



NORTH DAKOTA
PUBLIC EMPLOYEES
RETIREMENT SYSTEM

Board Meeting Agenda

Location: WSI Board Room, 1600 East Century Avenue, Bismarck ND
By phone: 701.328.0950 Conference ID: 501 960 686
Date: Tuesday, November 12, 2024
Time: 8:30 A.M. [Click here to join the meeting](#)

I. MINUTES

- A. October 8, 2024
- B. October 29, 2024

II. CONFLICT OF INTEREST DISCLOSURE CONSIDERATION

III. PRESENTATIONS

- A. Ethics Commission – Rebecca Binstock
- B. Sanford Health Plan Executive Summary 2024 Quarter 2

IV. DEFINED CONTRIBUTION PLAN IMPLEMENTATION

- A. In-Plan Annuity Contracts – Derrick (Board Action)
- B. House Bill 1040 Implementation Update – Rebecca (Information)
- C. Special Election Window Eligible Members with a Qualified Domestic Relations Order (QDRO) on File – Shawna (Information)

V. DEFINED BENEFIT

- A. Public Safety Plans Employer Contribution Rates – MaryJo (Board Action)

VI. GROUP INSURANCE / FLEXCOMP

- A. Revised Health Insurance Plan Rates Due to HB 1095 Implementation – Rebecca (Board Action)
- B. Wellness Benefit and Medicare Retirees – Rebecca (Board Action)
- C. Continuation of Coverage for Confined Members – Rebecca (Board Action)

VII. LEGISLATION / ADMINISTRATIVE RULES

- A. Legislation – Rebecca (Board Action)

VIII. OPERATIONS / ADMINISTRATIVE

- A. 2025 Regular Board Meeting Dates – Rebecca (Board Action)
- B. Contracts Under \$10,000 – Rebecca (information)
- C. Next Meeting Date: December 10, 2024



North Dakota
Public Employees Retirement System
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Bismarck, North Dakota 58502-1657

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Memorandum

TO: NDPERS Board

FROM: Rebecca

DATE: November 12, 2024

SUBJECT: Ethics Commission Update

Chairman Seminary invited Rebecca Binstock, Executive Director of the ND Ethics Commission, to present information to the Board on the ethics requirements created by the constitutional amendment passed in 2018. The Board last received a presentation from the Ethics Commission in March 2021 and therefore, Ms. Binstock will be providing updates since that presentation.

Review of Ethics Rules: NDPERS Board of Trustees



ND | ETHICS
COMMISSION

Agenda



- 01 Article XIV
- 02 Conflict Rules
- 03 Six-Step Process
- 04 Complaint Process

A Constitutional Amendment

2018 General Election

Established state ethics commission in
Article XIV of the North Dakota
Constitution

Commission has authority over
transparency, corruption, elections, and
lobbying



ND
ETHICS
COMMISSION

North Dakota Ethics Commission



- 5 Commission Members: Appointed by consensus agreement of the senate majority leader, senate minority leader, and the governor
- Commission members serve 4-year terms
- Commission staff consists of executive director, general counsel, and operations administrator
- Constitutional mandate for the legislative assembly to adequately fund the Commission to carry out its functions and duties

Commission Authority

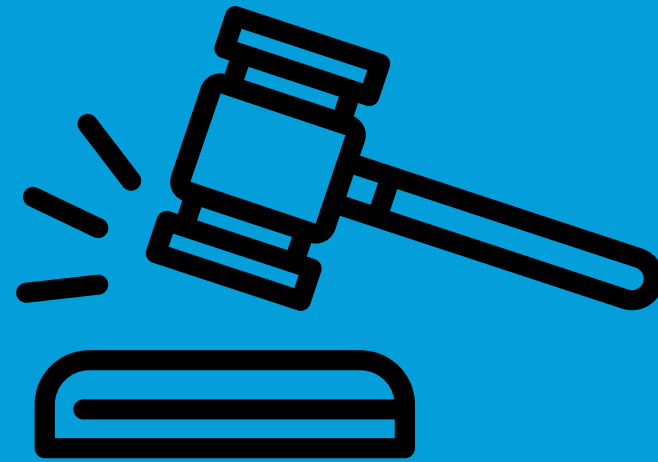


Constitutional authority to adopt rules related to transparency, corruption, elections, and lobbying

Constitutional authority to investigate alleged violations of its rules, Article XIV of ND Constitution, and related state laws.

Ethics Commission shall maintain a confidential whistleblower hotline for individuals to submit information.

Ethics Rules



The Complaint Process

Lobbyist Gifts

Appearance of Bias

Conflicts of Interest

Financial and Travel Disclosure??

Recognizing Conflicts



SHSND 00038

William and Lydia Langer Voting 1934

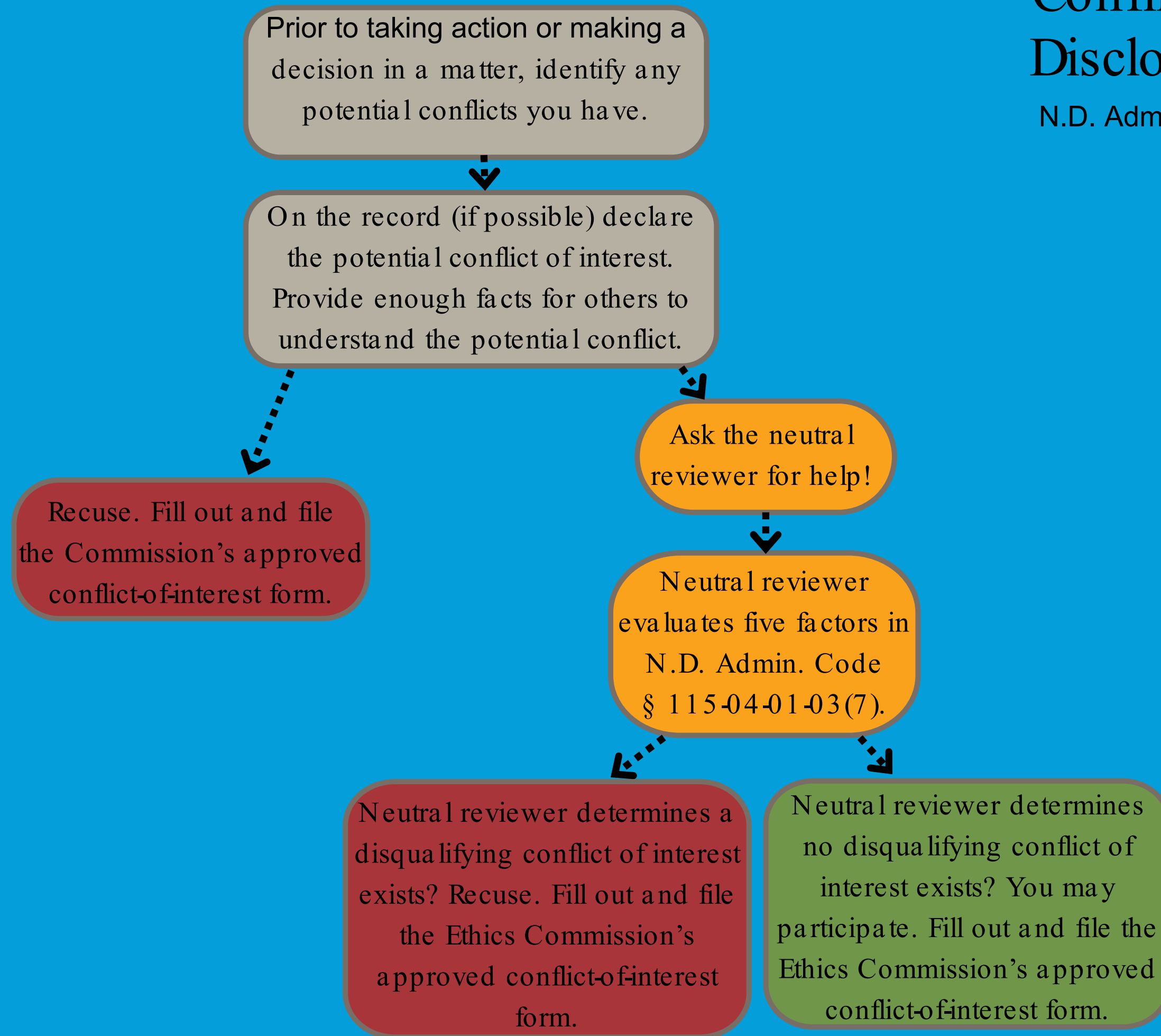
Public Official =

- elected or appointed members of legislative and executive branches
- members of the Ethics Commission
- legislative employees

When do the conflict-of-interest rules apply?
When public officials must make a decision or take action as part of their duties.

Conflict of Interest Disclosure Process

N.D. Admin Code ch. 115-04-01



Six-Step Process

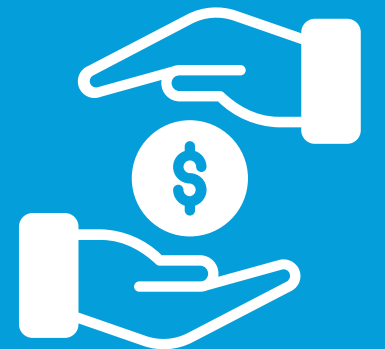
Step 1 - Identify Potential Conflicts

“Potential conflict of interest” means a public official, as part of his or her duties, must make a decision or take action in a matter where the public official has:



1. received a gift from one of the parties;

2. a significant financial interest in one of the parties or the outcome of the proceeding; or



3. a relationship in a private capacity with one of the parties.

Step 2 - Declare the Potential Conflict



Declare any potential conflict on the record, if possible.

Provide enough facts for others to understand the potential conflict.

You must draw the connection from the potential conflict to the action or decision before you.

Step 3 - Two Options



After disclosure, two options to move forward.

- (1) Recuse and file the form; or
- (2) Ask the neutral reviewer for help.

Who is the neutral reviewer?

Identified by a government body's policy or rule.
If no policy or rule, Ethics Commission rules identify
a default neutral reviewer.

Step 4 - Neutral Reviewer Evaluation

Neutral reviewer must evaluate 5 factors from
N.D. Admin. Code § 115-04-01-03(7).

- (1) Weight and deference to public official to perform duties
- (2) Materially affect the independence of judgment
- (3) Any law that would preclude recusal or abstention
- (4) The size of the personal benefit
- (5) Any guidance from the Ethics Commission



Step 5 - Neutral Reviewer Determination

Neutral reviewer determines whether a potential conflict of interest = a disqualifying conflict of interest.

No disqualifying conflict of interest exists?
The public official may participate.

A disqualifying conflict of interest exists?
The public official must recuse.

No ethics violation if:

- (1) consult and adhere to neutral reviewer;
- (2) public official acts in good faith; and
- (3) the disclosed material facts are substantially the same as any complaint allegations.



SHSND 00003

1967 Legislative
Assembly

Six-Step Process

Step 6 - File the Form

Always file the Ethics Commission's approved form with your governing body and the Ethics Commission.

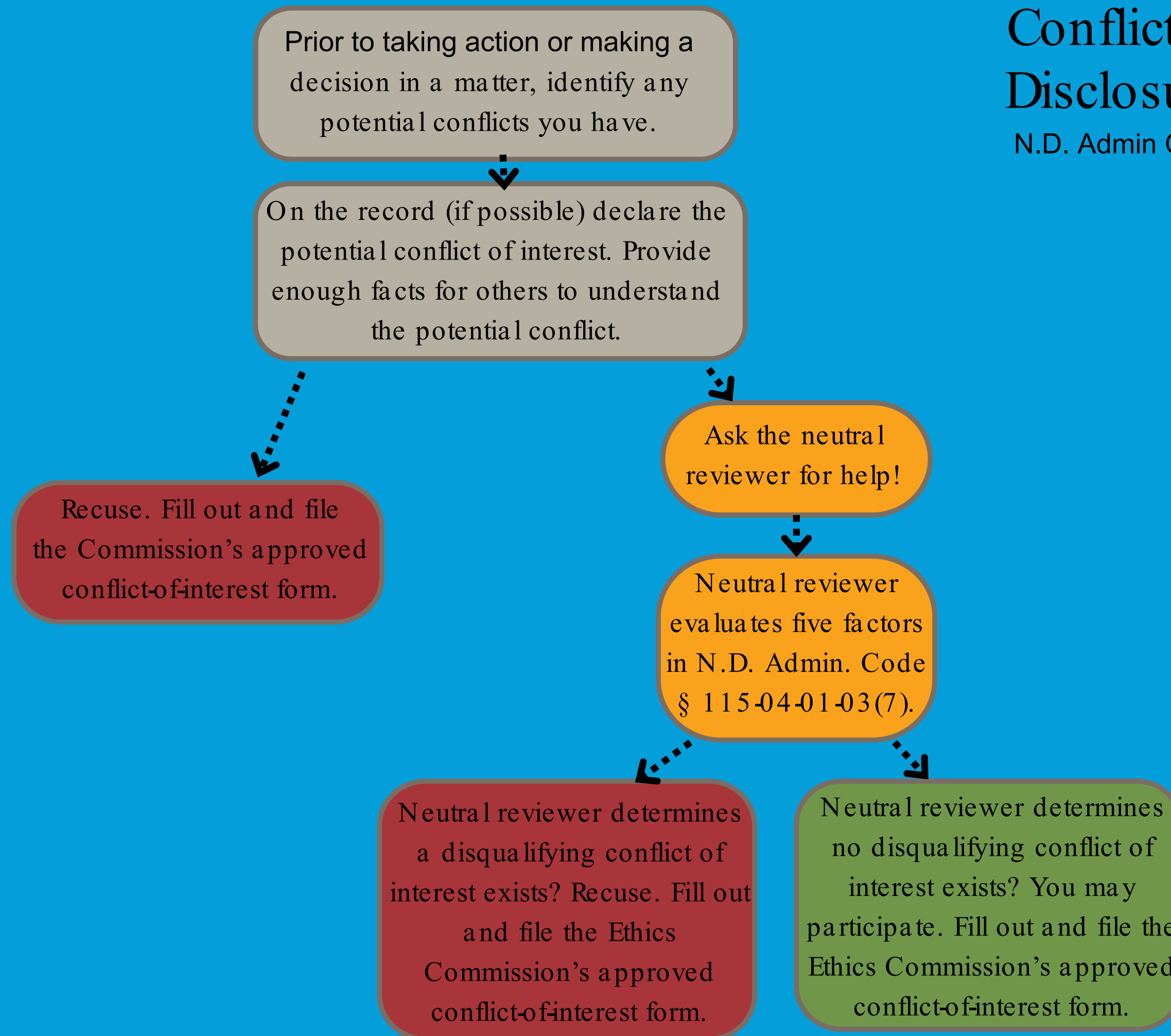
Minutes must document any recusal.

Form requirement does not apply in the legislative process.
See Ethics Commission Advisory Opinion 23-01.



Conflict of Interest Disclosure Process

N.D. Admin Code ch. 115-04-01



Six-Step Process

Complaint Process



Individuals who file complaints with the Commission can remain confidential

Information related to complaints is confidential until and unless the Commission finds an ethical violation.

3 steps to the process: initial review, informal resolution, and investigation

Questions?





Thank
you!

ethicscommission@nd.gov

or

701.328.5325

ND | ETHICS
COMMISSION



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Memorandum

TO: NDPERS Board

FROM: Rebecca

DATE: November 12, 2024

SUBJECT: Sanford Health Plan Executive Summary Quarter 2 2024

Sanford Health Plan (SHP) will be at the meeting to review the attached Executive Summary Quarter 2 2024 and answer any questions you may have. Representatives from Humana are also available to discuss any questions related to the Medicare Part D Plan information, labeled as NDPERS EGWP, found on page 17 of the summary.

This item is informational and does not require any action by the Board.

