NORTH Dakota

Be Legendary.™

Defined Contribution Plan

Tier 1, Tier 2, and Tier 3

Defined Contribution (DC) Eligibility

- At least 18 years of age
- Work at least 20 hours a week
- 20 or more weeks a year
- Position is regularly funded and not of limited duration
- **Does not have a previous active or suspended enrollment in the NDPERS Main DB or DC Plans**
- *DC plan does not apply to Judges, Public Safety, National Guard, BCI, or Highway Patrol*

Eligibility for Temporary or Part-Time Employees

- First enrolled with NDPERS January 2025 or later
- At least 18 years of age and
  Position is temporary **OR**
  Position is regularly funded, permanent, but working fewer than 20 hours a week/20 weeks a year (20/20)
- Must elect to participate within the first six months of hire
- Employee-paid (no employer contribution) and cannot participate in a 457 or 403(b) plan too

Defined Contribution (DC) Plan Tiers

PLAN	FIRST ENROLLED	VESTING	CONTRIBUTION RATE	OPTIONAL CONTRIBUTIONS	RETIREE HEALTH INSURANCE CREDIT (RHIC)
Defined Contribution Plan, Tier 1	Prior to January 1, 2020	Gradual vesting 2 years = 50%, 3 years =75%, 4 years =100% Or 100% vested if age 65 while employed	Mandatory EE Contribution: 7% Mandatory ER Contribution: 7.12% Mandatory RHIC Contribution: 1.14% TOTAL: 15.26%	No	Yes Calculated as $5 for every year of service credit Monthly, lifetime benefit Reimbursement of any after tax health, dental, vision or long-term care insurance premium Must separate service for 31 days and take at least an annual distribution from the DC plan Refund or rollover the DC account and forfeit RHIC and any opportunity to enroll in the NDPERS retiree insurances
Defined Contribution Plan 2020, Tier 2	January 1, 2020 – December 31, 2024	Gradual vesting 2 years = 50%, 3 years =75%, 4 years =100% Or 100% vested if age 65 while employed	Mandatory EE Contribution: 7% Mandatory ER Contribution: 8.26% No RHIC TOTAL: 15.26%	No	No
Defined Contribution Plan 2025, Tier 3	After December 31, 2024	Gradual vesting 2 years = 50%, 3 years =75%, 4 years =100% Or 100% vested if age 65 while employed	Mandatory EE Contribution: 4% Mandatory ER Contribution: 5.26% No RHIC TOTAL: 9.26%	If, Optional EE Contribution: up to additional 3% made to either DC plan or NDPERS 457 plan. Then, Required ER Contribution Match: up to additional 3%	No

Your Financial Compass

- You are your financial captain
- You are in charge! You work with the consultants from the Trustee Company (Empower) to design your own portfolio
- You can take your money with you
- You can roll eligible funds into the 401(a)

Defined Contribution (DC) Distributions

01

Retire – apply with NDPERS and Empower

02

Refund/Rollover – apply with Empower

03

Defer your account – apply with NDPERS

- *Account balance under $1,000 refunded unless a deferral is requested*

Defined Contribution (DC) Distributions

- No minimum age requirement for the DC distribution (retirement, refund/rollover)
- Off covered payroll 31 days before any distribution
- If "retire" and take at least an annual distribution, can then take a partial distribution.
- May receive an "in-service" distribution at age 59 ½ if still working for a NDPERS sponsored agency with the DC plan, if no longer required to participate in DC Plan
- *DC Tier 1 Only.*
  - *If retire before age 55, no RHIC is available.*
  - *If turn age 55 and still taking at least an annual distribution, RHIC gets reinstated.*

DC Beneficiary

Complete and return to NDPERS, the Designation of Beneficiary for the Group Retirement Plan - SFN 2560

DC 2025 Tier 3 Contribution Rates

Mandatory Contributions

- Employee Contribution: 4.00%
- Employer Contribution: 5.26%

Optional Contribution

- Employees can elect to contribute additional funds to receive up to a 3% Employer Match.

