

ENROLL  
TODAY

# MERS 457 Supplemental Retirement Program



## About the Program

The MERS 457 Supplemental Retirement Program offers you a flexible retirement account you manage. You decide how much to contribute, how to invest the assets, and how to plan for the future. One of the benefits of the program is that you have access to your account when you leave employment, even if that's before age 60.

## Contributions

The MERS 457 Program is flexible because you determine how much you want to contribute, either a flat dollar amount or a percentage of pay, and you can start, stop, increase or decrease your contributions, without fees or penalties. Your contributions can be made pre-tax or Roth (if your employer has adopted this option). *So how do you decide? Let's start with the basics.*

With a **pre-tax** election you make contributions with pre-tax dollars, so you get a tax break up front, helping to lower your current income tax bill. Your money—both contributions and earnings—grow tax-deferred until you withdraw them. At that time, withdrawals are considered to be ordinary income and taxed at your current tax rate.

With a **Roth** contribution, it's basically the reverse. You make your contributions with after-tax dollars, meaning there's no upfront tax deduction. However, withdrawals of both contributions and earnings are tax-free at age 59½, as long as you've held the account for five years.

So it all comes down to deciding when it's better for you to pay the taxes—now or later. You can access online calculators on the MERS website to help you determine the best option for your goals.

## Why Should You Enroll?

### Help meet your retirement goals –

Experts suggest that you should plan on needing at least 80% of your current income in retirement, so chances are you're going to need to rely on personal savings, over and above your Social Security and other retirement benefits.



**Low cost** – as a nonprofit organization the MERS program is the most cost-effective way of saving – putting more of your money to work for you.

**It's easy!** You contribute through the convenience of automatic payroll deduction.



**One-stop planning** – experienced retirement educators are available to help with any questions you may have.



800+ municipalities enrolled in MERS programs



9 elected board members oversee the system



100,000+ participants

\$9 Billion+

in combined total assets

## 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 a superior value that meets our members' needs.

## Beneficiaries

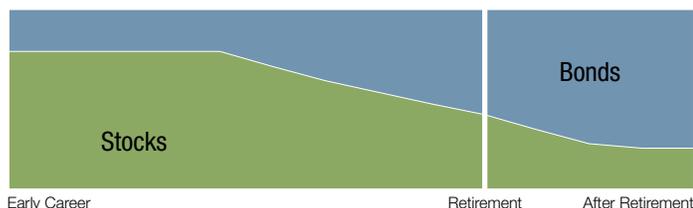
Once your enrollment has been processed you will be able to designate beneficiaries by downloading and filing out the Beneficiary Designation Form. This is an important step to ensure your funds are handled appropriately should something happen to you.

If married, your spouse is automatically your Primary Beneficiary and is entitled to all vested balance should you die. In your myMERS account, you will also be able to designate Contingent Beneficiary as a back-up, select beneficiaries other than your spouse, or choose multiple beneficiaries.

## Investments

Initially you will be placed in an age-appropriate **Retirement Strategy** – a simple, effective, all-in-one investment choice to help you save for retirement. Retirement Strategies may come in a single package, but each fund is highly diversified to help you put your money to work more effectively toward your retirement goals.

Each fund is named for a “target date” – the approximate year you expect to retire and start withdrawing from your account. Funds furthest from their target dates emphasize growth potential by allocating most investments to stocks. As you move closer to—and into—retirement, the funds automatically adjust to a more conservative mix.



Once your enrollment process is complete (when your employer enters your information into our system), you can change your investment allocation online through your myMERS account. The MERS Investment Menu is simplified into three categories to help you find the investment mix that best meets your investment style.

## How Much Should You Save?

Deciding how much to contribute to your plan depends on many factors, including what you can afford and how long you have until retirement. Even a small amount, invested regularly, can add up to significant savings over the long-term. You might think you can't afford to put much aside, but making small changes now could make a big difference over the long-term. By investing early your money has more time to work for you. Waiting, even as little as one year, can cost your retirement thousands of dollars.

While you can decide your level of contributions, the IRS sets maximums for how much can be contributed to your account in a given year. This annual limit is based on the combined contributions made by you or your employer to all 457 accounts you participate in. In addition, to encourage people to save, the IRS offers low and moderate income individuals **tax credit incentives** and **catch-up provisions** to those nearing retirement.

A **rollover** allows you to move your money from another qualified retirement plan into the MERS 457 Program, consolidating accounts for easier oversight, compounded savings, and the benefit of MERS' low fees.

Visit [www.mersofmich.com](http://www.mersofmich.com) for more information.

## 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](http://www.mersofmich.com).

**MERS Service Center** is available to assist you with your questions. Representatives are available Monday – Friday from 8:30 – 5:00 at **800.767.MERS (6377)**.



**Free, Local Events**, called Pizza & Planning, are held throughout the state during the year. The topics of these events provide important information on your MERS plans. You can sign up for events by visiting the MERS website.

# What's Next?

- 1 Complete the Quick Enrollment Form**  
 After completing the form, tear it off and return it to your employer.
- 2 Receive Welcome Email**  
 Once you're enrolled, MERS will send you a welcome email with more information about your plan.
- 3 Access myMERS (Your Online Account)**  
 Our website, [www.mersofmich.com](http://www.mersofmich.com), provides you access to your individual account. For your first time logging in, you should follow the prompts for self-registration and enter your social security number as your User ID. Here you may review your **beneficiary information** and access your account details.



## 457 Enrollment Form

# 1 First Step to Start Saving

### Employer Information

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

Last name*	First name*	MI	Full SSN*
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

### Contribution Information

All contribution changes will be effective as of the first pay period of the month following the date you submit this form to your employer, or as soon as administratively possible thereafter.

<b>Pre-tax:</b> Amount to be deducted from each pay period _____ % <b>OR</b> \$ _____ .00	<b>Roth/after-tax:</b> Amount to be deducted from each pay period (only available if your employer's program has this option) _____ % <b>OR</b> \$ _____ .00
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### Signature

Signature*	Date (mm/dd/yyyy)*
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My signature acknowledges that I have received, read, understand, and agree to this *457 Quick Enrollment Form* and affirms that all information I have provided is true and correct. I have also received all informational material detailing the general program features, the investment options offered, and any and all administrative charges and fees which may be deducted from the account(s) maintained on my behalf. I understand that my rights under the program 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.

Data collected on this form will be used by MERS staff for identification and documentation only.

**Please submit your completed form to your Human Resources representative.**



To review other investment options, designate beneficiaries, or roll qualified funds into your MERS 457 account, please visit [www.mersofmich.com](http://www.mersofmich.com).