NDPERS Executive Summary

Quarter 2 | 2024

Presented November 2024



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Section 7: Performance Guarantees

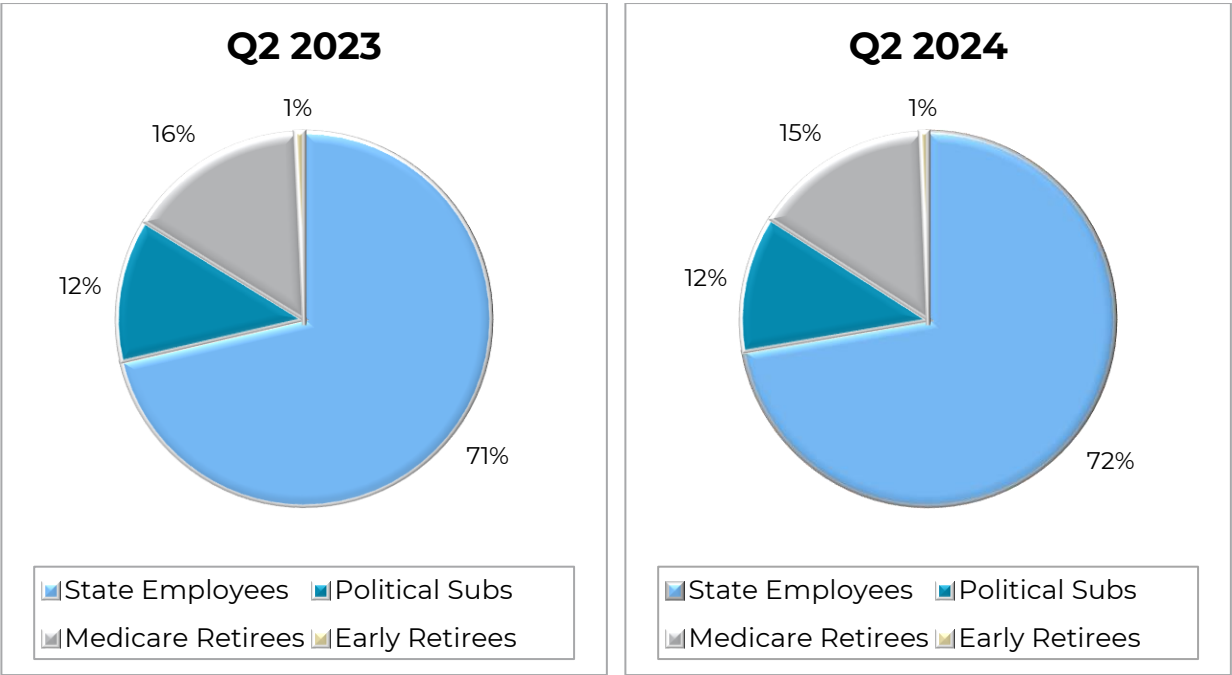
SECTION 1: MEMBERSHIP

ANNUAL MEMBERSHIP SUMMARY

Exhibit 1.1

MEASURE	Q2 2023	Q2 2024	PERCENT CHANGE
State Employees	41,660	42,452	1.9%
Political Subs	7,252	6,904	-4.8%
Medicare Retirees	9,070	9,009	-0.7%
Early Retirees	410	362	-11.7%
TOTAL	58,392	58,727	0.6%

Exhibit 1.2



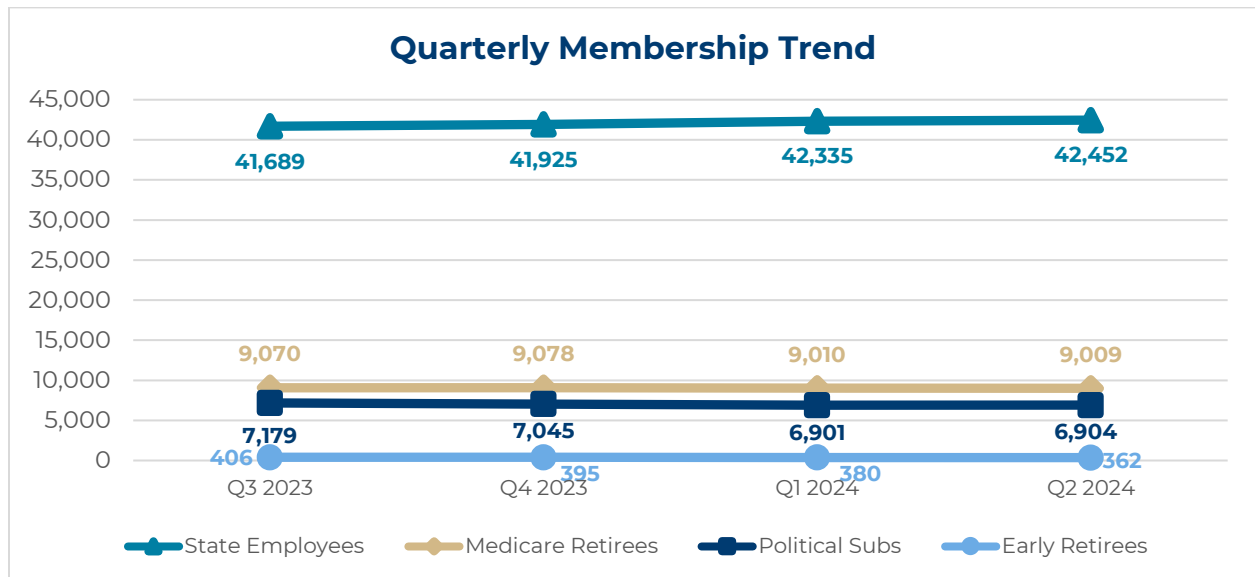
MEMBERSHIP TREND

Exhibit 1.3

MEASURE	Q2 2023	Q2 2024	% CHANGE	BENCHMARK	% VARIANCE
Average Employees	18,589	18,476	-0.6%		
Average Members	49,608	49,437	-0.3%		
Average Contract Size	2.67	2.68	0.3%		
Average Age	33.5	33.4	-0.4%		
% Female	50.9%	50.9%	0%	50.9%	0%
HCCs (% of Members)	0.8%	0.9%	10.6%	0.8%	15.9%

*Includes State Employees, Early Retirees & Political Subs.

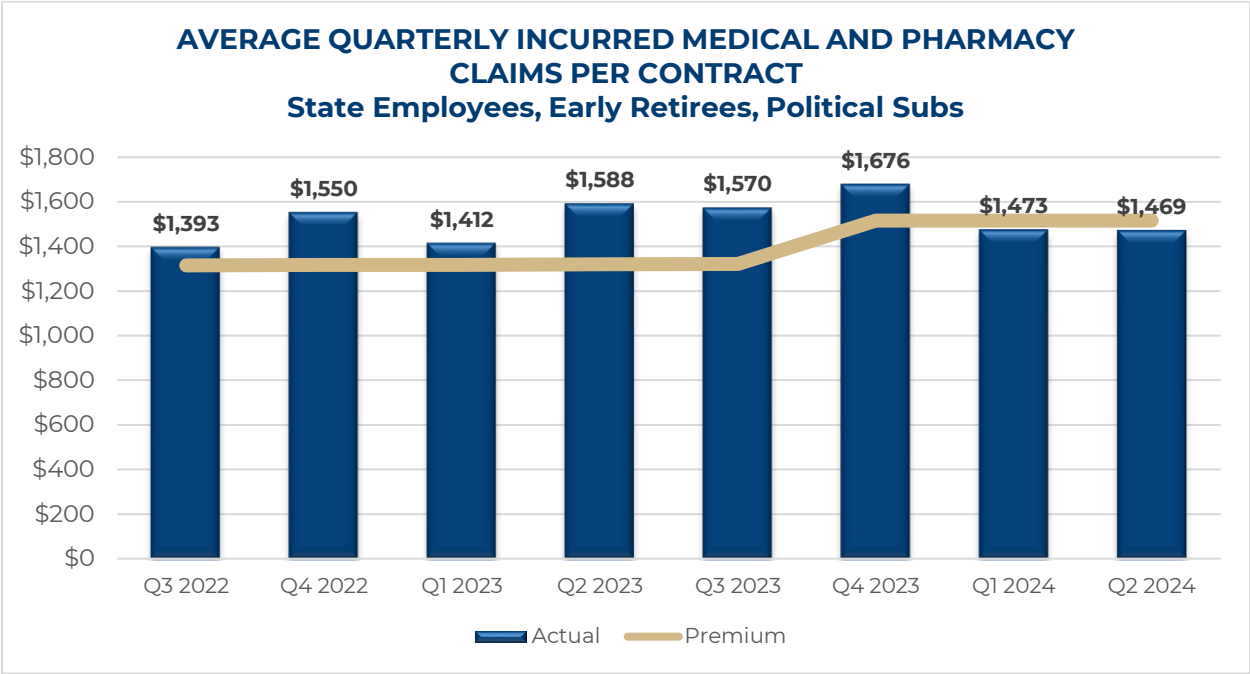
Exhibit 1.4



SECTION 2: CLAIMS ANALYSIS

PAID CLAIMS PER CONTRACT PER MONTH

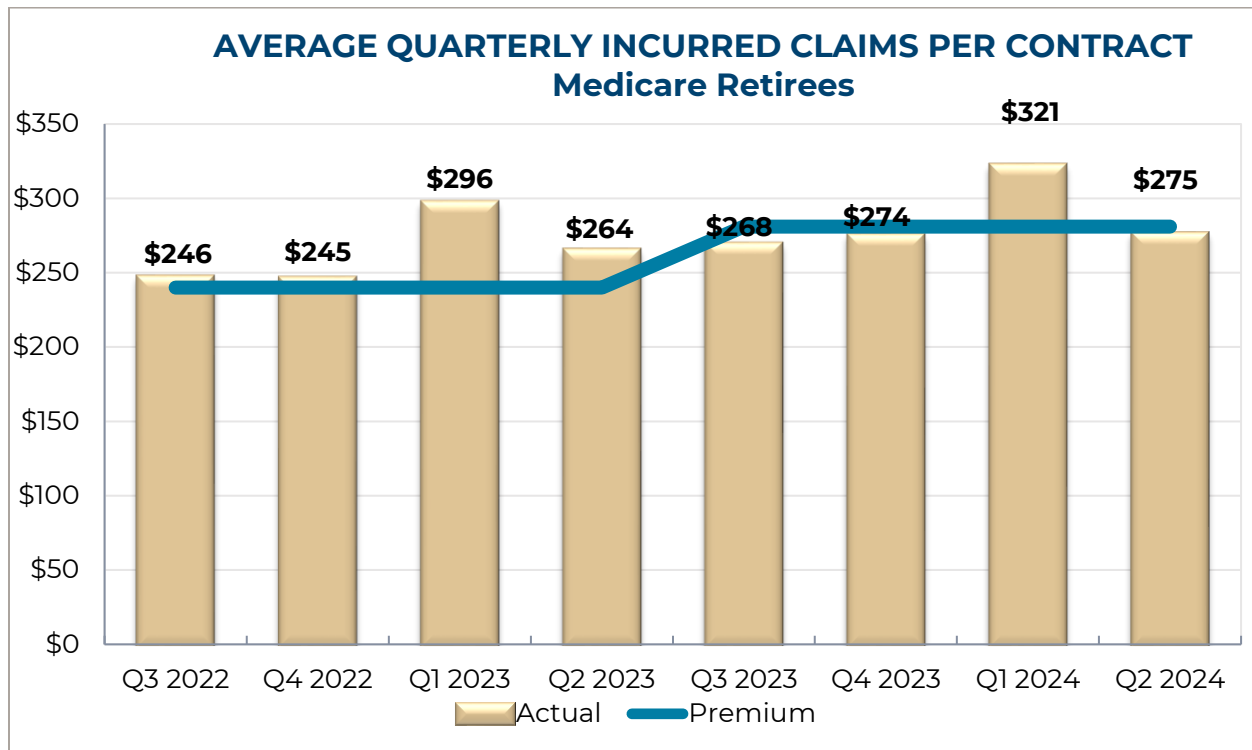
Exhibit 2.1



*Incurred between July 1, 2023 and June 30, 2024 with paid date as of September 30, 2024. Final Adjusted Claims.
*NDPERS Active contracts have approximately 2.68 members per contract.
*Includes medical claims and prescriptions without IBNR.
*Additional medical claims may be received.

PAID CLAIMS PER CONTRACT PER MONTH

Exhibit 2.2



* Incurred between July 1, 2023 and June 30, 2024 with paid date as of September 30, 2024. Final Adjusted Claims.

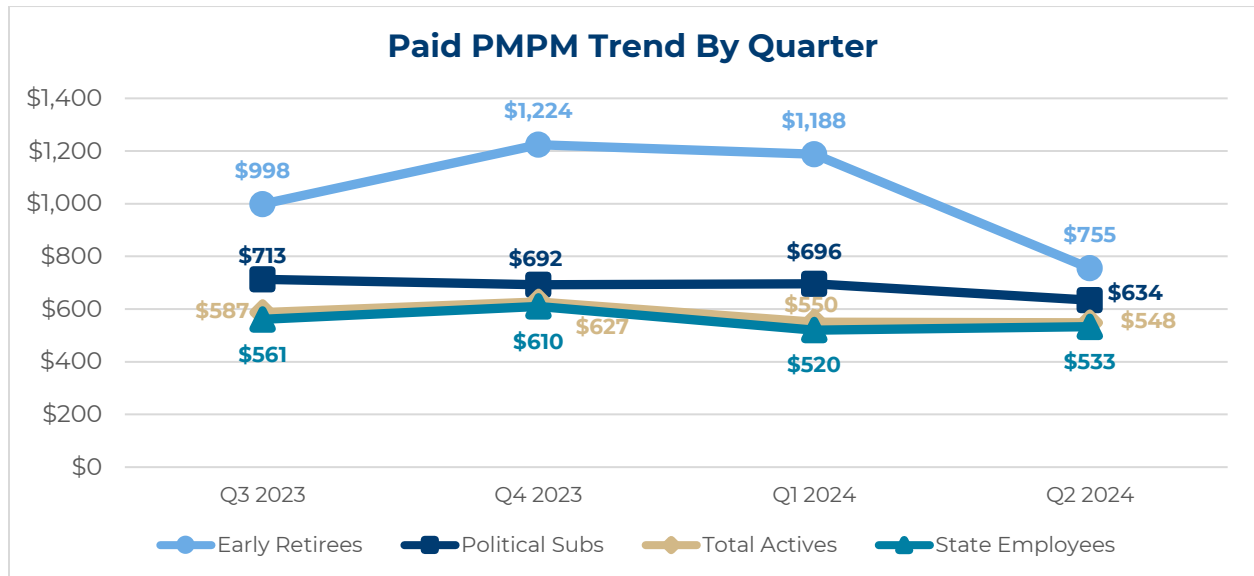
*Includes medical claims only excludes prescription drug coverage (Medicare Part D).

*Additional medical claims may be received.

*Medicare Retirees contracts have approximately 1.37 members per contract.

PAID PER MEMBER PER MONTH (PMPM) TREND BY QUARTER

Exhibit 2.3



* Incurred between July 1, 2023 and June 30, 2024 with paid date as of September 30, 2024. Final Adjusted Claims.

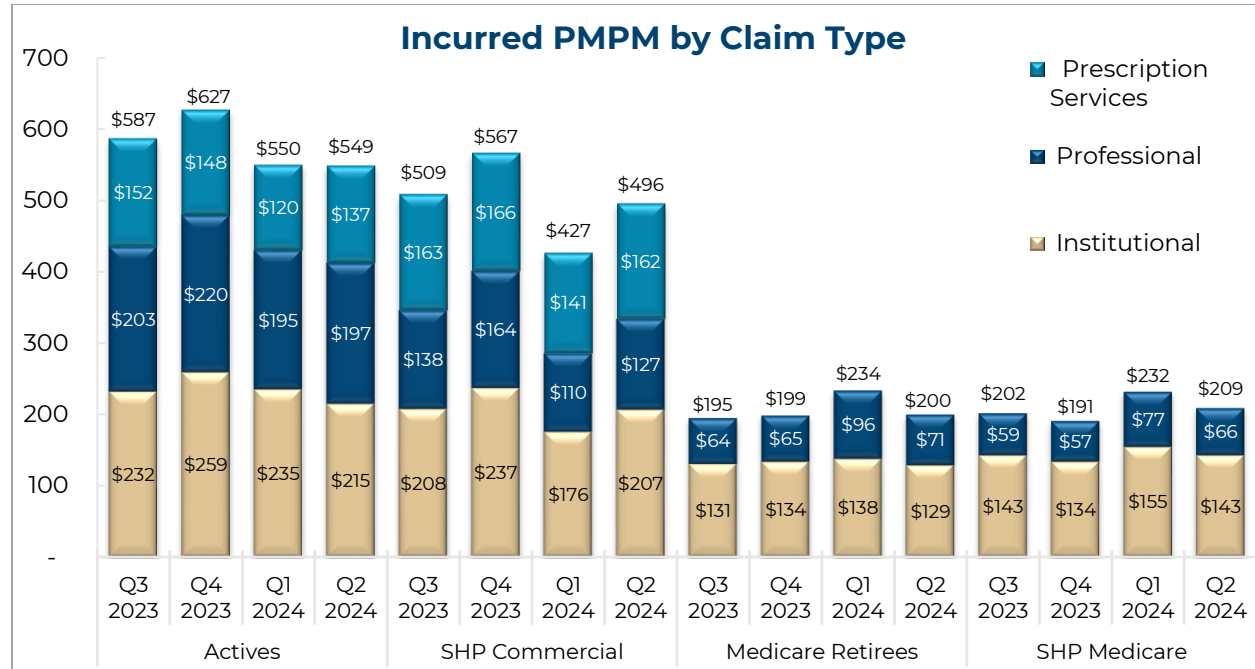
*Total Actives = State Employees + Early Retirees + Political Subs

*Medical claims and Prescription services without IBNR.