Employer Match &
Optional Permanent Employee's Contributions

Minimum Contributions into DC 2025 Tier 3

- 4.00% Employee
- 5.26% Employer

Employee Options for additional contributions & Employer Match

- Within first 30 days of employment
  - DC 2025 Tier 3 **(Irrevocable election)**
    - Employee may contribute up to 3% gross salary. DC election is irrevocable
    - Employer matches up to 3%
- ANYTIME
  - NDPERS 457 Deferred Compensation
    - Employee may contribute up to the IRS 457 Deferred Compensation Limits
    - Employer matches up to 3%

Additional Contributions Election

Members in the Defined Contribution (DC) 2025 Tier 3 are eligible to receive up to a 3% Employer Match when they choose to contribute additional funds into their retirement. If your employer participates in both – the DC Plan and the NDPERS 457 Deferred Compensation Plan – you can choose one of these plans or a mix of both plans to contribute additional funds that would be matched by your employer (up to 3%).

PLAN FEATURES	DC 2025 Tier 3	NDPERS 457 Deferred Compensation
Your additional contribution election transfers with you to other NDPERS participating employers and avoids losing the up to 3% employer match when you change employment.	✓	✗
You can start, suspend, increase, or decrease your additional contribution election at any time when your employer participates in the applicable NDPERS Plan.	✗	✓
There are numerous NDPERS' Plan approved providers.	✗	✓
You manage your own investment strategy.	✓	✓
Your contribution is subject to IRS annual contribution limits.	✗	✓
Your contribution is subject to IRS annual wage limitations.	✓	✗
Your age based contribution may need to be Roth if you are a highly compensated employee that pays into Social Security.	✗	✓

Contributions can be split between Defined Contribution & Deferred Compensation Plans

Example of splitting contributions

- Elect 1% in first 30 days for Defined Contribution.
- Elect 2% in Deferred Compensation in first 30 days or later.

Where does the match go?
Deferred Compensation Match (with State of ND 457 provider) = Match in the Employ**ee** Deferred Compensation Plan.

Defined Contribution Match (with Empower) = Match in the Employ**er** Bucket. Then, moves to Employee Bucket based on vesting schedule.

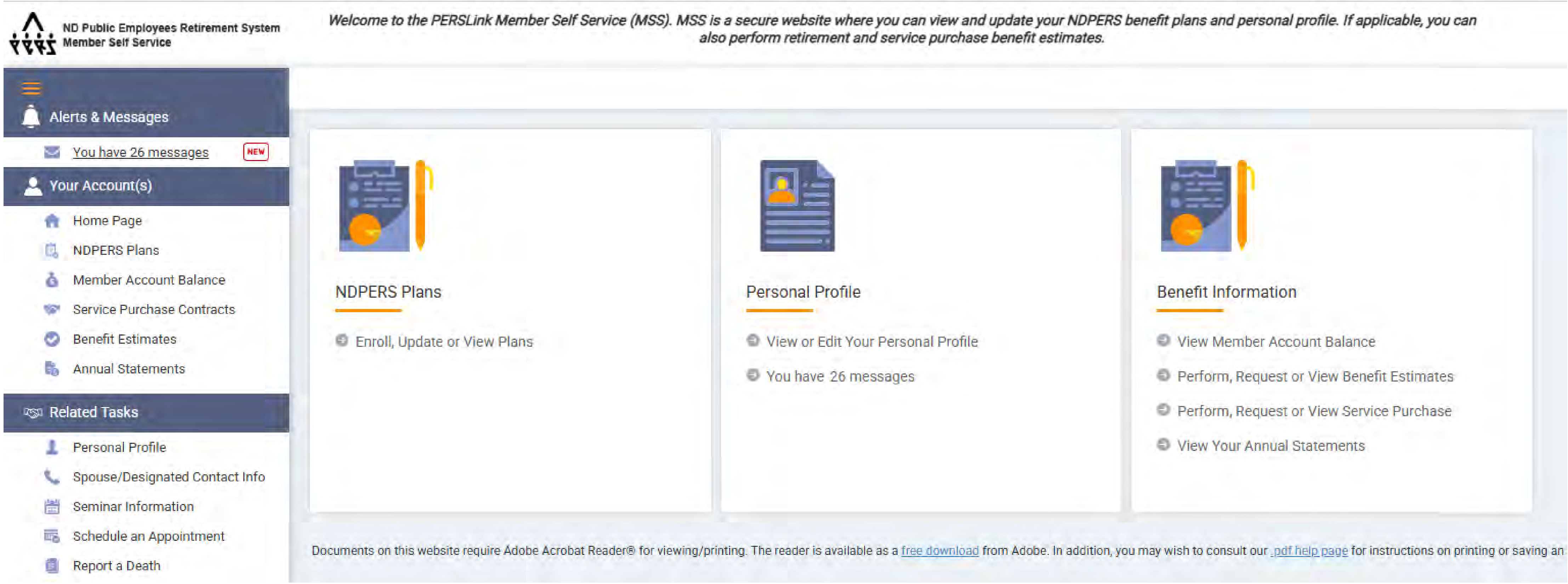
Note: The Defined Contribution match election is irrevocable [for regularly funded, permanent employees]. It cannot be changed – even if an employee leaves and returns to work.

