

ENROLL
TODAY

MERS Hybrid Retirement Plan

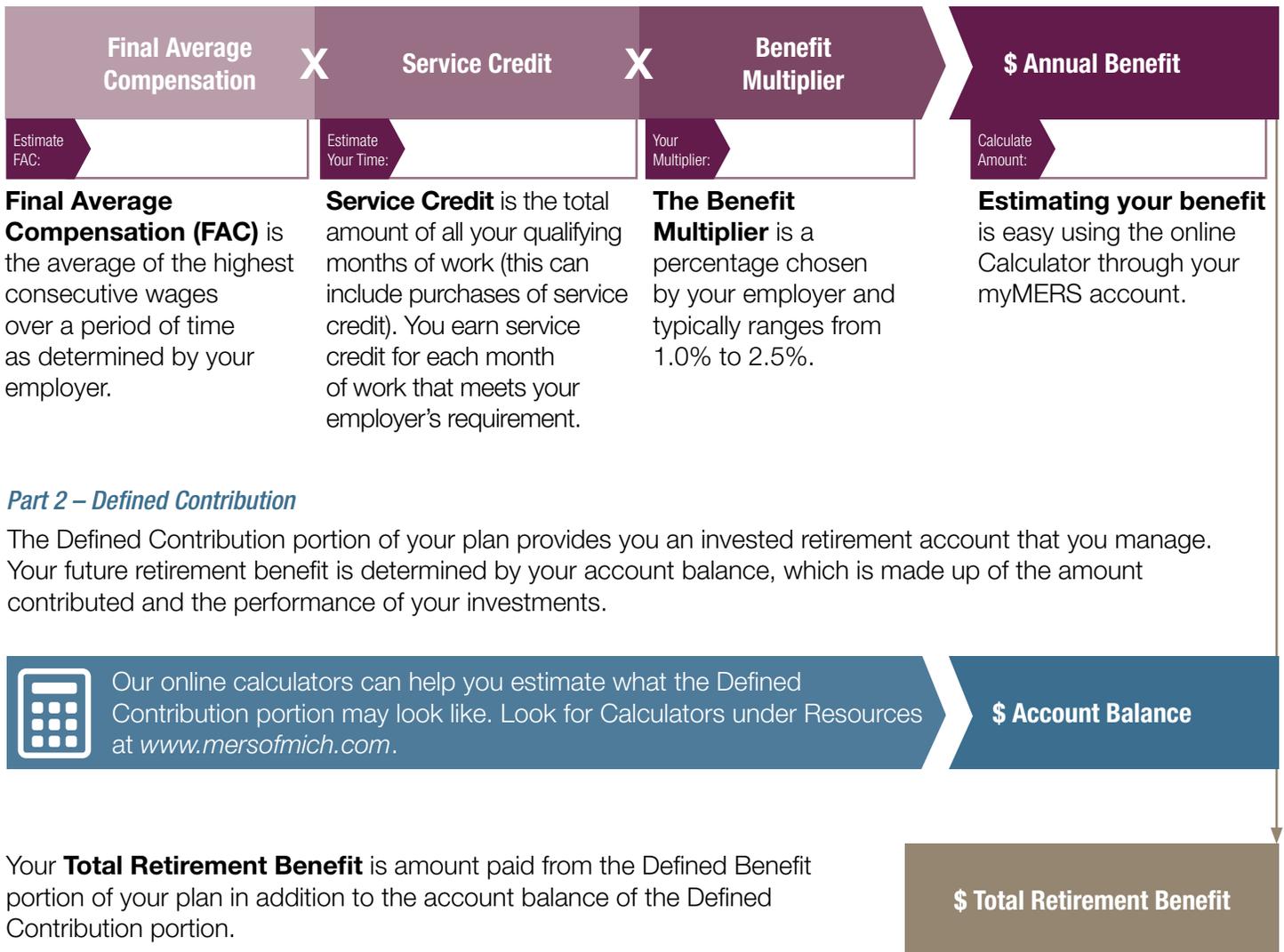


About the Plan

The MERS Hybrid Plan offers two parts in one — the stability and security of a Defined Benefit Plan (DB), combined with the flexibility and investment choice of a Defined Contribution Plan (DC). Check with your employer or log on to your myMERS account for the provisions and details that apply to you.

Part 1 – Defined Benefit

This benefit provides you with a **lifetime pension** payment in retirement once you become vested. Your benefit amount will not fluctuate with investment gains or losses; instead, it is calculated based on the formula below.



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 refers to your eligibility to receive a pension benefit when you meet retirement age. It is based on a required amount of time you must work (or other service credit) to qualify. Vesting requirements will differ between your Defined Benefit and Defined Contribution portions of the plan. Employee contributions; however, are always yours to keep and do not require vesting eligibility to claim after employment.

There are two other types of service you may have earned from a participating municipality that could help you meet your vesting and early retirement eligibility requirements: **MERS-to-MERS** and the Reciprocal Retirement Act (also known as **Act 88**).

DB Vesting Requirement:

DC Vesting Requirement:

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, and will differ between Defined Benefit and Defined Contribution portions of your plan.

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

Your DB Contributions:

Your DC Contributions:

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 **Retirement Strategy** fund to help you work 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 www.mersofmich.com.

MERS Helps You Become Retirement Ready

myMERS Online Account offers you a secure login that connects you to your account information, calculators, webinars, and other resources to help you stay on the right retirement track. Visit our website today at www.mersofmich.com.

MERS Service Center is available to assist you with your questions at **800.767.MERS (6377)** or send us a private message through Facebook.



Free, Local Seminars, called *Pizza & Planning*, are held throughout the state during the year. These, along with webinars and Facebook Live events, can provide important information on your MERS plans. Sign up by visiting the MERS website.



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.

Because of the differing vesting and tax requirements of the *Defined Benefit* and *Defined Contribution* portions of your plan, you will need to designate beneficiaries separately for each. See below for descriptions:

Beneficiaries for the Defined Benefit portion



A **Monthly Pension Beneficiary** is one person who would receive a lifetime benefit from the *Defined Benefit* portion of your plan if you are *vested* and die before you begin collecting your retirement benefits (or if you die as a result of work duties).

If married, your spouse must be named your *Monthly Pension Beneficiary* unless they waive this right in writing.



A **Refund Beneficiary** is a person(s), trust, estate or charity that receives a refund of your employee contributions made to your *Defined Benefit* portion (plus interest) if you die *before* you are vested.

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

Beneficiaries for the Defined Contribution portion



Primary Defined Contribution 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.

Rollovers

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

Visit www.mersofmich.com for more information.

- Take advantage of MERS' low fees to maximize savings
- Consolidate information in one easy location



Once your employer has enrolled you in the system, you'll have access to your free myMERS account. Use it to generate a *Full Picture* report of what your financial future might look like.



Hybrid Retirement Plan 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 *Hybrid Retirement Plan 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.

* 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 to log in to your myMERS account.

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