*Additional medical claims may be received.

INCURRED PMPM BY CLAIM TYPE

Exhibit 2.4



* Incurred between July 1, 2023 and June 30, 2024 with paid date as of September 30, 2024. Final Adjusted Claims.

*Medical claims and prescription services without IBNR.

*Additional medical claims may be received.

SECTION 3: UTILIZATION

MEDICAL COST DRIVERS: ACTIVES

Exhibit 3.1

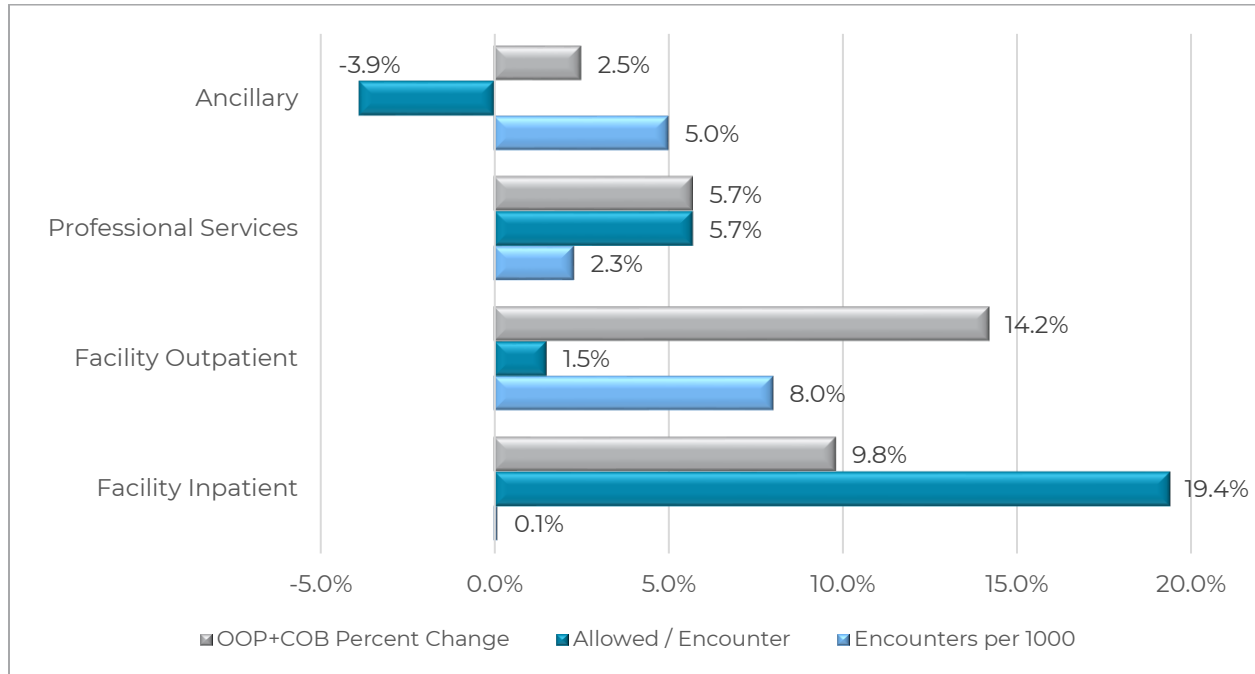


Exhibit 3.2

MEASURE	FACILITY INPATIENT	FACILITY OUTPATIENT	PROFESSIONAL SERVICES	ANCILLARY
Encounters per 1000 Prior Period	49	2,488	12,967	1,669
Encounters per 1000 Current Period	50	2,688	13,261	1,753
% Change	0.1%	8.0%	2.3%	5.0%
Amount Allowed per Encounter Prior Period	\$22,269	\$603	\$176	\$390
Amount Allowed per Encounter Current Period	\$26,592	\$612	\$186	\$375
% Change	19.4%	1.5%	5.7%	-3.9%
OOP+COB PMPM Prior Period	\$0.30	\$15.76	\$36.88	\$3.14
OOP+COB PMPM Current Period	\$0.32	\$18.00	\$38.98	\$3.22
% Change	9.8%	14.2%	5.7%	2.5%

*Prior Period: July 2022- June 2023. Current period: July 2023- June 2024. Paid through September 30, 2024.

SECTION 4: HIGH DOLLAR CASES: ACTIVES

Exhibit 4.1

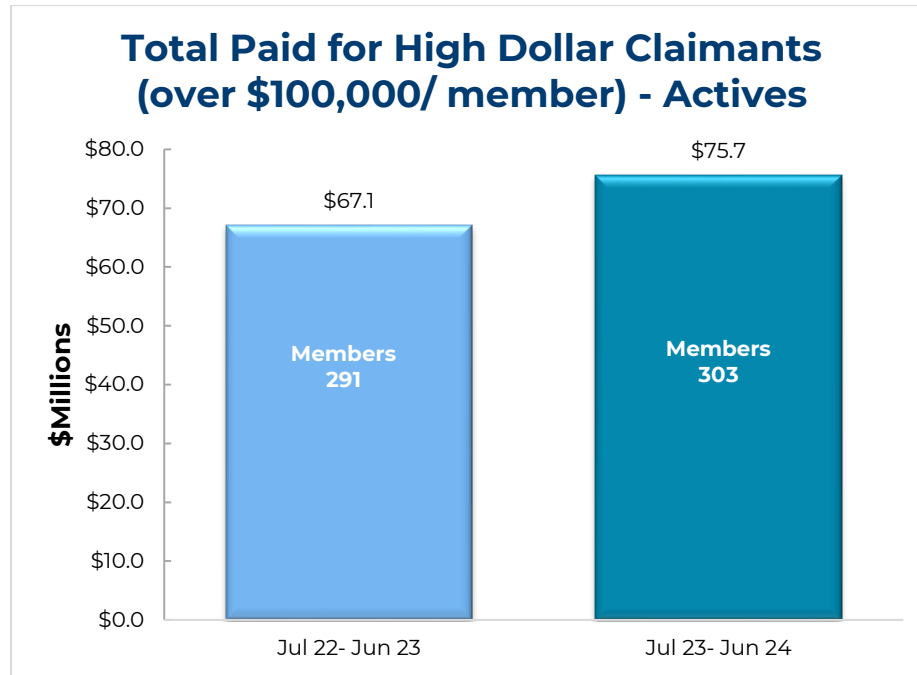
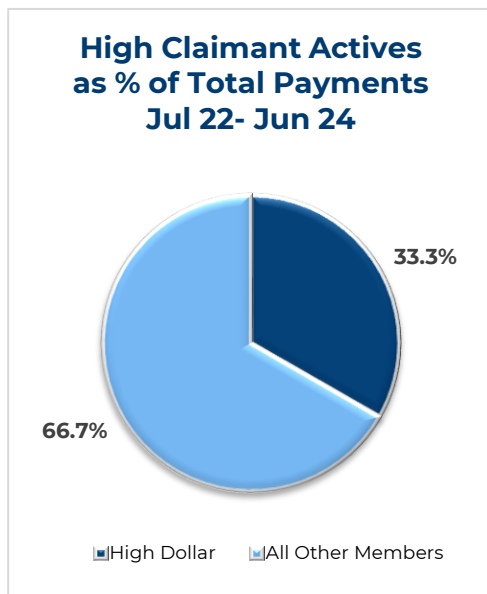


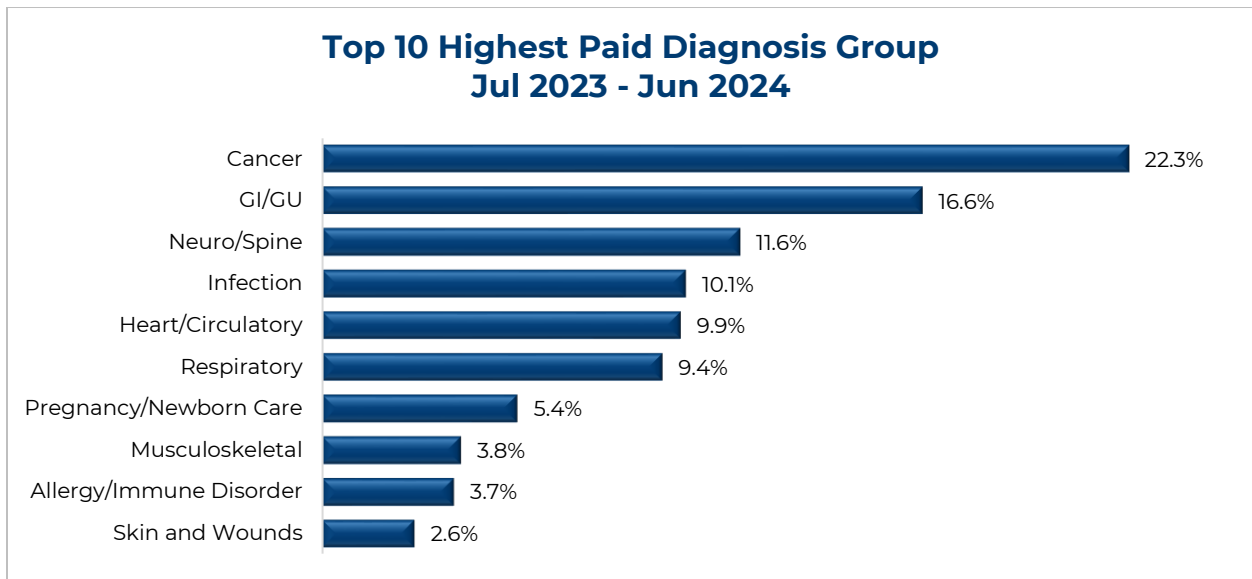
Exhibit 4.2



ACTIVE MEMBERS	
Avg. Paid/ Claimant	\$230,670
% of Total Payments	33.3%

*Medical claims only without IBNR.

*Additional medical claims may be received.

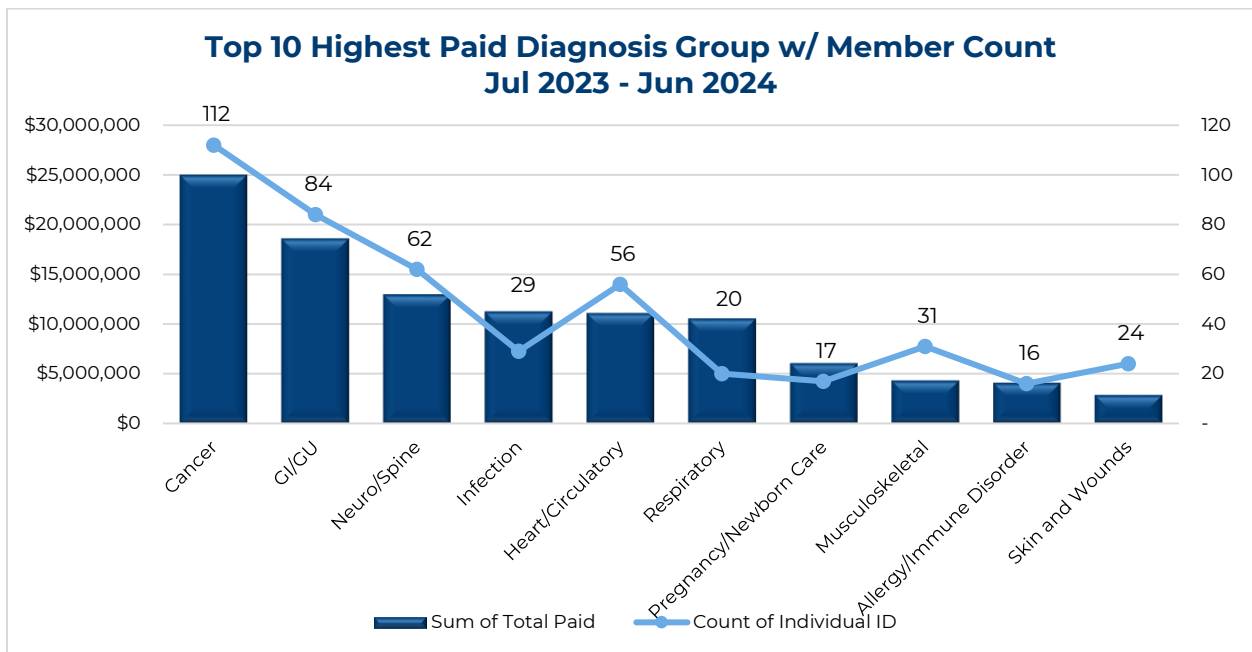
Exhibit 4.3


*The remaining 4.6% represent 5 diagnosis groups.

*High dollar cases consist of combined medical claims and prescriptions with a total of \$100K or greater.

*Includes Medical claims and Prescription services without IBNR.

*Additional medical claims may be received.

Exhibit 4.4


*The remaining 4.6% represent 5 diagnosis groups.

*High dollar cases consist of combined medical claims and prescriptions with a total of \$100K or greater.

*Includes Medical claims and Prescription services without IBNR.

*Additional medical claims may be received.