REGISTER YOUR ACCOUNT

Make Elections

Make voluntary elections through Member Self Service

Member Login



How to register for access to your online Empower account

Work with Empower!

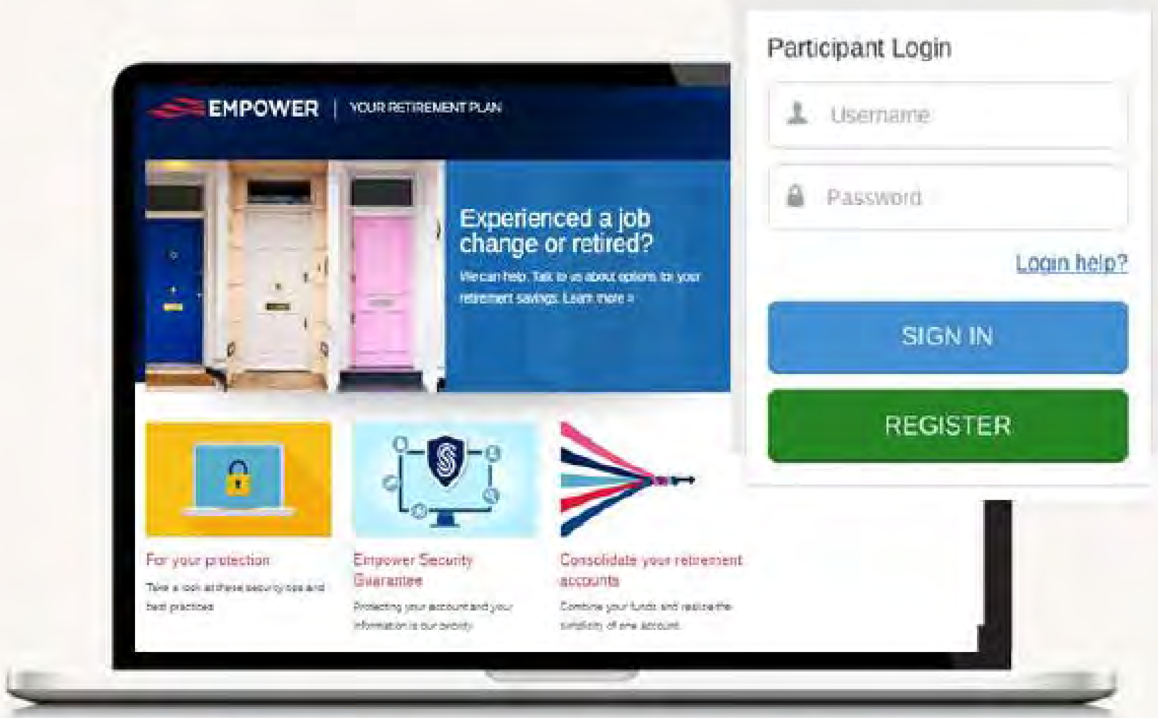
EmpowerMyRetirement.com

Register your account with Empower

EmpowerMyRetirement.com

Registering is easy

It takes just a few simple steps.



