC	<ul style="list-style-type: none"> <li><b>Open DC is the new plan</b></li> <li>Contributions will begin according to default rate of the new DC plan</li> <li>Service and any accumulated assets will be combined into new DC plan</li> <li>Vesting schedule of new plan applies with combined service used to meet vesting</li> </ul>	<ul style="list-style-type: none"> <li><b>Open Hybrid is the new plan</b></li> <li>Contributions will begin according to default rate of Hybrid plan</li> <li>Accumulated assets will transfer to the Hybrid plan</li> <li>Service in Hybrid plan begins as of effective date of transfer/rehire</li> <li>Vesting schedule of new Hybrid plan applies, with combined service used to meet vesting</li> </ul>	<ul style="list-style-type: none"> <li><b>Closed DC is the new plan</b></li> <li>Contributions begin according to the default rate of the new DC plan</li> <li>Service and any accumulated assets will be combined into the new plan</li> <li>Vesting schedule of new DC plan applies, with combined service used to meet vesting</li> </ul>	<ul style="list-style-type: none"> <li><b>Closed DC is the new plan</b></li> <li>Contributions begin according to the default rate of the new DC plan</li> <li>Service and any accumulated assets will be combined into the new plan</li> <li>Vesting schedule of new DC plan applies, with combined service used to meet vesting</li> </ul>	<ul style="list-style-type: none"> <li><b>Closed Hybrid is the new plan</b></li> <li>Contributions will begin according to default rate of Hybrid plan</li> <li>Accumulated assets will transfer to the Hybrid plan</li> <li>Service in Hybrid plan begins as of effective date of transfer/rehire</li> <li>Vesting schedule of new Hybrid plan applies, with combined service used to meet vesting</li> </ul>	<ul style="list-style-type: none"> <li><b>Open DC is the new plan</b></li> <li>Contributions begin according to default rate of the new DC plan</li> <li>Service and any accumulated assets are combined into new DC plan</li> <li>Vesting schedule of new DC plan applies, with combined service used to meet vesting</li> </ul>
	Hybrid	<ul style="list-style-type: none"> <li><b>Closed DB is the new plan</b></li> <li>Accumulated assets in Hybrid-DC remain invested, but no new contributions are made</li> <li>Accrual under the Hybrid-DB plan is frozen</li> <li>Service in DB plan begins as of effective date of transfer/rehire</li> <li>Service is combined to meet vesting in each plan</li> </ul>	<ul style="list-style-type: none"> <li><b>Open Hybrid is the new plan</b></li> <li>Contributions will begin according to default rate of new Hybrid plan</li> <li>Service and any accumulated assets will be combined into new Hybrid plan</li> <li>Vesting schedule of new Hybrid plan applies, with combined service used to meet vesting and eligibility</li> </ul>	<ul style="list-style-type: none"> <li><b>Open DB is the new plan</b></li> <li>Accumulated assets in Hybrid-DC remain invested, but no new contributions are made</li> <li>Accrual under the Hybrid-DB plan is frozen</li> <li>Service in DB plan begins as of effective date of transfer/rehire</li> <li>Service is combined to meet vesting in each plan</li> </ul>	<ul style="list-style-type: none"> <li><b>Open Hybrid is the new plan</b></li> <li>Contributions will begin according to default rate of new Hybrid plan</li> <li>Service and accumulated assets will be combined into new Hybrid plan</li> <li>Vesting schedule of new Hybrid plan applies, with combined service used to meet vesting and eligibility</li> <li>Entire service will be calculated under the new Hybrid plan provisions upon retirement</li> </ul>	<ul style="list-style-type: none"> <li><b>Closed Hybrid is the new plan</b></li> <li>Contributions will begin according to default rate of new Hybrid plan</li> <li>Service and accumulated assets will be combined into new Hybrid plan</li> <li>Vesting schedule of new Hybrid plan applies, with combined service used to meet vesting and eligibility</li> <li>Entire service will be calculated under the new Hybrid plan provisions upon retirement</li> </ul>	<ul style="list-style-type: none"> <li><b>Closed Hybrid is the new plan</b></li> <li>Contributions begin according to default rate of new Hybrid plan</li> <li>Service and accumulated assets will be combined into new Hybrid plan</li> <li>Vesting schedule of new Hybrid plan applies, with combined service used to meet vesting and eligibility</li> <li>Entire service will be calculated under the new Hybrid plan provisions upon retirement</li> </ul>