SECTION 5: PHARMACY

Exhibit 5.1

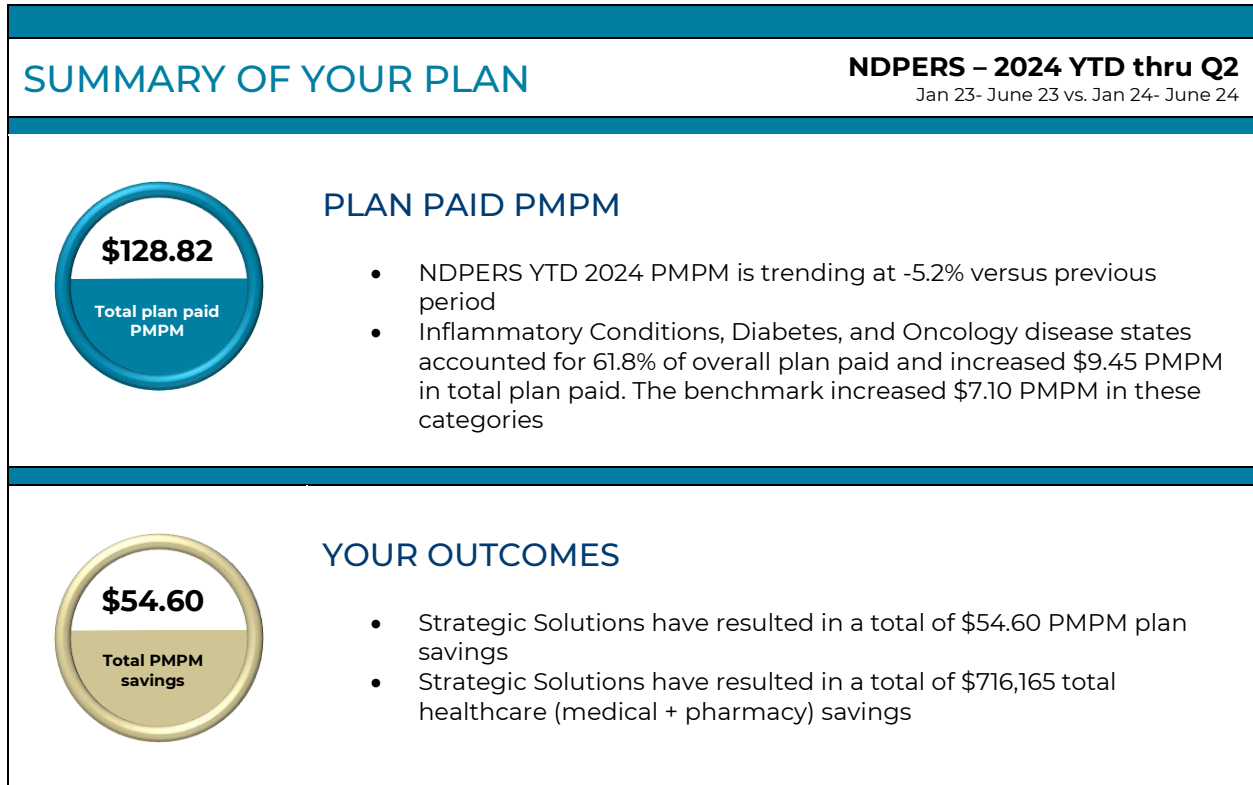


Exhibit 5.2

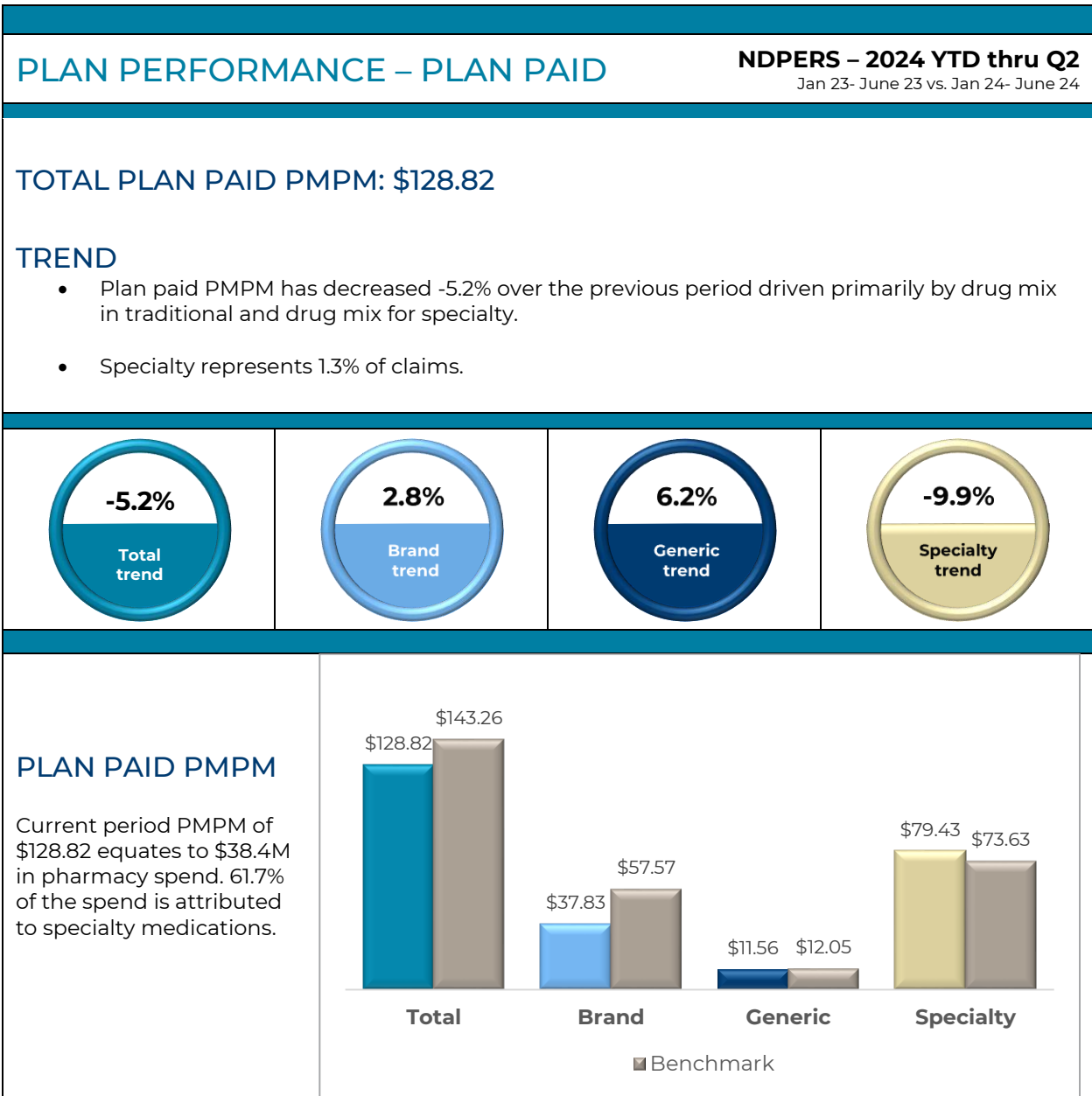


Exhibit 5.4

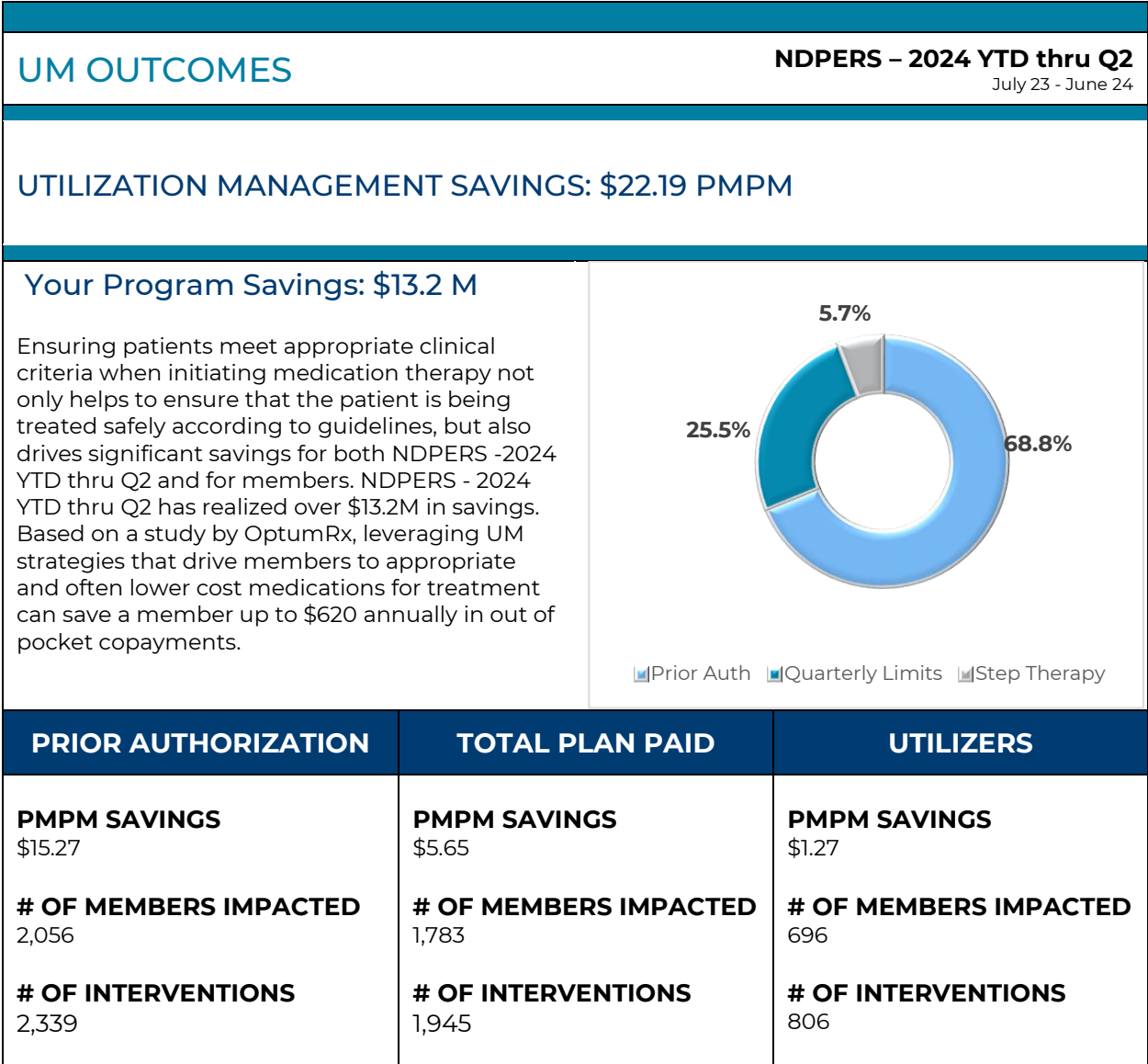
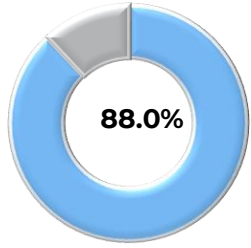


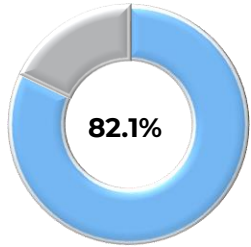
Exhibit 5.5

TOP 5 THERAPY CLASSES

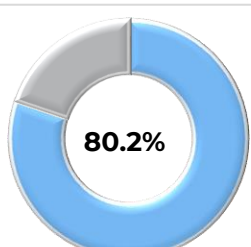
PRIOR AUTHORIZATION

 <p>Prior authorization savings from top 5 therapeutic class interventions</p>	GPI-4 Description	Number of Cases	Plan Paid Savings
	GLP-1 Receptor Agonists	1,202	\$3,871,262
	Chronic Inflammatory Disease	294	\$3,481,898
	Migraine Products	120	\$242,445
	Hereditary Angioedema	3	\$217,515
	Narcolepsy	4	\$160,468

QUANTITY LIMITS

 <p>Quantity limits savings from top 5 therapeutic class interventions</p>	GPI-4 Description	Number of Cases	Plan Paid Savings
	Chronic Inflammatory Disease	58	\$1,260,622
	GLP-1 Receptor Agonists	98	\$677,978
	Migraine Products	916	\$512,799
	Multiple Sclerosis	2	\$178,946
	Oncology	1	\$123,855

STEP THERAPY

 <p>Step therapy savings from top 5 therapeutic class interventions</p>	GPI-4 Description	Number of Cases	Plan Paid Savings
	Atypical Antipsychotics	90	\$234,151
	Diabetes Monitoring and Testing Supplies	396	\$160,626
	Migraine Products	58	\$129,373
	Urinary Antispasmodics & OAB Drugs	29	\$43,805
	Antidepressants	42	\$37,953

NDPERS EGWP: HUMANA

Exhibit 5.6

DESCRIPTION	Q2 2023	Q2 2024	CHANGE
Avg. Members per Month	9,055	9,002	-0.6%
Average Member Age	76.8	77.0	0.3%
Members Utilizing Benefit	8,487	8,471	-0.2%
% Members Utilizing Benefit	93.7%	94.1%	0.4%
Total Rx (30 day adjusted)	238,523	240,942	1.0%
Total Rx PMPM (30 day adjusted)	4.39	4.46	1.6%
Generic Fill Rate	90.5%	89.9%	-0.7%
Maintenance 90 Day Utilization	79.2%	79.7%	0.6%
Retail – Maintenance 90 Day Utilization	77.5%	77.8%	0.4%
Home Delivery – Maintenance 90 Day Utilization	1.8%	1.9%	5.6%
Total Specialty Rx	510	631	23.7%
Specialty % of Plan Paid	26.9%	36.3%	34.9%

SECTION 6: WELLNESS CONTINUUM

An integrated approach to health management

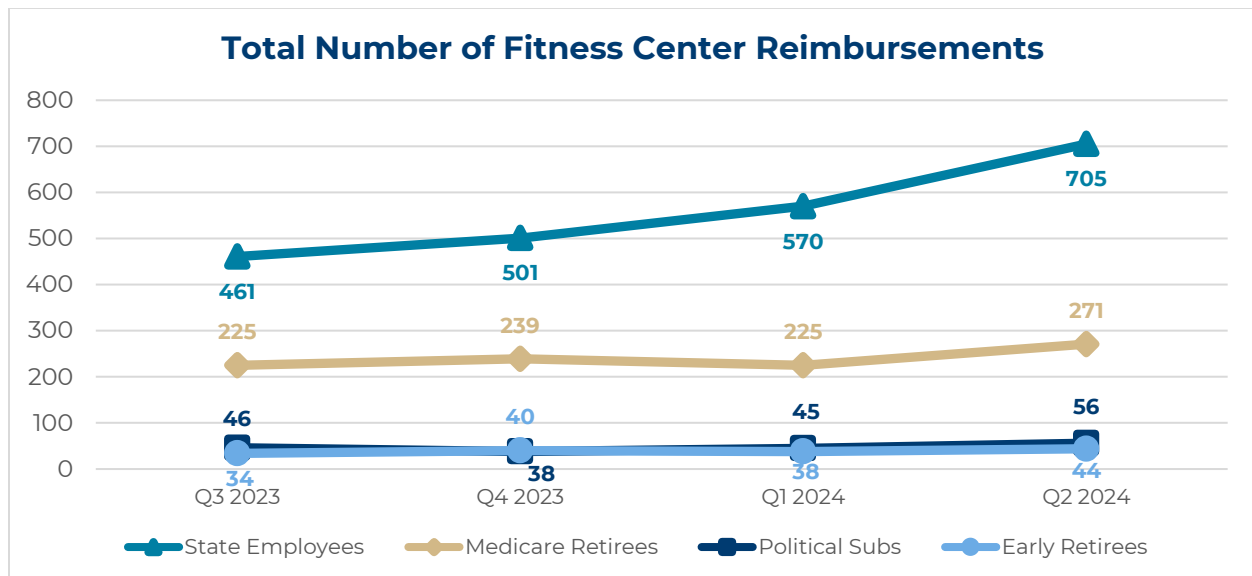
+Wellness is a family of services that identifies and delivers personalized, whole-person care to members based upon where they are on the wellness continuum. It helps ensure appropriate intervention, diagnoses and treatment plans while navigating members to appropriate resources and high-value specialty care when needed.



DAKOTA WELLNESS PROGRAM

FITNESS CENTER REIMBURSEMENT

Exhibit 6.1



*Percentages are based on numbers per quarter and are not accumulated.

WELLNESS CONTINUUM

Well-being
Resources

Preventive
Care

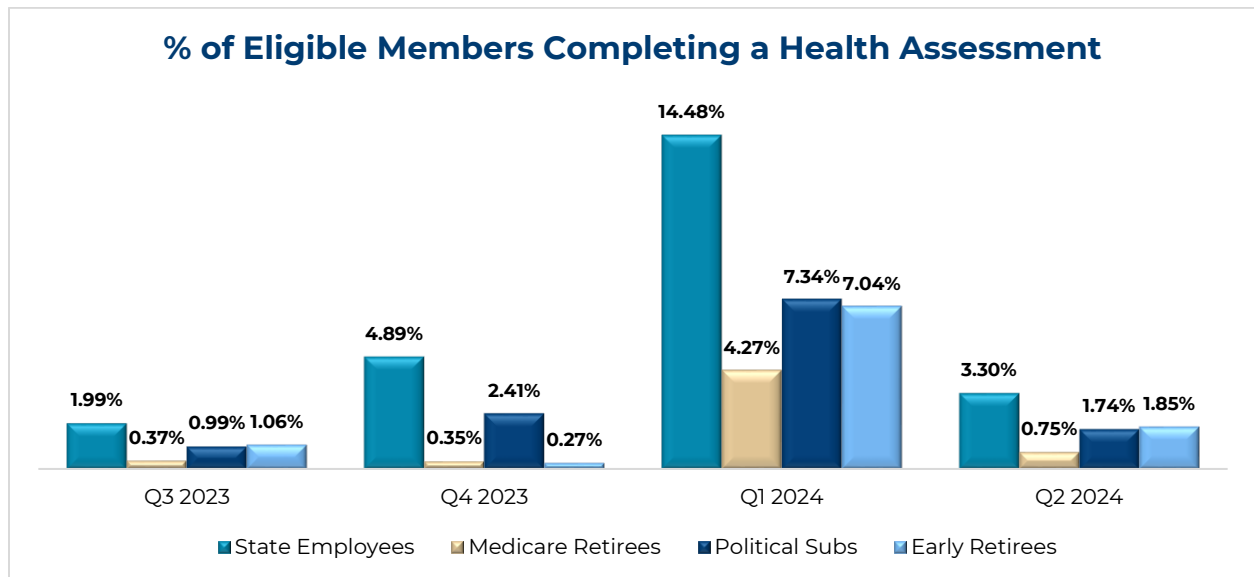
Managing A
Population

Care
Management

Disease
Management

HEALTH ASSESSMENT

Exhibit 6.2



*Percentages are based on numbers per quarter and are not accumulated.