EmpowerMyRetirement.com

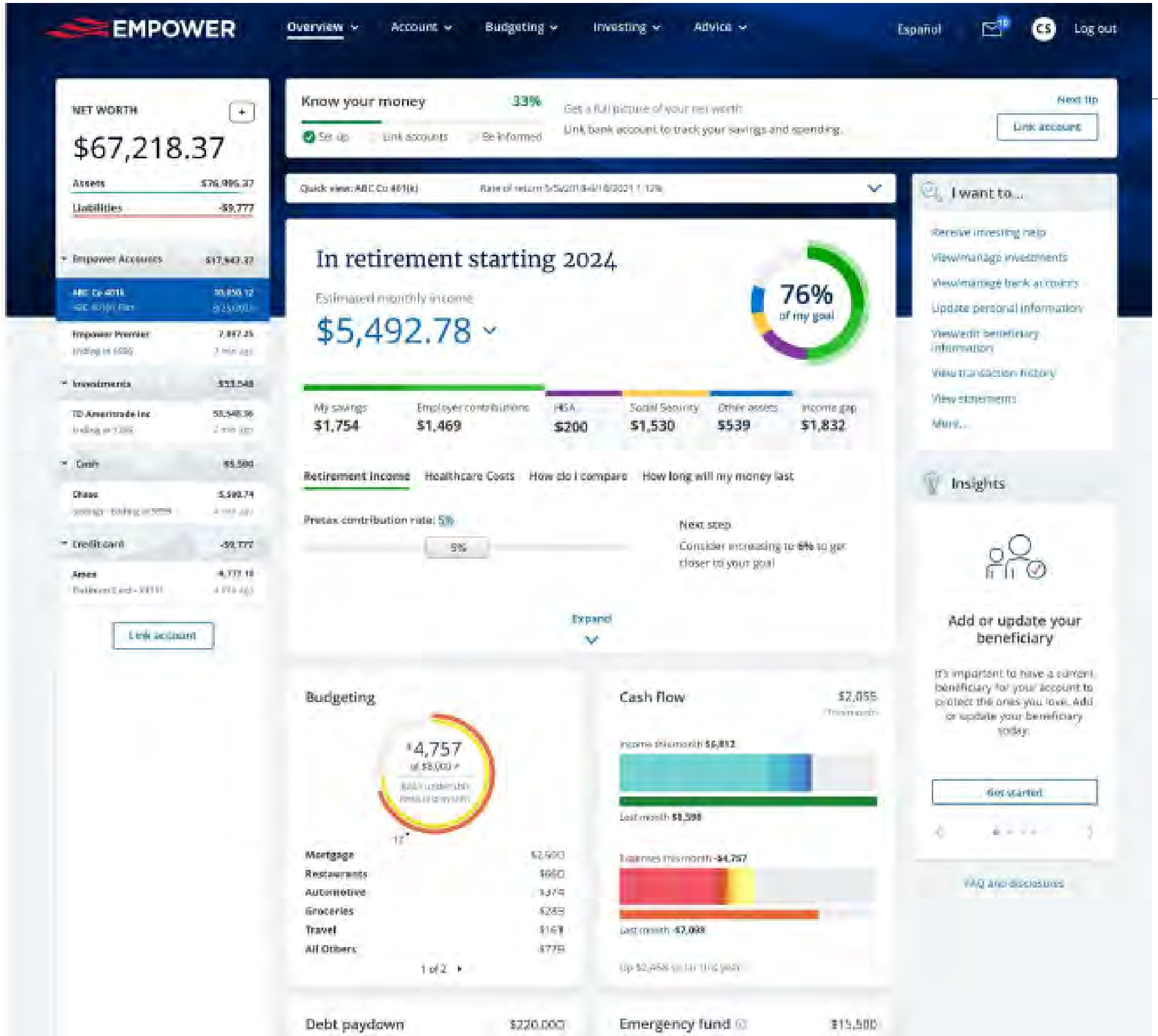
- Click on the *Register* button.
- Choose the *I do not have a PIN* tab
- Follow the prompts to create your username and password

Use Empower's Free Online Tools

A complete view in one place

- Link other accounts for a real-time view of your financial life.
- Focus on your monthly retirement income.
- See and understand your net worth.
- Access free tools and resources that can help you budget, save, and plan for retirement.

