



The following frequently asked questions (FAQ) will assist you as you make your way through the recordkeeper transition from Alerus to Empower for MERS plan(s). We are here to support you every step of the way!

Contact us if you have any additional questions by phone at **800.767.6377**.

Transition Overview

Q1. Why is MERS changing recordkeepers from Alerus to Empower?

As part of MERS fiduciary duty and commitment to supporting a secure retirement for those who serve Michigan communities, MERS continuously reviews and evaluates new and existing services and providers to deliver the best service to our customers. You and your employees will continue to have MERS at your side, but now with the added strength of Empower's industry-leading tools and services. Together, MERS and Empower are creating a stronger team, focused on delivering greater account security, more efficiency, and enhanced resources to support your employees' financial future.

Q2. Who is Empower?

Empower serves 19.5 million individuals and over 89,000 plans.¹ Its core operating principles are trust and integrity, and its sole focus is helping Americans achieve the future they imagine. They strive to meet the unique needs of each person they serve and embrace the opportunity to inspire them along their journey. Watch this [video »](#) to learn more about Empower.

¹As of December 31, 2024

Q3. Do any of these changes apply to MERS Defined Benefit Plan?

No. The changes detailed below are specific to MERS 401(a) Defined Contribution Plan, 457(b) Program, Health Care Savings Program, Retiree Health Funding Vehicle, and Investment Services Program.

If you have a MERS Defined Benefit Plan, in addition to any of these plans, you will sign on separately to each secure portal – one to manage the defined benefit plan you offer to your employees and another for your other plan(s). These two portals strengthen your account protection and align with modern security standards. Your employees' estimated monthly pension amount may appear on the Empower website if they are not in payment status.

Q4. Will there be new or additional features available with Empower?

Yes. Some of the highlights include:

- ✓ Enhanced data protection through secure file sharing
- ✓ Modernized payroll submission process, making administration easier
- ✓ Improved reporting capabilities, which enable you to review your plan provisions, benchmark and compare your plans to similar ones, and gain insights into your employees' engagement and financial wellness
- ✓ Saturday participant call center hours (MERS team at the Empower Customer Care Center)
- ✓ Participant website with one-click Spanish translation capabilities
- ✓ Designated team of Spanish-speaking customer care representatives
- ✓ Customer care representatives available to assist with life events, including divorce, hardships, survivor support, and financial wellness

Q5. Do I need to contact Empower or Alerus?

No. MERS and Empower will facilitate all communications and processes during the transition. We will provide detailed information, resources, and Empower's contact information leading up to and through the transition.

Q6. When is this transition happening?

We expect the transition of plan assets from Alerus to Empower to occur on March 2, 2026. There are a variety of cutoff dates for various plan and participant activities to support this transition. More information is provided below and in separate communications to plan participants.

Q7. When will the transition from Alerus to Empower be completed?

We anticipate the transition to be completed the **week of March 23, 2026**. Once the transition is complete, plans will be set up with Empower. In March, you will receive instructions via email on how to set up your online account with Empower. Then, you will be able to log in and begin submitting contributions. Your employees will be able to see their plan assets on Empower's portal and start making changes.

Q8. What will occur from the blackout period of February 24, 2026, to the week of March 23, 2026?

Alerus will be preparing to transition the plan's assets and participant records to Empower. Similarly, Empower will be processing the takeover of assets and the respective participant plan account records.

Q9. What dates should current employer customers be aware of?