MONTHLY WELLNESS THEMES

Exhibit 6.3

Monthly themes keep the wellness program fresh throughout the year and keeps members engaged in their individual wellness pursuit. Newsletter, e-blasts and worksite posters are used to introduce themes.



Dakota Wellness Program

Nurturing Community Well-being Through Volunteerism

In a thriving community, the threads of volunteerism weave a pattern of compassion, unity and shared responsibility. Volunteerism is the cornerstone of community well-being, fostering a sense of connection and resilience among its members.

Examples of how volunteerism nurtures community well-being:

-  As individuals come together to contribute their time, skills and resources for the greater good, the community not only benefits from tangible outcomes but also experiences a profound sense of solidarity.
-  Volunteerism plays a pivotal role in addressing societal challenges and promoting positive change.
-  Research indicates that individuals who engage in volunteer activities experience lower levels of stress and increased life satisfaction.

Learn more in the Dakota Wellness Program Newsletter.



Dakota Wellness Program

Women's Health: A Holistic Approach to Wellness

Unlocking a vibrant, empowered version of yourself isn't a distant dream; it begins with simple yet potent lifestyle shifts. These shifts, encompassing diet, exercise, stress management and regular check-ups, lay the foundation for a life bursting with vitality and resilience.

Here are a few:

-  **Revolutionize Your Diet:** Dive into a world of flavor and nourishment with a heart-healthy diet rich in vibrant fruits, crisp veggies, hearty whole grains and protein-packed lean meats.
-  **Ignite Your Inner Fire with Exercise:** Transform mundane moments into invigorating bursts of energy. Dance through life with purposeful movement, sculpting your body and spirit with each step.
-  **Champion Your Health:** Regular doctor visits help monitor health and catch issues early. Keep communication open with your health care provider.

Learn more in the Dakota Wellness Program Newsletter.



Dakota Wellness Program

Prioritizing Men's Health: A Holistic Approach to Well-being

Prioritizing men's health is crucial for enhancing overall quality of life and preventing various health issues. A holistic approach to men's health, covering physical, mental and preventive aspects, fosters well-being, enhances quality of life and prevents health issues proactively.

-  **Physical:** Engaging in regular physical activity not only promotes cardiovascular health but also helps maintain a healthy weight and reduces the risk of chronic diseases such as heart disease and diabetes.
-  **Mental:** Stress management techniques, mindfulness practices and maintaining strong social connections play pivotal roles in fostering mental well-being.
-  **Prevention:** Regular check-ups, screenings and vaccinations detect issues early for timely intervention as well as making healthy lifestyle choices.

Learn more in the Dakota Wellness Program Newsletter.

Q2 QUARTERLY WELLNESS CHALLENGE

MARATHON IN A MONTH

- The Marathon in a Month challenge goal was for to walk or run a marathon—26.2 miles—during the month of May.
- During the challenge members logged their mileage and steps into the wellness portal. Members received emails with instructions for registration and completion of the challenge.
- Over 396 million steps were recorded in the challenge.
- **Participation:**
 - **Members Enrolled:** 2,149
 - **Total Visits:** 43,548 visits
 - **Average Visits per Member:** 20



Marathon in a Month

Are you up for the challenge?

The goal of this challenge is to walk or run a marathon -- 26.2 miles -- during the month of May.

Starting May 1, 2024, log into your wellness portal to join the challenge and earn points toward your wellness benefit.

All NDPERS members and State of North Dakota employees are encouraged to participate!

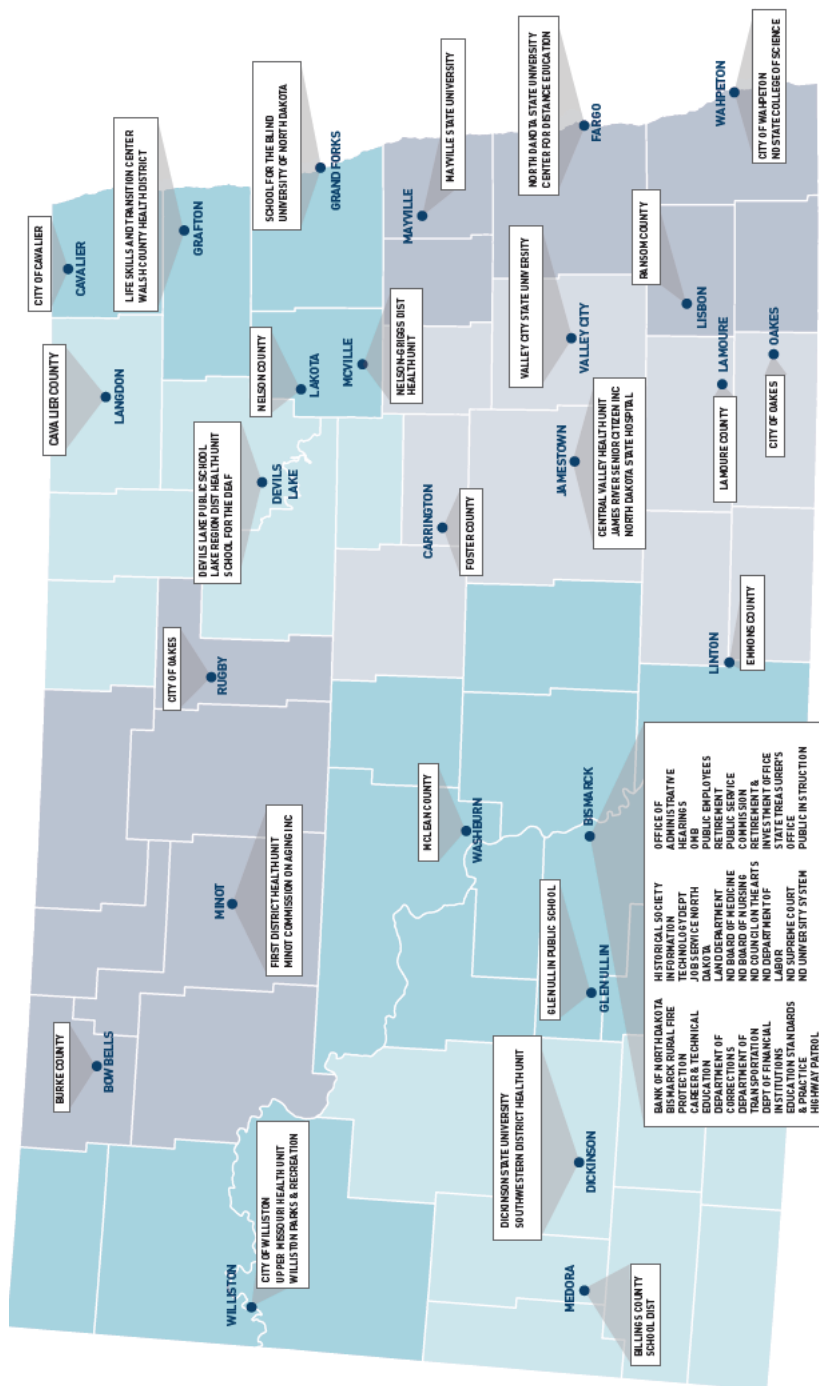
FYI: You'll receive emails from WebMD with instructions for registration and completion of Marathon in a Month.

Good luck!

Sincerely,
NDPERS Dakota Wellness Team

EVENT ATTENDANCE BY AGENCY

The Sanford Health Plan NDPERS wellness team continues to engage members across the state, despite pandemic-related in-person restrictions. Wellness educators support agency wellness coordinators and provide worksite education and activities in a virtual format. This map shows where participants are from.



WEBINARS/ PRESENTATIONS/ EVENTS:

Walk at Work
Mindful Eating
Overcoming Stress
Phase Out Fads
Promoting Healthy Behaviors with Positivity

**TOTAL MEMBER
ATTENDANCE
THIS QUARTER:**

3,283

**TOTAL NUMBER
OF AGENCIES
VISITED
(UNDUPLICATED)**

51

Body Mechanics and Posture
Get Moving at Work
Overcoming Stress
Love Your Job



Preventive Screening Rates

Exhibit 6.4

MEASURE	GOAL by 6/30/24	OUTCOME DATE	CURRENT
FOCUS AREAS			
Breast cancer screening rates	80%	June 30, 2024	81.2%
Cervical cancer screening rates	85%	June 30, 2024	78.8%
Colorectal cancer screening rates	60%	June 30, 2024	65%



POPULATION HEALTH TARGETED COHORTS

Exhibit 6.5

BENEFITS CAMPAIGN

PROGRAM OVERVIEW

- The purpose of the Benefit Campaign was to educate members on the following benefit programs and encourage subsequent enrollment where they are eligible:
 - WebMD Wellness Portal
 - Change Your Weigh (Diabetes Prevention Program)
 - Exercise is Medicine
 - Health Coaching
 - Positively Me
 - Teladoc Health® (formerly Livongo)
- Eligible members received a series of communications through email and SMS with information about the benefits and perks of each program they are eligible for.
- Information was included on how to enroll into the program(s) of their choosing.

BENEFITS CAMPAIGN PERFORMANCE METRICS			
April 1, 2024 – June 30, 2024			
TOUCHPOINT	MEMBERS OUTREACHED	MEMBERS OPENED COMMUNICATION	COMMUNICATION OPEN RATE
Touchpoint 1 – Email	25,102	11,653	46.4%
Touchpoint 1 – SMS	12,613	12,613	100%
Touchpoint 2 – Email	24,967	11,670	46.7%
Touchpoint 3 – Email	24,264	10,145	41.8%

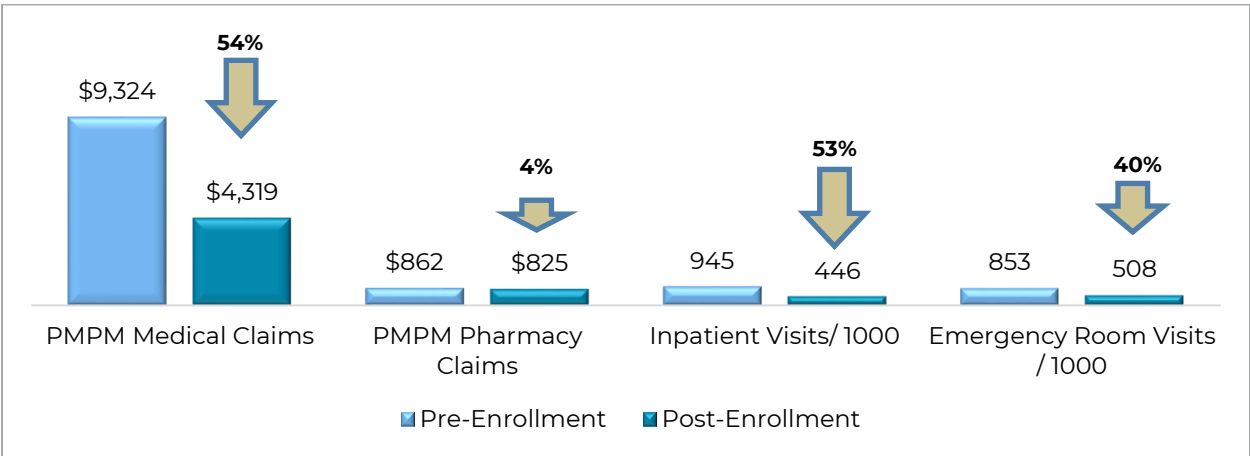
WELLNESS CONTINUUM



CARE MANAGEMENT ENGAGEMENT

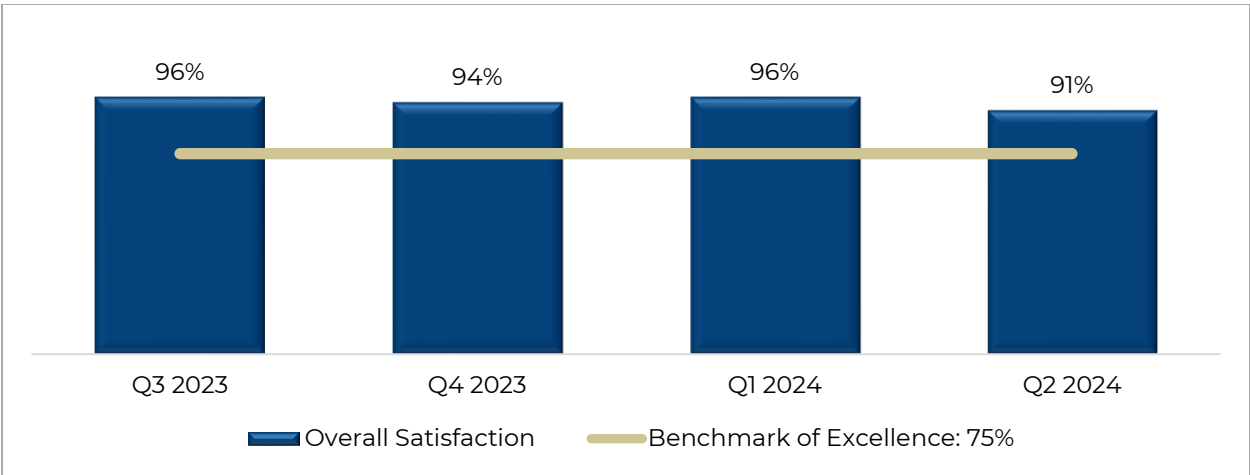
Exhibit 6.6

CARE MANAGEMENT PERFORMANCE METRICS				
July 1, 2023 – June 30, 2024				
OFFERED	RESPONDED		ENGAGED	
2,817	1,429	50.73%	405	28.34%



SURVEY SCORE

Exhibit 6.7



SECTION 7: PERFORMANCE GUARANTEES

Exhibit 7.1

MEASURE	GOAL	MEASUREMENT PERIOD	Q2 2024 REPORTING PERIOD	CURRENT
WELLNESS				
Health risk assessment completion	18%	7/1/23 – 6/30/25	7/1/23 – 6/30/24	15.44%
Worksite interventions agency participation	75%	7/1/23 – 6/30/25	7/1/23 – 6/30/24	64%
Fitness reimbursement participation	5%	1/1/24 – 12/31/24	1/1/24 – 6/30/24	2.68%
Wellness redemption center payments	\$850,000	1/1/24 – 12/31/24	1/1/24 – 6/30/24	\$322,594
Wellness redemption center rate	9%	1/1/24 – 12/31/24	1/1/24 – 6/30/24	3.87%
HEALTH OUTCOMES				
Healthy Pregnancy Program	+3%	7/1/23 – 6/30/24	7/1/23 – 6/30/24	43.1% (+14.3%)
Diabetes Prevention Program	5%	1/1/24 – 12/31/24	1/1/24 – 6/30/24	7.5%
Breast cancer screening rates	80%	7/1/23 – 6/30/25	7/1/23 – 6/30/24	81.2%
Cervical cancer screening rates	85%	7/1/23 – 6/30/25	7/1/23 – 6/30/24	78.8%
Colorectal cancer screening rates	60%	7/1/23 – 6/30/25	7/1/23 – 6/30/24	65%
PROVIDER NETWORK / CONTRACTING				
PPO network participation rate	Hospital, MDs & DOs: 92%	7/1/23 – 6/30/25	7/1/23 – 6/30/24	100% Hospital 97% MD/DO
Provider network minimum discount	30%	7/1/23 – 6/30/25	1/1/23 – 6/30/24	44.90%
CUSTOMER SERVICE & CLAIMS				
Claims financial accuracy	99%	7/1/23 – 6/30/24	7/1/23 – 6/30/24	99.94%
Claims payment accuracy	98%	7/1/23 – 6/30/24	7/1/23 – 6/30/24	99.61%
Claim timeliness	99%	7/1/23 – 6/30/24	7/1/23 – 6/30/24	97.29%
Claims procedural accuracy	95%	7/1/23 – 6/30/24	7/1/23 – 6/30/24	99.59%
Average speed of answer	30 seconds	7/1/23 – 6/30/24	7/1/23 – 6/30/24	28 seconds
Call abandoned rate	5% or less	7/1/23 – 6/30/24	7/1/23 – 6/30/24	0.74%
First call resolution	95%	7/1/23 – 6/30/24	7/1/23 – 6/30/24	96.57%
Written inquiry response time	95%	7/1/23 – 6/30/24	7/1/23 – 6/30/24	99.38%
PHARMACY & FINANCIAL				
Prescription drug turnaround times	98%	7/1/23 – 6/30/25	7/1/23 – 6/30/24	100%
Network Pharmacy Access	<5%	7/1/23 – 6/30/24	7/1/23 – 6/30/24	100%
About the Patient program payment	5 days	7/1/23 – 6/30/24	7/1/23 – 6/30/24	100%
Interest Rate determined by PERS/SHP	Quarterly	7/1/23 – 6/30/25	7/1/23 – 6/30/24	100%





North Dakota
Public Employees Retirement System
1600 East Century Avenue, Suite 2 • PO Box 1657
Bismarck, North Dakota 58502-1657

Rebecca Fricke
Executive Director
(701) 328-3900
1-800-803-7377

Fax (701) 328-3920 Email ndpers-info@nd.gov Website www.ndpers.nd.gov

Memorandum

TO: NDPERS Board

FROM: Derrick Hohbein

DATE: November 12, 2024

SUBJECT: In-Plan Annuity Contracts

At the September Board meeting, the Board directed staff to move forward with obtaining final contracts for the four in-plan annuity options presented by Callan for our 401(a) Defined Contribution and 457 Deferred Compensation Plans. The contracts were for:

- Empower
 - Empower Guaranteed Income Fund
 - Empower Investments Fixed Account Series
- New York Life
 - New York Life Guaranteed Interest Account
 - New York Life Insurance Company Anchor Account

The comparison previously provided by Callan is included as Attachment 1 for each fund. There is a tradeoff between interest credited to participants and Plan level liquidity. The higher the rate, the less liquid and vice versa.