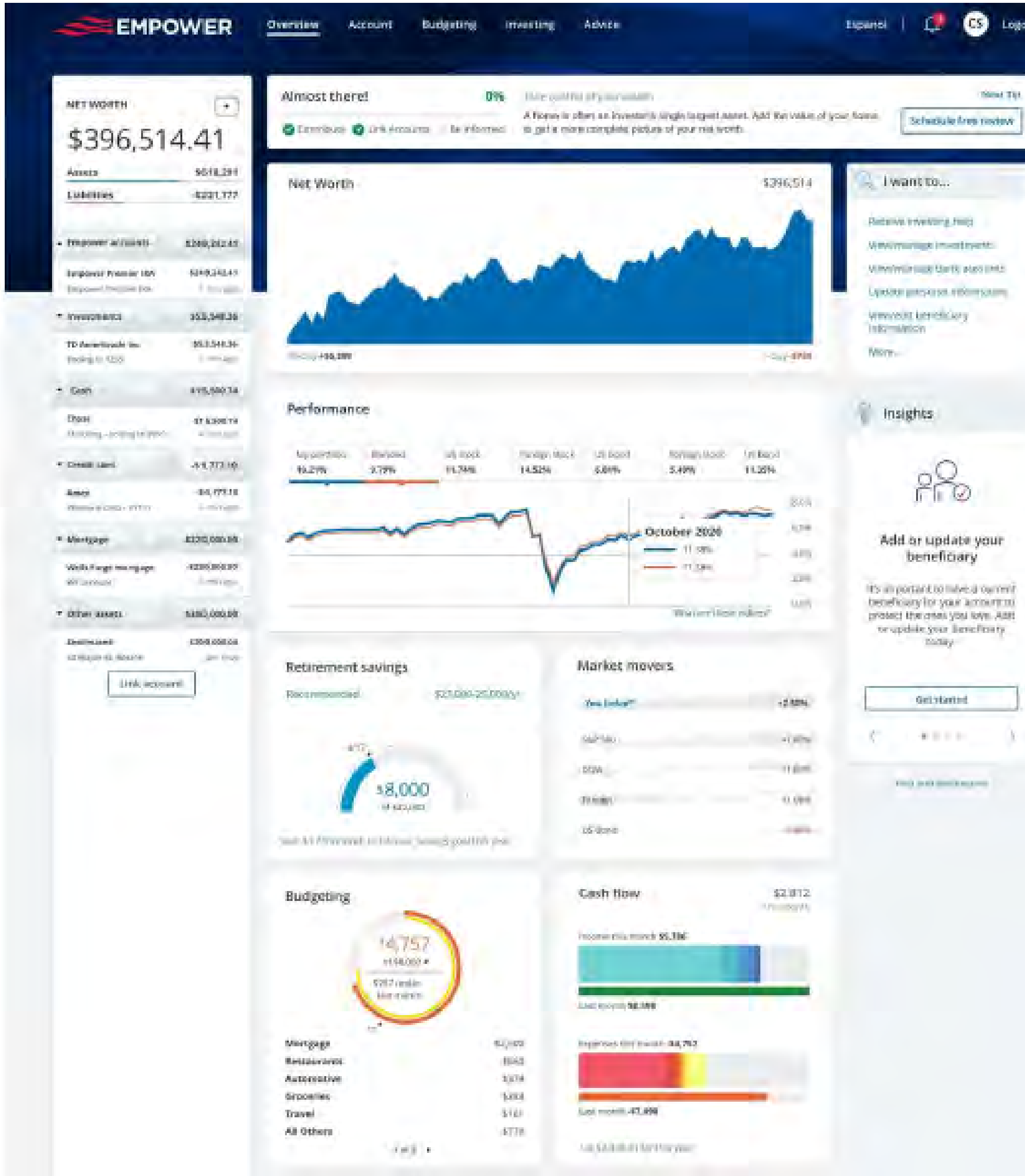
Gain financial confidence using your personalized dashboard



Free tools to help you reach your goals

Our suite of budgeting and finance tools includes:

- A Budget Planner and cash-flow tool.
- A Retirement Planner.
- A Savings Planner.
- Your net worth.



Other Empower Resources

Quick Access Guide

EmpowerMyRetirement.com	Care Center 866-816-4400	Retirement Plan Counselor	Workplace Planning & Advice 877-534-4569
- Name beneficiary in the NDPERS 457 Deferred Compensation Plan - Update email address - Add banking information - Request a withdrawal - Change investment allocation	- Login and website assistance - Distribution options - Personal help to change investments - Plan Questions	- Comprehensive account reviews - Retirement planning - 1:1 Virtual Meetings	- For workplace personalized point in time advice

The Future Belongs to the Prepared!

Contact NDPERS

NORTH DAKOTA
PUBLIC EMPLOYEES
RETIREMENT SYSTEM

- **Customer Service**
    - Call: (701) 328-3900 or
    - TF:(800) 803-7377
- **Online Resources**
    - Website: ndpers.nd.gov
    - Member Self Service (MSS)

You
Tube