APPLICATION DATE	ITEM
Starting in December 2025	During the month of December and January, there will be additional communications from MERS regarding plan provision changes. If you need to amend your plan adoption agreements due to these changes, MERS will notify you.
By January 16, 2026	MERS and Empower will send transition details to you and your participants.
February 6, 2026	Any submitted corrections (participant data or contribution / payroll corrections) are processed. No new submissions will be accepted after this date with Alerus. New correction submissions must be submitted to Empower after the blackout period ends the week of March 23, 2026.
February 17, 2026	Participant deadline for paper forms. Participant forms must be received at Alerus by this date, in good order, to be processed before the blackout date. This includes transactions such as participant loan applications, distributions, and rollover requests.
February 23, 2026	<p>Payroll reporting deadline. Employers should submit their payroll reporting and ensure contribution funds are received by Alerus prior to 2 p.m. on this date. As a guideline,</p> <ul style="list-style-type: none"> • ACH funding generally takes 1-3 business days to process • Wire funding is typically processed the same day, but can take up to 3 days • Check funding requires the longest lead time, usually 2-7 business days <p>If payroll files and funding are not received by Alerus prior to 2 p.m. on February 23, 2026, those payroll files and funding will need to be submitted directly to Empower once the blackout period ends.</p>
February 24, 2026	<p>Alerus blackout begins.</p> <p>Your plan participants will not be able to make investment election changes, establish loan repayment schedule, or submit requests for new loans and distributions changes to their plan accounts. Participants will have limited access to their myMERS account through Alerus and will not have access to their Empower account until the blackout period ends.</p>
March 2, 2026	Assets are transferred from Alerus to Empower.
Week of March 16, 2026	Log in information available. Employers will receive log-in information from Empower with instructions on how to establish their account.
Week of March 23, 2026	Blackout is expected to end, and plans are set up with Empower. Participants will be able to set up profiles and see their plan accounts on Empower's portal and start making changes. Employers will also be able to start submitting contributions, including any contributions that were withheld during the blackout period.
June 30, 2026	Current portal access ending. This is the last day participants and employers will be able to access their online account with their current login (including the myMERS app). Participants should download any historical statements, 1099s, or confirmations to retain for records prior to this date as they will not carry over to Empower.

Q10. Will any of my plan provisions be changing?

As new plan design changes are approved by MERS Retirement Board, they will be communicated to employers who are directly impacted. A summary of provision changes associated with this transition will be made available from [MERS Administrative & Policy changes](#).

Q11. Will there be an impact on our implementation if we are currently in the process of working with MERS to set up or transition a plan?

No. Your plan implementation with MERS (Alerus) will continue and is expected to be completed before the transition to Empower is scheduled to take place. Once Alerus completes your incoming transition, your plan will transition to Empower on March 2, 2026.

Please note that if you expect to modify an existing plan or add a covered group, there may be delays in the process. Some changes may not occur until after the blackout has lifted the week of March 23, 2026. If you have not already started this process with your MERS Benefit Plan Coordinator, please consult with them to understand next steps.

Q12. Will I need to complete new paperwork with Empower?

No. Empower will hold the applicable plan provisions based on information received from MERS. If you have paperwork in draft that has not been approved by your Board, please reach out to your MERS contact to confirm if new documentation is needed as we are revising our employer forms aligned with this transition.

Employee Information

Q13. When will the assets of my employees be transferred from Alerus to Empower?

The assets of your employees will be transferred from Alerus to Empower on March 2, 2026. There is no action required from your employees and they will be notified once the transfer is complete.

Q14. Will there be a blackout period when my employees cannot access or make changes to their plan accounts?

Yes. Please refer to the chart on pages 3.

Q15. Will my employees need to re-enroll?

No. They will not have to re-enroll, and no election changes are necessary. Once the website is available, we will provide instructions on how to log in and learn about the new, exciting features Empower has to offer.

Q16. Will there be a gap in my employees' payroll deductions?

No. Your payroll deductions will continue during the transition without interruption. Once the transition is complete the week of March 23, 2026, you will submit your payroll reporting and contributions to Empower.

Q17. How will administrative fees be affected by this transition?

Plan fees will remain competitive.

Every member in MERS' plans pays fees, even if they haven't noticed them. These fees cover management of the investments within their plans and administrative expenses, such as recordkeeping, operations, and legal services. Previously, the amount each participant paid in fees was something they had to calculate, and the administrative fees could vary from person to person depending on their account balance. Effective April 2026, the administrative fee will be \$10 per month. This fee is charged once per individual, regardless of the number of plans the participant is enrolled in (DC, 457, HCSP, or IRA) and will be shown on their statement.