Over the past two months, staff has worked with Empower on obtaining contracts for each of these four investment offerings.

All contracts have been reviewed by counsel and Callan. Contracts of this type are filed with each state's insurance commission. These have been filed in

North Dakota. Crediting rates as of 1/1/2025 will not be released until mid-December and are therefore not included in the contracts.

The contracts are included as Attachments 2-5. Please note that each plan requires a separate contract so there are similar agreements for the 457(b).

- Attachment 2 – Empower Guaranteed Income Fund
- Attachment 3 – Empower Investments Fixed Account Series
- Attachment 4 – New York Life Guaranteed Interest Account
 - Please note the language in this agreement has been modified to ensure the contracts are subject to the applicable North Dakota laws.
- Attachment 5 - New York Life Insurance Company Anchor Account

In addition, the Guaranty Association Notice is included for your convenience in Attachment 6.

In your materials we have included a sample notification that will be sent to participants (Attachment 7), a sample Fund Change Agreement that Rebecca will need to sign after the fund(s) are approved (Attachment 8) in addition to each contract, and the timeline of expectations for the offerings (Attachment 9).

Board Action Requested:

Select between two and four of the in-plan annuity contracts to implement in both the Defined Contribution and Deferred Compensation fund line-ups and approve the Director to sign the corresponding agreements, as well as, the fund change agreement.

Guaranteed Fixed Account Comparison Matrix

Fund Family	Fund Name	Structure	Net Expense Ratio	Initial Crediting Rate	Rate Reset Period	Guaranteed Minimum Rate	Guarantor	Guarantor Credit Quality (S&P)	Minimum Initial Purchase	Participant Level Liquidity	Plan Level Liquidity
Empower	Empower Investments Fixed Account Series	General Account	Spread	2.70%	Quarterly	0%	Empower Annuity & Insurance Company of America	AA	-	Benefit responsive	- 12-month put (may be extended to 36 months in certain interest rate environments) - Lump sum with MVA - 20 quarterly installments
	Guaranteed Income Fund	General Account	Spread	4.00%	Semi Annual	1-3%; Q3 '24 at 2.90%	Empower Annuity Insurance Company	AA-	-	Benefit responsive	- Book value in 90 days * If excessive withdrawals, could extend to 6 installments over 5 years or up to 10 annual installments
New York Life	New York Life Guaranteed Interest Account	General Account	Spread	5.25% until 12/31/24	Semi Annual	1-3%; current 3.00%	New York Life	AA+	\$3,000,000	Benefit responsive	- Lump sum with two-way MVA - 6 installments over 5 years
	New York Life Ins Co Anchor Account	Pooled Separate Account	Spread	3.87%	Interest accrued daily & credited monthly	N/A	New York Life	AA+	\$3,000,000	Benefit responsive	- 12-month put - Lump sum with MVA

INVESTMENT AGREEMENT

issued by

EMPOWER ANNUITY INSURANCE COMPANY

a wholly owned subsidiary of Empower Annuity Insurance Company of America
280 Trumbull Street, Hartford, Connecticut 06103

INVESTMENT AGREEMENT NUMBER: GA-100456-01

ISSUED TO: State of North Dakota

EFFECTIVE DATE: January 1, 2025

ISSUE DATE:

This Agreement is a group annuity contract that funds benefits for plans qualified under section 401(a) of the Internal Revenue Code and is designed to comply with state insurance department standards. Annuities are available subject to the terms of each plan. However, this Agreement does not require the purchase of annuities.

Empower Annuity Insurance Company ("Empower") will accept Deposits of Plan assets and pay Benefits under the terms of this Agreement. The entire Agreement consists of the Application and the provisions of this Agreement. Empower issues this Agreement in consideration of the Application and the payment of Deposits provided for under this Agreement.

Payments and values that are based on the investment experience of a separate account (other than a guaranteed separate account) are variable and are not guaranteed. The operation of each separate account is described in this Agreement.

In Witness Whereof, Empower has executed this Agreement on the Issue Date, to take effect on the Effective Date.

SPECIMEN

President

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Application	

SECTION 1 - DEPOSITS

- 1.1 CONTRIBUTIONS. Subject to the terms of the Plan, the Investor (“You”) will deposit Contributions that are directed for investment under this Agreement. You may reduce the amount of Contributions by Plan distributions to Participants for any contribution period.
- 1.2 MINIMUM CONTRIBUTIONS. Empower (“We”, “Our” or “Us”) may require a minimum amount of Contributions for investment under this Agreement, in any one Plan year, equal to \$35,000.
- 1.3 TRANSFERRED ASSETS. You will deposit amounts contributed under the terms of the Plan prior to the Effective Date of this Agreement that are directed for investment under this Agreement.

Subject to the terms of the Plan and as permitted by the Code, and subject to Our agreement to accept such transfers, You will deposit amounts transferred from other plans that are directed for investment under this Agreement. For purposes of this section, “plans” shall include any "eligible retirement plan" as defined in Code section 402(c)(8).

- 1.4 TIMING OF CONTRIBUTIONS AND TRANSFERRED ASSETS. You will deposit Contributions and Transferred Assets within thirty-one (31) days of the date specified in the Plan. However, We will allow a grace period of thirty-one (31) days or, if less, the time required by law for Contributions. You and the contributing employers will ensure that all Contributions due under the Plan are made within the time required by law.
- 1.5 ROLLOVERS. Subject to the terms of the Plan and as permitted by the Code, and subject to Our agreement to accept such rollovers, You will deposit rollover amounts from other plans that are directed for investment under this Agreement. For purposes of this section, “plans” shall include any "eligible retirement plan" as defined in Code section 402(c)(8).
- 1.6 ACCEPTANCE OF DEPOSITS. We will only accept Deposits specified in the preceding paragraphs.
- 1.7 ALLOCATION DATE FOR DEPOSITS. We will allocate Deposits as of the valuation date coinciding with or next following the date We receive the Deposits. The applicable Investment Addendum specifies the valuation date.

SECTION 2 - TRANSFERS BETWEEN PLAN INVESTMENT OPTIONS

- 2.1 TRANSFERS. Subject to the terms of the Plan, Participants may direct Transfers between Plan investment vehicles, including any investment vehicle described in an Investment Addendum under this Agreement. We will apply any limitations described in the Base Agreement or in the applicable Investment Addendum under this Agreement to these Transfers. Participants must independently choose to make Transfers between Plan investment options, free from corporate or trustee suggestion or persuasion.
- 2.2 ALLOCATION DATE FOR TRANSFERS. We will allocate Transfers between investment vehicles as of the valuation date coinciding with or next following the later of
- (A) the date We receive instructions from You or a Participant regarding the Transfer, or
 - (B) the effective date of the Transfer.

The applicable Investment Addendum specifies the valuation date. You and We will mutually agree on a method for submitting Transfer instructions.

SECTION 3 - DISTRIBUTIONS

3.1 GENERAL DISTRIBUTIONS. Subject to the terms of the Plan, We will make Distributions for Benefit payments from an investment vehicle(s) under this Agreement. We will apply to these Distributions any limitations described in the Base Agreement or in the applicable Investment Addendum under this Agreement. We will make Distributions in the following manner:

- (A) TRUSTEE. If the Plan has a trustee, the trustee may, but is not required to, receive all cash payments for further distribution.
- (B) AMOUNT. A Distribution may be an amount up to and including the value of Plan assets in the investment vehicle(s) on the valuation date. The applicable Investment Addendum specifies the valuation date.
- (C) FORM. Subject to the terms of the Plan, and as instructed by You, We will make Distributions in one or a combination of the following forms:
 - (a) Any type of annuity that We agree in writing to provide, in accordance with the provisions of Section 7;
 - (b) Single sum cash payment; or
 - (c) A series of cash payments over a period of time.

Subject to the terms of the Plan, if the Participant's account balance does not exceed \$5,000, We will make any Distribution in the form of a single sum cash payment.

While an annuity is available as a form of Distribution, We will not require You to purchase an annuity under this Agreement.

3.2 DISTRIBUTIONS UPON DEATH. If a Participant dies prior to distribution of his interest in the Plan, You will approve the amount of the death benefit and advise Us of the following:

- (A) the designated beneficiary(ies); and
- (B) the form of benefit to be paid in accordance with the provisions of the Plan and applicable law.

3.3 DEFERRED PAYMENTS. In the event of severe adverse economic conditions, We may defer a Distribution under this Section in accordance with the terms of the applicable Investment Addendum. We will only defer the Distribution for a maximum period of six (6) months from the original distribution date. We will defer the Distribution to a date that is less than six (6) months if We determine that the period of severe adverse economic conditions has ended. We will only defer the payment within the time

permitted by applicable law. Regardless of adverse economic conditions, We will never defer a Distribution due as a result of a Participant's retirement, termination of employment, disability, death, Distributions required by Code Section 401(a)(9) or hardship withdrawals as permitted under the Plan.

- 3.4 PROVISIONS NOT APPLICABLE UPON TERMINATION. With the exception of Section 3.3, the distribution provisions described in this Section 3 do not apply if the Agreement is terminated. Upon termination of this Agreement, We will apply the provisions of Section 5 along with provisions under the applicable Investment Addendum.

SECTION 4 - OPERATIONAL AGREEMENTS

- 4.1 **QUALIFICATION.** If required by law and by the date required by law, the Plan Sponsor will apply for a determination letter from the Internal Revenue Service that a new Plan meets the requirements of Code section 401(a). If the Plan is amended and there are material modifications to the Plan, the Plan Sponsor will apply for a new determination letter from the Internal Revenue Service if required by law and by the date required by law. You will provide a copy of the determination letter to Us within thirty (30) days after it is received by the Plan Sponsor from the Internal Revenue Service.
- 4.2 **PLAN CHANGE OR AMENDMENT.** You will provide Us with reasonable advance notice of any change or amendment to the Plan. The Plan Sponsor may only adopt a change or amendment that would not have an adverse financial effect on the Agreement or on Us. We will determine whether a change or amendment has such an adverse effect.
- 4.3 **DISQUALIFICATION.** You will notify Us within thirty (30) days after the Plan Sponsor receives initial written notification from the Internal Revenue Service that the Plan no longer meets the requirements of Code section 401(a). When this determination becomes final, We will terminate this Agreement under the terms of Section 5.
- 4.4 **PLAN OPERATION.** You will ensure that the Plan operates in compliance with all applicable laws and regulations.
- 4.5 **INFORMATION.** You will submit all information necessary to process Deposits, Transfers, and Distributions as frequently as You and We mutually agree.
- You will properly authorize and promptly forward any information required by Us to meet an obligation under this Agreement. In addition, upon Our request, You will promptly forward any information required by Us to ensure compliance with the provisions of Section 2.1.
- As proof of death, We may require a copy of the death certificate, a physician's written statement certifying the death of the decedent, a copy of a certified decree of a court of competent jurisdiction as to the finding of death, or any other reasonable evidence.
- 4.6 **EXPENSES.** You will pay expenses and charges described in the Expense Schedule within thirty (30) days after the mailing date of the expense notification, or by another method to which You and We mutually agree. We may deduct the amounts owed from Plan assets invested under this Agreement if You do not pay expenses and charges within thirty (30) days, and the Plan permits the expenses and charges to be deducted from Participant accounts. We will provide you with advance written notification of the deduction. We may also terminate this Agreement for non-payment of Expenses under the terms of Section 5.
- 4.7 **REPORTS.** We will provide You with reports of activity under this Agreement as frequently as You and We mutually agree.

SECTION 5 - TERMINATION

5.1 TERMINATION. We will terminate this Agreement under the following circumstances:

- (A) You notify Us in writing that the Agreement will be terminated;
- (B) We notify You in writing that the Agreement will be terminated because You have materially breached a provision of Section 1, 2, 3, 4, or 6, or a provision of an Investment Addendum and You have failed to cure such breach after We have given you a reasonable opportunity to do so;
- (C) We notify You in writing that the Agreement will be terminated because You have not paid Expenses and You have not made alternative arrangements with Us for paying the Expenses as provided under Section 4.6; or
- (D) We determine that the class of business to which this Agreement belongs is no longer commercially desirable and We notify all investors of this class of business in writing that the agreements will be terminated.

5.2 TERMINATION DATE. The Termination Date is the first day of the month coinciding with or next following (i) the later of the date You specify in your notice pursuant to Section 5.1(A) or the date We receive such notice, (ii) thirty (30) days after the later of the date We specify in Our notice to You pursuant to Section(s) 5.1(B), 5.1(C) or 5.1(D) or the date We send the notice. Upon termination of the Agreement, We will

- (A) no longer accept Deposits under the Agreement as of the Termination Date, and
- (B) notify You of Expenses due as soon as practicable following the Termination Date.

5.3 TERMINATION DISBURSEMENT DATE. Unless You and We agree to an alternative date, We will initiate Termination Disbursements no later than the Termination Disbursement Date which is the valuation date coinciding with or next following the later of:

- (A) Ninety (90) days after the date We receive all information necessary to make the Disbursement; or
- (B) Ninety (90) days after the date We recover all outstanding Expenses under this Agreement.

The applicable Investment Addendum specifies the valuation date.

5.4 TERMINATION DISBURSEMENTS. On the Termination Disbursement Date, We will disburse, or begin to disburse all assets held under this Agreement. Any limitations under the applicable Investment Addendum will apply to these Termination Disbursements. We will recover any Expenses incurred under the Agreement up to the Termination Disbursement Date. We will disburse all assets from the investment vehicle(s) as follows:

- (A) If the Plan continues to meet the requirements of Code section 401(a) but a new funding agent is selected, You may direct Us to transfer the assets to the Plan's trustees or new funding agent. You or another authorized Plan representative must give Us written instructions regarding the Termination Disbursement. We may also require that You or another authorized Plan representative provide Us with written confirmation that the Plan will continue to meet the requirements of Code section 401(a).
- (B) If the Internal Revenue Service determines that the Plan initially fails to meet the requirements of Code section 401(a), We will disburse the Plan assets in a single sum cash payment.
- (C) If the Plan is terminated or the Internal Revenue Service determines that the Plan no longer meets the requirements of Code section 401(a), We will disburse the Plan assets as You and We mutually agree. If government approval is required, We may require that You or another authorized Plan representative provide Us with written confirmation that the Plan Sponsor has received any required government approval before We disburse the assets.