There are other fees associated with specific participant transactional activities as well as investment management fees and self-directed brokerage fees that are associated with specific investment elections made by participants. There will no longer be a \$15 low account balance fee for employees who have separated employment and have a balance of less than \$1,000.

Q18. Will the investment options change because of this transition?

Yes. Plan investment options are routinely monitored, and there may be changes from time to time. Aligned with the scheduled transition to Empower, the plan and participant account balances as well as future contribution investment elections will transfer to similar funds based on how participants are currently invested. The majority of the underlying investments will remain the same; however, some will be renamed and a few will be liquidating and investing into a new fund. For more details on the investment changes review the transition guides: [Transition Guide](#), [HCSP Transition Guide](#) (for claims eligible HCSP participants only).

Q19. Will any training or education be available for my employees?

Yes. We are planning comprehensive training to guide participants through the upgrade to Empower. There will also be resources available in March after the transition is complete.

Q20. Will I see communications going to participants before they go out to them?

We want to ensure you are well prepared for this transition and in many cases, we will share a preview of communications with you. We may require your assistance in delivering communications to any new participants in MERS plans on/after January 2026. You may view the communications we send on the [Employer Transition Microsite](#).

Transition guides are available here for reference:

- [Participant Transition Guide](#) – all participants
- [HCSP Transition Guide](#) – claims-eligible HCSP participants

Q21. Will Empower accept quick-enrollment forms to create accounts?

No. To create a new account moving forward, simply add the new participant to your payroll reporting to Empower. Once submitted, the Empower system creates the participant record and the participant can complete enrollment into that plan. Employers are required to include demographic information on the file submission/upload for new hires.

This change supports a more efficient and accurate enrollment experience for the participant, reducing the risk of incomplete or inaccurate information which may lead to delays in creating an account. This improves the participants' experience by allowing system access more quickly and allowing participants access to the tools available from the Empower system.

Payroll Information

Q22. What is the last check date (payroll contributions and loan repayments) that will be remitted to Alerus?

All payroll files will be sent to Alerus and funded at Alerus up through 2pm, EST on February 23, 2026. If you are funding contributions via check, wire, or ACH, please account for any processing times to ensure funds are received by February 23.

Payroll deductions after the above date should continue to be withheld from paychecks until the new reporting functionality is available the week of March 23, 2026.

Q23. Will I need to make any changes to my payroll submission?

Yes. Your payroll submission process will change with the transition to Empower. You should have received information regarding changes to your payroll submission process previously. There are three methods of payroll submission:

1. **Guided Payroll Process (GPP)**, which is used for smaller plans that allows for manual entry of payroll and demographic information.
2. **Payroll Data Interchange (PDI)**, which is used for mid to larger plans that utilize a predefined template that is used to upload payroll and participant demographics.
3. **Payroll Bridge (PB)**, which is used for larger plans utilizing a payroll provider that has an automated connection to Empower.

Employers that utilize BS&A for payroll and have been assigned to PDI, will have a custom payroll submission process.

If you need to confirm which method you are set up for, please contact your Benefit Plan Coordinator. Please note that after the initial transition to Empower, you may work with Empower to switch your payroll method.

All payroll submission methods require ACH banking for funding.

Q24. Will any training or education be available for employers?

Yes. Comprehensive training for employers will be available. Beginning in January 2026, we will have webinars reviewing the payroll submission process, Empower website navigation, and the tools available for employers. Additionally, the Empower website has built in training with quick on-demand videos to help guide you through the various processes.

A step-by-step guide with screenshots and clear instructions for reporting using each payroll method along with training slide decks are available in the links below.

- **Guided Payroll Process (GPP)** – Manual Entry [Guide](#) & [Training](#)
- **Payroll Data Interchange (PDI)** – File Upload [Guide](#) & [Training](#)
- **Payroll Bridge (PB)** – Automated Connection [Guide](#)

You can also find more information regarding the transition on the [Employer Transition Microsite](#).

Q25. What if my municipality uses BS&A for reporting?

Empower has been working directly with BS&A to share file specifications based on the unique service you have with BS&A. In the coming weeks, BS&A will provide tools to transition existing plans and exports following the February 23, 2026, blackout date and after your last submission to Alerus. Please note, this information is for those who have also been assigned to PDI.

Q26. How long does the payroll upload process take (for PDI)?

Reporting files that are uploaded to the Empower system are processed the same business day. This allows for accounts to be created in real time. This includes the creation of a new hire account, as well as updating employment status.

Q27. Why is ACH payment method required?

MERS initiated communication with employers without an Automatic Clearing House (ACH) bank account on file late last year.

Empower's system will pull the ACH payment from your account (not a push where the employer manually initiates the transfer to make payment). This is the preferred method of payment for several reasons:

- Reduces risk - checks can be lost, sent to the wrong location, etc.; ACH allows for tracking instantly and redirection if posted to the wrong account
- ACH is the best method for timely payment of contributions reported; avoids delayed assets getting into the market (and possibly ending up as a corrective action matter)
- If forfeiture or overpayment is available to pay, the system will automatically adjust and pull from ACH the appropriate amount available after these other priority sources have been verified by the employer
- Majority of customers use this method for their products - including DB

When payroll is submitted, there is a separate step to approve ACH funding - this step can be completed by the appropriately approved individual who will have PSC access. Employers who have concerns about this method of payment are required to contact their Regional Manager or Benefit Plan Coordinator to request an exception.

Q28. Will forfeiture dollars be available to offset employer contributions with Empower's system?

For MERS Defined Contribution Plan, forfeiture assets will continue to be presented to employers for offsetting a future employer contribution, as is available today. Employers who wish to use those assets in another way (equally distributed across all active plan participants or, to offset fees), will need to submit a "Case" request to Empower directly rather than their Benefit Plan Coordinator.

Employers participating in HCSP made their selection for forfeiture at the time of adoption. Notice to Empower will be required if the election is not to offset employer contributions rather than to their Benefit Plan Coordinator.

Q29. Will I need to make any changes to what I include in my payroll submissions?

Yes, there are several changes required.

First, you should have received or will receive information regarding your newly assigned Empower Plan ID. This will need to be included on your payroll files.

Second, Employer Contributions in the DC and 457 plans will be split based on being matching contributions or non-matching contributions. Matching contributions are those that are dependent upon the participant's contribution (e.g. 100% of the first 3% of participant contributions are matched). Non-matching contributions that are based on a participant's compensation or years of service regardless of their contributing to the plan or not (e.g. 3 % of compensation will be contributed annually).

Third, we will need you to report year-to-date plan compensation (compensation from which contributions are deducted) as well as annual salary information (e.g. pay rate, hourly rate, etc.). Reporting plan compensation is essential for MERS to maintain compliance with retirement plan regulations. In addition, this information supports a new financial wellness tool being introduced in partnership with Empower—the Lifetime Income Score—which helps participants better understand and plan for their retirement income.

Q30. Will I need to make changes to the employee census I currently include in my payroll submissions?

Yes, your payroll submission should include all eligible classes of employees covered by the plan whether or not they have met plan eligibility requirements. This enables us to proactively reach out to employees who are eligible to participate. This outreach helps them better understand the benefits of the valuable employer-sponsored options you provide and encourages them to take action.

- If your MERS **DC Plan** is “all clerical employees,” but part-time clerical staff are excluded, you will begin including all clerical employees and note in their “Eligibility Code” column if they are “N” not eligible for contributions. If their position changes, you will update that column accordingly.
- For employers who participate in MERS **457 Program**, census data must include all employees who are eligible for the plan, not just those who are participating.

Q31. Why is MERS requiring full census data?

As part of MERS’ fiduciary responsibility, we are required to meet certain compliance and oversight obligations for the retirement plan. Specifically, this change allows us to:

- **Support plan compliance:** Accurate employee data helps ensure the plan is administered according to its rules, including eligibility requirements such as probationary periods.
- **Deliver required notices:** Some plan notices must be provided to all eligible employees, not just those who are already participating.
- **Proactively inform eligible employees:** Complete data allows Empower to reach out to employees who are eligible to participate so they understand their retirement savings options. Employees may opt out of future communications at any time.
- **Provide better participation insights to employers:** Employers receive more complete and accurate information about overall plan participation and engagement.
- **Help verify eligibility and reduce fraud risk:** A full employee census helps Empower validate who is eligible for the plan and adds an important safeguard against errors or fraudulent activity.