SECTION 6 - MISCELLANEOUS

- 6.1 You will address all communications in writing (by first class mail, postage prepaid) or as You and We mutually agree.

You will submit communications to Us at the following address:

Empower Annuity Insurance Company
8515 E. Orchard Road
Greenwood Village, CO 80111

We will submit communications to You at the Investor's principal place of business or as You and We mutually agree.

- 6.2 You and We (including any entity which may succeed Us or any entity to which this Agreement may be assigned) are obligated to comply with all terms of this Agreement unless the State of Connecticut determines that We have ceased doing this type of business.
- 6.3 A Distribution or Termination Disbursement payable to any Participant or beneficiary is only assignable if the law allows it. All Distributions or Termination Disbursements are exempt from the claims of creditors to the extent the law permits.
- 6.4 We agree only to the provisions of this Agreement and We are not a party to, and are not bound by, any trust or plan. We are not responsible for the effect of any state or Federal revenue law on any Contribution made under the Plan.
- 6.5 You release Us from any liability for any payments that We made under this Agreement and in accordance with the terms of the Plan and applicable law.
- 6.6 We may rely conclusively on reports, notices, requests and other information submitted by You, the Investor's designated representative, a Participant or a beneficiary.
- 6.7 We will notify You upon becoming aware that any premium tax will be assessed on amounts deposited under this Agreement. We may deduct this tax and any interest due on this tax from Deposits or from Plan assets held under this Agreement.
- 6.8 In applying for the Agreement, You will select the Investment Addendum (Addenda) which become(s) part of this Agreement.
- 6.9 Any change to this Agreement will be subject to the following provisions:
- (A) No change will affect the amount of interest credited or accrued prior to the effective date of the change.

- (B) No change will affect the amount or terms of any annuity purchased prior to the effective date of such change.
- (C) Any change to this Agreement may be made without notice to or the consent of any Participant, beneficiary or annuitant.
- (D) We may, at any time, revise the provisions of this Agreement if the revision is required to comply with Code section 401(a), or any applicable law or regulation issued by a governmental agency. If required by law, the revision will be retroactive.
- (E) We may annually review and revise the provisions of this Agreement unless otherwise provided in the Base Agreement or the Investment Addendum (Addenda). We will provide You ninety (90) days advance written notice before We revise the provisions of the Agreement. Upon receiving the advance written notice, You may elect to terminate the Agreement under the provisions of Section 5 and the applicable Investment Addendum.

- 6.10 The laws of the state of North Dakota will govern this Agreement.
- 6.11 The singular includes the plural and the masculine or feminine pronoun includes both the masculine and feminine gender unless the context indicates otherwise.
- 6.12 Two or more duplicate originals of this Agreement constitute one and the same instrument. The entire Agreement between You and Us consists of the Application together with all Investment Addenda and Schedules that We have attached to and made part of this Base Agreement.
- 6.13 If any payment due hereunder by Empower is otherwise due to be paid on a date when Empower is closed for business, We will make such payment on Our next normal business day.

SECTION 7 - ANNUITIES

- 7.1 You may, but are not required to, purchase an annuity under this Agreement. We will reduce the amount We apply to purchase an annuity by any amount necessary to pay applicable taxes and/or annuity purchase fees. We will provide any retirement annuity based on Our existing business practices and rates then in effect for agreements in the same class of business as this Agreement.
- 7.2 We may require proof that the recipient of annuity payments is living as of each and every date on which any annuity payment becomes payable. We may withhold payments until We receive the requested proof.
- 7.3 We will issue an individual certificate to each Participant for whom an annuity is purchased. Also, if the state where We issue this Agreement requires, We will issue a certificate to each Participant contributing to the Plan. Any certificate issued will not cancel or alter any terms of this Agreement.
- 7.4 If We discover that the annuitant's age or any other fact pertaining to the purchase or determination of an annuity amount was misstated, or We discover a clerical error, We will make the following adjustments:
- (A) We will correct the amount of annuity payable retroactively to the date We purchased the annuity;
 - (B) We will deduct any overpayments resulting from misstatements or errors from amounts payable following the correction of the annuity amount;
 - (C) We will pay any underpayments resulting from misstatements or errors in full with the next payment following the correction of the annuity amount.
- 7.5 We guarantee that We will purchase annuities on an actuarial basis that is at least equal to the following actuarial basis for a fixed annuity.
- (A) Form of Annuity: 100% Fixed Life Annuity
Actuarial Assumptions: Mortality - 1950 Male Group Annuity Valuation Table, with age setback of 4.8 years plus one-fifth of the number of years from 1895 to the annuitant's year of birth; Interest - 2%; Loading - 8.25%.

We will review this guaranteed actuarial basis annually and may change it after We give ninety (90) days' advance written notice to You. We may only change the guaranteed actuarial basis following the first twelve (12) months after the Agreement's Effective Date. We may only change it once in any twelve (12) month period unless You and We agree in writing to make an exception.

SECTION 8 – DEFINITIONS

“Agreement” is the Investment Agreement, including the Base Agreement, Investment Addendum (Addenda) and Application.

“Base Agreement” includes Sections 1 through 8 and the Expense Schedule.

“Benefit” is any payment to which a Participant is entitled under the terms of the Plan.

“Empower” is Empower Annuity Insurance Company.

“Code” is the Internal Revenue Code of 1986, as amended from time to time.

“Contributions” are amounts contributed under the terms of the Plan on or after the effective date of this Agreement.

“Deposits” are Contributions, Transferred Assets and Rollovers described in Section 1.

“Distributions” are withdrawals for Benefit payments described in Section 3.

“Expenses” are expenses and charges described in the Expense Schedule.

“Investment Agreement” is a group annuity contract, GA-100456-01, issued by Empower.

“Investment Addendum” describes each investment vehicle available under the Agreement, as You select, and all conditions associated with the use of the investment vehicle under this Agreement.

“Investor” is State of North Dakota, the Plan Sponsor, or any person designated by the Investor or the Plan Sponsor to carry out its administrative functions.

“Participant” is an individual having an account under the Plan.

“Plan” is The North Dakota Public Employees Retirement System Defined Contribution 401(a) Plan, as adopted by the Plan Sponsor, effective as of the date specified in the plan document, as constituted on the Effective Date of this Agreement, and as amended from time to time.

“Plan Sponsor” is the entity sponsoring the Plan.

“Termination Disbursements” are amounts payable from an investment vehicle(s) under this Agreement upon termination of this Agreement as described in Section 5.

“Transfers” are Participant-directed transfers (described in Section 2.1) between Plan investment vehicles.

“You” refers to the Investor.

“We”, "Our" or “Us” refers to Empower.

EXPENSE SCHEDULE

INVESTMENT FUNDS ASSET CHARGES

Part I – A

Payment Method (left-most column) Key:

Charges that are labeled “**OA**” are deducted from the gross rate of fixed funds and deducted from the gross unit value for the market valued funds.

Charges stated below are annual charges for the investment options offered under the addendums listed below as designated in the written communication executed by an authorized representative of the Plan Sponsor.

OA Guaranteed Income Fund

0.00%

EXPENSE SCHEDULE

Part II-A

Asset Charges

The Asset Charges for the investment funds listed in Part I-A of the Expense Schedule are annual charges deducted from the declared rate or unit value of individual investment funds on a daily basis. As used below, the term “You” refers to the Plan Sponsor and the terms “Us” and “Our” refer to Empower Annuity Insurance Company.

Asset Charges, where applicable, are imposed to cover certain of Our expenses incurred in connection with the establishment and maintenance of the Agreement and providing administrative services for the Plan. Asset Charges may also be used to cover payments made by Us at Your direction to other service providers. In no event will these charges cover or be amended so as to cover any fees, expenses, taxes or charges relating to the management of the assets held hereunder. If You request Us to pay the expenses of another service provider or request Us to reimburse You for Plan expenses, a separate agreement will be signed by You.

The Expense Schedule is subject to annual review by Us and may be changed effectively after ninety (90) days’ written notice to You. The Schedule will not be changed within the first twenty four (24) months following the Agreement’s Effective Date, nor will it be changed more frequently than once in any twelve (12) month period except by written agreement between You and Us.

The Asset Charges for the funds or family of funds are listed on Part I-A of this Expense Schedule.

Other Expenses/Charges

We may pay commissions in connection with this contract as disclosed to You in a separate disclosure document and/or as disclosed to You from time to time as part of the information We provide in connection with Your filing of Form 5500, if applicable.

From time to time We may consent to pay money or to give other value to You or Your representatives. Money that We may consent to pay may include allowances or reimbursements paid to You, or to third parties for Your benefit, in connection with services rendered to You or costs incurred by You in connection with Your administration of the Plan. Value that We may consent to give may include educational and reasonable entertainment events that assist You or Your representatives in the discharge of Your duties as a plan sponsor. Separately, apart from Plan activities, We may also at Your request contribute to Your employee appreciation, charitable, educational or entertainment events.

In addition, We or Our affiliates may provide compensation, payments and/or incentives to firms that furnish marketing, sales and/or other services to Us in connection with Our products. Such services may include Empower's participation in seminars or conferences sponsored by such firms.

GUARANTEED INCOME FUND INVESTMENT ADDENDUM

- 1.1 GUARANTEED INCOME ACCOUNT. The term Guaranteed Income Account (hereinafter "GIA") refers to assets invested under this Agreement in the Guaranteed Income Fund. These assets are invested in Empower Annuity Insurance Company ("Empower's") general account.
- 1.2 MAXIMUM DEPOSITS. If Empower's current guidelines establish a maximum amount that can be deposited to the GIA in any one Plan year, We will communicate the maximum amount to You. You may only deposit up to the maximum amount unless We give You prior written consent to deposit amounts in excess of the maximum.
- 1.3 CREDITED INTEREST. We will credit interest to the GIA daily. We will credit interest to each dollar in the GIA
 - (A) from the Valuation Date on which it is allocated to the GIA under Section 1.7 and Section 2.2 of the Base Agreement, and
 - (B) until the Valuation Date as of which We transfer, distribute or disburse each dollar from the GIA.

We will notify You of the interest rate that We will credit to the GIA for this class of business as of the date this Addendum becomes part of the Agreement (the "Declared Interest Rate"). Thereafter, We will announce a Declared Interest Rate semi-annually, effective January 1 and July 1, and that rate will be guaranteed against change during each six (6) month period. The Declared Interest Rate will always be greater than or equal to the minimum rate of interest determined as follows: The minimum rate applicable to any Declared Interest Rate announcement will be equal to the average of the five (5) year Constant Maturity Treasury rates reported by the Federal Reserve over the first thirteen (13) months of the fifteen (15) month period immediately preceding the date on which such Declared Interest Rate is effective, rounded to the nearest .05% and reduced by 1.25%, provided that such minimum rate will not be less than 1.00%, nor greater than 3.00% (the "Minimum Rate").

The Declared Interest Rate is stated on an annual effective rate basis. This method for computing interest uses daily compounding so the amounts held in the GIA for 365 days (366 days during a leap year) will increase at the stated annual effective rate.

- 1.4 ASSET CHARGE. We will convert the annual Asset Charge under this Agreement's Expense Schedule to a daily equivalent. We will reduce the daily equivalent of the Asset Charge from interest being credited to the GIA under the preceding Section 1.3.

As described in the Base Agreement, You have the option to pay the Asset Charge as an alternative to reducing the daily equivalent of the Asset Charge from interest being credited to the GIA.

1.5 VALUATION. The value of the GIA is an amount equal to (A) minus (B) where

(A) is the sum of

- (i) Deposits to the GIA,
- (ii) Transfers to the GIA from another Plan investment vehicle, and
- (iii) Credited Interest, and

(B) is the sum of

- (i) Expenses, if any, and
- (ii) Transfers, Distributions or Termination Disbursements from the GIA.

1.6 VALUATION DATE. For purposes of valuing the GIA, the term Valuation Date refers to each day that We are open to transact normal business.

1.7 DEFERRALS. We may defer Transfers, Distributions or Termination Disbursements from the GIA under Section 3.3 of the Base Agreement if:

- (A) the New York Stock Exchange is closed, other than customary weekend and holiday closings, or trading on the New York Stock Exchange is restricted;
- (B) an emergency exists as a result of which disposal by Empower of assets that are underlying investments for the Guaranteed Income Fund is not reasonably practical; or
- (C) the Securities and Exchange Commission by order permits.

The Securities and Exchange Commission shall by rules and regulations determine the conditions under which (i) trading shall be deemed to be restricted and (ii) an emergency shall be deemed to exist.

However, during the deferral period We may continue payments to investors ratably as the Guaranteed Income Fund cash flow permits. During the deferral period We will continue to apply Credited Interest.

1.8 TRANSFER LIMITATIONS

Transfers between the GIA and a Competing Fund may be made, provided the amount to be transferred is first transferred to a Plan investment option that is not a Competing Fund and such amount is held in that fund for a period of at least ninety (90) days before being transferred to a Competing Fund.

A Competing Fund is an investment option available under the Plan that is primarily comprised of high quality fixed income securities with an average duration of less than or equal to 3.5 years. For purposes of the Agreement, Competing Funds include but are not

limited to money market and short term bond funds. We reserve the right, upon 30 days notice, to determine whether any investment option under the Plan is or becomes a Competing Fund.

A Prohibited Competing Fund is a money market fund, a fund that guarantees principal or a fund that is primarily comprised of instruments that guarantee principal. You may not offer a Prohibited Competing Fund as a Plan investment option unless We give You prior written consent.

- 1.9 GIA POOL TRANSFER LIMITATION. The assets under the GIA are part of the Guaranteed Income Fund pool established for all investment agreements containing this or a similar limitation, and where We receive the initial Deposit to the GIA in the same period within the calendar year.

We may defer a Distribution or Termination Disbursement whenever (i) plus (ii) would exceed ten percent (10%) of (iii) where

- (i) is the Distribution or Termination Disbursement amount to be paid from the GIA,
- (ii) is all Transfer, Distribution, or Termination Disbursement amounts that We previously or simultaneously paid for any reason in the same calendar year in which (i) is computed, from the same pool of Guaranteed Income Fund assets to which the GIA belongs, and
- (iii) is total assets on January 1 of the year in which (i) is computed in the Guaranteed Income Fund pool to which the GIA belongs.

In addition, We guarantee the following:

- (A) We will not defer an amount which would result in a Distribution or Termination Disbursement of less than ten percent (10%) of the GIA in any one calendar year.
- (B) We will continue to apply Credited Interest to any amount We defer under this Section.
- (C) While the pool transfer limitations of this Section are in effect, as the Plan permits, We will continue to pay Distributions for retirement, termination, death, disability, hardship, or Distributions required by Code section 401(a)(9). In addition, as provided under Section 5.4(C) of the Base Agreement, We will pay Termination Disbursements occurring as a result of the Plan's termination or failure to meet the requirements of Code section 401(a), and the limitations of this Section 1.9 will not apply to such Termination Disbursements.
- (D) While the pool transfer limitations of this Section are in effect, We will continue to allow Transfers under the terms of the Plan.

- (E) This Section does not apply if this Agreement has terminated under Section 5 of the Base Agreement. Upon termination, the provisions of the following Section 1.10 will apply.

1.10 TERMINATION TRANSFER LIMITATIONS. If this Agreement terminates under Section 5 of the Base Agreement, the limitations of this Section apply. The assets under the GIA are part of the Guaranteed Income Fund pool established for all investment agreements containing this or a similar limitation, and where We receive the initial Deposit to the Guaranteed Income Fund in the same period within the calendar year.

We will disburse the assets under the GIA in a single lump sum as of the Termination Disbursement Date, defined in Section 5.3 of the Base Agreement, if (i) plus (ii) does not exceed ten percent (10%) of (iii) where

- (i) is the Termination Disbursement amount to be paid from the GIA,
- (ii) is all Transfer, Distribution, or Termination Disbursement amounts that We previously paid for any reason in the same calendar year in which this Agreement is terminated and from the same pool of Guaranteed Income Fund assets to which the GIA belongs, and
- (iii) is total assets on January 1 of the year in which (i) is computed in the Guaranteed Income Fund pool to which the GIA belongs.