Q32. Will the census data I provide Empower allow them to promote their own products to my employees with this change?

No. MERS has an agreement with Empower that direct marketing or sales to participants will not occur. Empower may provide educational information to participants who are eligible to participate in the plan; however, participants may opt out of future communications at any time. This agreement does not prevent a participant from contacting Empower directly to request financial guidance or to review other savings options at their own discretion.

Q33. Do I need to provide payroll frequency information?

Yes. Payroll frequency information must be provided during the submission process. Payroll frequency also drives loan frequency, if a participant is taking a new loan or has an existing loan. If no payroll frequency information is provided, the loan frequency will be defaulted and may cause a reamortization of the loan.

Q34: If I had a “COMBO” DC/457 plan at Alerus, do I need to do anything special with payroll set up at Empower?

Yes. Empower will be establishing separate DC and 457 plans with the conversion, bringing participant balances and loans related to DC plan activity into your assigned 61XXXX-xx plan ID and similarly, participant balances and loans related to 457 plan activity into your assigned 64XXXX-xx plan activity. You will need to send separate files for payroll submission by plan type, one for DC and another for 457. If you have loans, it will be important that payroll deductions are assigned to the correct plan based on the type of account (DC versus 457) they were drawn from. If you have any questions, please ask.

Q35. Will I need to collect any new information to provide to Empower with all the new services being provided?

Yes. Separate from the changes to your payroll submission process, Empower will be completing a one-time collection of participant voluntary contribution rates (including auto enrollment rates if applicable) in the DC and 457 plans. You will be receiving instructions on how to complete this process in February 2026. The current system, through Alerus, does not collect or store elective deferrals on behalf of your employees, which is why we need to collect this information now.

Collecting elective deferral rates at the time of transition allows participants to engage more fully with their overall financial health. With this information, participants can model and project their estimated retirement income based on their compensation, helping them make more informed retirement planning decisions.

Q36. How will you collect elective deferral rates initially?

To engage employers in this process, MERS / Empower will use the following approach:

- For Employers who have an auto-enrollment / auto-escalation: An Empower consultant will reach out and schedule a meeting to review data collection requirements and data template. A template will be provided via secure email to collect contribution rate information.
- Employers who have more than 50 participants: Empower will email information for the data collection to the plan contact. A template will be provided via secure email to collect contribution rate information. Instructions will be provided on when you will need to email the completed template back using the secure email exchange. Training materials and a webinar on February 18 will be provided to assist you with this process. Employers will receive more information about how to sign up for this webinar soon.
- Employers with less than 50 employees: An Empower Plan Service Center (PSC) login will be provided with instructions on how to manually enter contribution rates.

Having this information stored in the Empower system allows financial savings tools to work seamlessly for your participants, taking advantage of capabilities available and promoting resources and tools for meeting retirement savings goals.

Q37. How will employee mandatory contributions that are funded by the municipality be handled?

There are no changes to how newly eligible plan participants elect their one-time irrevocable election; they will continue to work with their HR contact to understand their benefit and make that election. Employers will begin reporting wage details along with mandatory contributions to determine an estimated elected amount. These amounts will be displayed for participants as part of the financial wellness resources available in the Empower system.

Q38. How will voluntary employee contributions be handled?

All voluntary contributions will need to be initiated directly by participants through the participant website. Once a participant submits a change, employers will receive a notification with updated information, enabling you to adjust payroll withholding accurately and in a timely manner.

Q39. Will a paper form be accepted as a change to a deferral election?

No. All deferral elections must be initiated either securely online, through the mobile app, or by calling Empower.

The Empower system supports users with an intuitive design and is linked to any previously submitted financial savings information to adjust as these changes are made.

Participants who are not comfortable making changes online, or want to talk to a representative, may contact the MERS team at Empower for guidance and support.

Q40. Will employers be able to make elective deferral changes on behalf of their employees?

No. Participants will need to login and update elective deferrals directly inside the Empower system or call empower at 833.500.6377. This is both to promote participant engagement and to ensure elective contributions are not over-ridden by employers.

Specified employer contacts will be notified via email when a change is being requested.

Q41. How will Employers be notified of deferral changes submitted by employees?

Specified employer contacts will receive an email notification every Monday that summarizes requests submitted in the Empower system by participants. For example, deferral rate changes, requests for loans, etc. These changes are also available on the “To-Do” list inside the Empower system. Once the employer has reviewed the notice, they should make the update on their next payroll, or as soon as administratively feasible.

Q42. What will happen to any corrections that are in progress at the time of the transition?

Alerus will process corrections that are submitted and in good order as of February 6, 2026. After this date, you will need to report corrections (including participant data and contribution details) to Empower after the blackout period ends the week of March 23, 2026.

Q43. What if I already have an Empower account?

For PSC employer access, there will be separate user IDs and passwords.

For participants with an existing Empower account, they only need one user ID and password to access all their accounts online.

Q44. How will Empower know who to contact at our Municipality?

In anticipation of this transition, MERS has provided Empower with your contacts to ensure continuity and clarity around responsibilities. Empower’s Plan Contacts will be defined as follows:

- **Primary or HR contacts will be mapped as Secondary Plan Contacts**, serving as the main point of contact for administrative plan inquiries.
- Individuals who have recently submitted contributions to Alerus will be established as **Payroll Contacts**, responsible for payroll-related processing and follow-up questions from Empower.
- If you are a Primary or HR contact, you will also be assigned the role of **Loan Contact**. This role applies to plans that allow loans and includes outreach related to loan defaults, reamortizations, or other loan-related inquiries.
- Another key role is the **Plan Service Center Access Provisioner**. This individual is responsible for maintaining and updating user access for the municipality, including adding, removing, or adjusting access as needed. This role will be mapped from the existing Primary Contact or Contact Management Admin role.

Empower will establish Plan Service Center access in mid-March. Users will receive two separate emails from Empower:

- One email with their user ID and
- An email with a temporary password to complete login

Q45. How do I manage my contacts with Empower?

The Plan Service Center Access Provisioner contact will have the responsibility of updating other employer contacts and changing as needed. When the plans go live at Empower, we encourage those listed as today's primary and contact management admin to log in, review the employer contacts listed, and make any changes if necessary.

MERS and Empower encourage primary contacts to establish more than one contact to support the reporting process. Sharing login credentials is strongly discouraged.

Empower will send login credentials and instructions directly; note that MERS and Empower will not ask for your login or password information.

If you also participate in a defined benefit plan through MERS, you will need to establish two separate portal accounts for the perspective products. With the timing of this transition, employer contacts who need defined benefit access will be notified of a new registration location; information to those with a login to the defined benefit reporting portal will be sent at the end of February.

Q46. What are the password requirements for Empower?

Login instructions and managing the contact list will be sent to primary contacts in March and once the MERS Plans are available. Passwords must be 8-64 characters long and include at least three of the following:

- Lowercase letters (a-z)
- Uppercase letters (A-Z)
- Numbers (0-9)
- Special characters: ! @ # \$ * () { } [] . - _

Q47. Who do I contact if I have questions about the Empower reporting process?

Reporting questions can be sent to: MERSPayroll@empower.com.

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Carefully consider the investment option's objectives, risks, fees, and expenses. Contact Empower for a prospectus, summary prospectus for SEC-registered products, or disclosure document for unregistered products, if available, containing this information. Read each carefully before investing.

¹ As of December 31, 2023. Information refers to all retirement business of Empower Annuity Insurance Company of America (EAICA) and its subsidiaries, including Empower Retirement, LLC; Empower Life & Annuity Insurance Company of New York (ELAINY); and Empower Annuity Insurance Company (EAIC), marketed under the Empower brand.

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