If (i) plus (ii) exceeds ten percent (10%) of (iii), We may apply the following limitations:

- (A) As of the Termination Disbursement Date, We will disburse an amount equal to the greater of (a) or (b) as follows:
 - (a) is the difference between ten percent (10%) of (iii) above, and (ii) above.
 - (b) is one-sixth (1/6) of the GIA value as of the Termination Disbursement Date.

On each anniversary of the Termination Disbursement Date, We will disburse assets remaining credited to the GIA in five (5) succeeding annual installments as follows:

- (1) The first installment is one-fifth (1/5) of the remaining value of the GIA;
- (2) The second installment is one-fourth (1/4) of the remaining value of the GIA;

- (3) The third installment is one-third (1/3) of the remaining value of the GIA;
- (4) The fourth installment is one-half (1/2) of the remaining value of the GIA;
- (5) The fifth installment is the remaining value of the GIA.

We will issue a written guarantee of the interest rate that We will credit to the unpaid balance of the GIA. The interest rate will be an annual rate and will not change during the life of the installment payment period (the “Installment Period Rate”).

Installment Period Rate = $i - .5(j-i)$ where

- (i) is the Declared Interest Rate applicable to the Guaranteed Income Fund pool to which the GIA belongs as of the Termination Date, defined under Section 5.2 of the Base Agreement, and
- (j) is the rate of credited interest as of the Termination Date applicable to the Guaranteed Income Fund pool established for the same period within the calendar year in which the Termination Date occurs (the “New Rate”). We will ensure that the New Rate is determined on the same basis as the Declared Interest Rate.

The Installment Period Rate will always be greater than or equal to the Minimum Rate in effect during the semi-annual period in which the Termination Date falls, as described in Section 1.3 hereunder. In addition, We will continue to charge Expenses described in the Expense Schedule. The maximum interest rate We will credit is equal to the Declared Interest Rate.

Notwithstanding the preceding paragraphs of this Section 1.10(A), We may disburse the remaining balance of the GIA at any time in a single lump sum.

- (B) **Payment Over a Maximum Period of Ten Years.** In lieu of the installment payments under the preceding Section 1.10(A), You may direct Us in writing to disburse the assets from the GIA in annual installments over no more than ten (10) years from the Termination Date. The initial disbursement will be on the first anniversary of the Termination Date if that date is a normal business day for Us. If not, the disbursement will be made on Empower’s next normal business day. Any subsequent disbursements will be made on each calendar year anniversary of the Termination Date if that date is a normal

business day for Us. If not, the disbursement will be made on Empower's next normal business day.

We will issue a written guarantee of the interest rate that We will credit to the unpaid balance of the GIA. The interest rate will be an annual rate and will not change during the life of the installment payment period (the "Installment Period Rate").

Installment Period Rate = Declared Interest Rate as of the
Termination Date - 1%

The Installment Period Rate will always be greater than or equal to the Minimum Rate in effect during the semi-annual period in which the Termination Date falls, as described in Section 1.3 hereunder. In addition, We will continue to charge Expenses described in the Expense Schedule.

The number of annual payments will be referred to as "N" where

$N = (j-i) \text{ times } 100 \text{ rounded up to the next integer but } N \text{ is not less than } 1 \text{ or greater than } 10,$

$j = \text{the New Rate, and}$

$i = \text{the Declared Interest Rate as of the Termination Date.}$

Each disbursement will be an amount equal to $1/(N-t+1)$ times the remaining value of the GIA, where t equals 1 for the first installment, 2 for the second installment, and so on until it equals N for the last installment.

After the Termination Date and during any installment period described in this Section 1.10, and as the Plan permits, We will continue to pay Distributions for retirement, termination, death, disability, hardship, or Distributions required by Code section 401(a)(9). Also, after the Termination Date, as the Plan permits, We will continue to pay Transfers so long as:

- (a) the GIA is part of the Plan's stable value investment option and that investment option comprises at least one other investment contract;
- (b) amounts payable from investment contracts constituting the Plan's stable value option are on a "last in, first out" basis with all other investment contracts being used before the GIA to pay Transfers, i.e., the value of each of the other investment contracts that constitute the Plan's stable value option must be \$0 before a Transfer is paid from the GIA and
- (c) Transfers to a Competing Fund may be restricted in accordance with Section 1.8 of the Addendum.

Notwithstanding the foregoing, as provided under Section 5.4(B) and (C) of the Base Agreement, We will pay Termination Disbursements occurring as a result of the Plan's termination or failure to meet the requirements of Code Section 401(a) in a single lump sum payment, or as You and We mutually agree. We will also pay Termination Disbursements occurring as a result of termination of this Agreement under Section 5.1(D) of the Base Agreement in a single lump sum payment.

1.11 TERMINATION OF GUARANTEED INCOME FUND INVESTMENT ADDENDUM.
We may terminate this Investment Addendum upon 90 days' advance notice if:

- (i) We determine that the continued operation of the Guaranteed Income Fund is no longer commercially desirable for the class of business to which this Agreement belongs, and
- (ii) We notify all investors belonging to the same class of business as this Agreement and utilizing the Guaranteed Income Fund in writing that We are terminating the Guaranteed Income Fund.

The following provisions apply as of the date We terminate the Guaranteed Income Fund as provided above.

- (A) We will not accept additional Deposits or Transfers into the GIA and We will not make additional Transfers, Distributions, or Termination Disbursements from the GIA, except as provided in (B) and (C) below.
- (B) We will determine the amount of any outstanding Asset Charge attributable to the GIA, as described in Section 1.4 of this Investment Addendum and the Expense Schedule. We will withdraw the amount from the GIA unless You agree to pay the Asset Charge, as described in the Base Agreement.
- (C) You may transfer the GIA balance in a lump sum to any other investment option represented by an Investment Addendum under this Agreement. We will disburse any remaining GIA balance in a lump sum as You direct in writing. If You do not transfer the GIA balance to another investment option under this Agreement, or otherwise direct Us to disburse the balance, We will transfer the GIA balance to a non-interest bearing account until such time as You transfer the GIA balance to another investment option under this Agreement, or otherwise direct Us to disburse the balance.

APPLICATION FOR INVESTMENT AGREEMENT
to be issued by
EMPOWER ANNUITY INSURANCE COMPANY ("Empower")
280 Trumbull Street, Hartford, CT 06103

Name of Applicant as it should appear on the Investment Agreement:	
State of North Dakota	
Street Address:	
1600 East Century Avenue, Suite 2	
City, State & Zip Code:	
Bismarck, ND 58502	
The Applicant is the (choose one) <input type="checkbox"/> Trustee <input checked="" type="checkbox"/> Plan Sponsor/Employer <input type="checkbox"/> Named fiduciary of the following Plan(s):	
The North Dakota Public Employees Retirement System Defined Contribution 401(a) Plan	
Such Plan(s) is/are intended to meet the requirements of the following sections of the Internal Revenue Code:	
<input checked="" type="checkbox"/> 401(a) <input type="checkbox"/> 401(k) <input type="checkbox"/> 403(b) <input type="checkbox"/> 414(d) <input type="checkbox"/> 457(b) <input type="checkbox"/> 457(f) <input type="checkbox"/> Other _____	
The Applicant hereby applies for an Empower Investment Agreement (a group annuity contract) with the following investment product(s):	
Guaranteed Income Fund	
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
This Application will be attached to and form a part of the Investment Agreement.	
Any person who knowingly, and with intent to injure, defraud or deceive, includes any false or misleading information on an application for an insurance policy may be subject to potential criminal and/or civil penalties.	
The undersigned individuals represent that they have the requisite power and authority to apply for an Investment Agreement on behalf of the Plan(s).	
By _____	By _____
Title _____	Title _____
By _____	By _____
Title _____	Title _____
Dated at _____	on _____
(city, state)	(date)

INVESTMENT AGREEMENT

issued by

EMPOWER ANNUITY INSURANCE COMPANY

a wholly owned subsidiary of Empower Annuity Insurance Company of America
280 Trumbull Street, Hartford, Connecticut 06103

INVESTMENT AGREEMENT NUMBER: GA-100455-01

ISSUED TO: State of North Dakota

EFFECTIVE DATE: January 1, 2025

ISSUE DATE:

This Agreement is a group annuity contract that funds benefits for plans qualified under section 457 of the Internal Revenue Code and is designed to comply with state insurance department standards. Annuities are available subject to the terms of each plan. However, this Agreement does not require the purchase of annuities.

Empower Annuity Insurance Company (“Empower”) will accept Deposits of Plan assets and pay Benefits under the terms of this Agreement. The entire Agreement consists of the Application and the provisions of this Agreement. Empower issues this Agreement in consideration of the Application and the payment of Deposits provided for under this Agreement.

Payments and values that are based on the investment experience of a separate account (other than a guaranteed separate account) are variable and are not guaranteed. The operation of each separate account is described in this Agreement.

In Witness Whereof, Empower has executed this Agreement on the Issue Date, to take effect on the Effective Date.

SPECIMEN

President

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SECTION 1 - DEPOSITS

- 1.1 **CONTRIBUTIONS.** Subject to the terms of the Plan, the Investor (“You”) will deposit Contributions that are directed for investment under this Agreement. You may reduce the amount of Contributions by Plan distributions to Participants for any contribution period.
- 1.2 **MINIMUM CONTRIBUTIONS.** Empower (“We”, “Our” or “Us”) may require a minimum amount of Contributions for investment under this Agreement, in any one Plan year, equal to \$35,000.
- 1.3 **TRANSFERRED ASSETS.** You will deposit amounts contributed under the terms of the Plan prior to the Effective Date of this Agreement that are directed for investment under this Agreement.

Subject to the terms of the Plan and as permitted by the Code, and subject to Our agreement to accept such transfers, You will deposit amounts transferred from other plans that are directed for investment under this Agreement. For purposes of this section, “plans” shall include any "eligible retirement plan" as defined in Code section 402(c)(8).

- 1.4 **TIMING OF CONTRIBUTIONS AND TRANSFERRED ASSETS.** You will deposit Contributions and Transferred Assets within thirty-one (31) days of the date specified in the Plan. However, We will allow a grace period of thirty-one (31) days or, if less, the time required by law for Contributions. You and the contributing employers will ensure that all Contributions due under the Plan are made within the time required by law.
- 1.5 **ROLLOVERS.** Subject to the terms of the Plan and as permitted by the Code, and subject to Our agreement to accept such rollovers, You will deposit rollover amounts from other plans that are directed for investment under this Agreement. For purposes of this section, “plans” shall include any "eligible retirement plan" as defined in Code section 402(c)(8).
- 1.6 **ACCEPTANCE OF DEPOSITS.** We will only accept Deposits specified in the preceding paragraphs.
- 1.7 **ALLOCATION DATE FOR DEPOSITS.** We will allocate Deposits as of the valuation date coinciding with or next following the date We receive the Deposits. The applicable Investment Addendum specifies the valuation date.

SECTION 2 - TRANSFERS BETWEEN PLAN INVESTMENT OPTIONS

- 2.1 TRANSFERS. Subject to the terms of the Plan, Participants may direct Transfers between Plan investment vehicles, including any investment vehicle described in an Investment Addendum under this Agreement. We will apply any limitations described in the Base Agreement or in the applicable Investment Addendum under this Agreement to these Transfers. Participants must independently choose to make Transfers between Plan investment options, free from corporate or trustee suggestion or persuasion.
- 2.2 ALLOCATION DATE FOR TRANSFERS. We will allocate Transfers between investment vehicles as of the valuation date coinciding with or next following the later of
- (A) the date We receive instructions from You or a Participant regarding the Transfer, or
 - (B) the effective date of the Transfer.

The applicable Investment Addendum specifies the valuation date. You and We will mutually agree on a method for submitting Transfer instructions.

SECTION 3 - DISTRIBUTIONS

3.1 GENERAL DISTRIBUTIONS. Subject to the terms of the Plan, We will make Distributions for Benefit payments from an investment vehicle(s) under this Agreement. We will apply to these Distributions any limitations described in the Base Agreement or in the applicable Investment Addendum under this Agreement. We will make Distributions in the following manner:

- (A) TRUSTEE. If the Plan has a trustee, the trustee may, but is not required to, receive all cash payments for further distribution.
- (B) AMOUNT. A Distribution may be an amount up to and including the value of Plan assets in the investment vehicle(s) on the valuation date. The applicable Investment Addendum specifies the valuation date.
- (C) FORM. Subject to the terms of the Plan, and as instructed by You, We will make Distributions in one or a combination of the following forms:
 - (a) Any type of annuity that We agree in writing to provide, in accordance with the provisions of Section 7;
 - (b) Single sum cash payment; or
 - (c) A series of cash payments over a period of time.

Subject to the terms of the Plan, if the Participant's account balance does not exceed \$5,000, We will make any Distribution in the form of a single sum cash payment.

While an annuity is available as a form of Distribution, We will not require You to purchase an annuity under this Agreement.

3.2 DISTRIBUTIONS UPON DEATH. If a Participant dies prior to distribution of his interest in the Plan, You will approve the amount of the death benefit and advise Us of the following:

- (A) the designated beneficiary(ies); and
- (B) the form of benefit to be paid in accordance with the provisions of the Plan and applicable law.

3.3 DEFERRED PAYMENTS. In the event of severe adverse economic conditions, We may defer a Distribution under this Section in accordance with the terms of the applicable Investment Addendum. We will only defer the Distribution for a maximum period of six (6) months from the original distribution date. We will defer the Distribution to a date that is less than six (6) months if We determine that the period of severe adverse economic conditions has ended. We will only defer the payment within the time

permitted by applicable law. Regardless of adverse economic conditions, We will never defer a Distribution due as a result of a Participant's retirement, termination of employment, disability, death, Distributions required by Code Section 401(a)(9) or withdrawals for unforeseen emergencies as permitted under the Plan.

- 3.4 PROVISIONS NOT APPLICABLE UPON TERMINATION. With the exception of Section 3.3, the distribution provisions described in this Section 3 do not apply if the Agreement is terminated. Upon termination of this Agreement, We will apply the provisions of Section 5 along with provisions under the applicable Investment Addendum.

SECTION 4 - OPERATIONAL AGREEMENTS

- 4.1 QUALIFICATION. If required by law and by the date required by law, the Plan Sponsor will apply for a determination letter from the Internal Revenue Service that a new Plan meets the requirements of Code section 457. If the Plan is amended and there are material modifications to the Plan, the Plan Sponsor will apply for a new determination letter from the Internal Revenue Service if required by law and by the date required by law. You will provide a copy of the determination letter to Us within thirty (30) days after it is received by the Plan Sponsor from the Internal Revenue Service.
- 4.2 PLAN CHANGE OR AMENDMENT. You will provide Us with reasonable advance notice of any change or amendment to the Plan. The Plan Sponsor may only adopt a change or amendment that would not have an adverse financial effect on the Agreement or on Us. We will determine whether a change or amendment has such an adverse effect.
- 4.3 DISQUALIFICATION. You will notify Us within thirty (30) days after the Plan Sponsor receives initial written notification from the Internal Revenue Service that the Plan no longer meets the requirements of Code section 457. When this determination becomes final, We will terminate this Agreement under the terms of Section 5.
- 4.4 PLAN OPERATION. You will ensure that the Plan operates in compliance with all applicable laws and regulations.
- 4.5 INFORMATION. You will submit all information necessary to process Deposits, Transfers, and Distributions as frequently as You and We mutually agree.
- You will properly authorize and promptly forward any information required by Us to meet an obligation under this Agreement. In addition, upon Our request, You will promptly forward any information required by Us to ensure compliance with the provisions of Section 2.1.
- As proof of death, We may require a copy of the death certificate, a physician's written statement certifying the death of the decedent, a copy of a certified decree of a court of competent jurisdiction as to the finding of death, or any other reasonable evidence.
- 4.6 EXPENSES. You will pay expenses and charges described in the Expense Schedule within thirty (30) days after the mailing date of the expense notification, or by another method to which You and We mutually agree. We may deduct the amounts owed from Plan assets invested under this Agreement if You do not pay expenses and charges within thirty (30) days, and the Plan permits the expenses and charges to be deducted from Participant accounts. We will provide you with advance written notification of the deduction. We may also terminate this Agreement for non-payment of Expenses under the terms of Section 5.
- 4.7 REPORTS. We will provide You with reports of activity under this Agreement as frequently as You and We mutually agree.

SECTION 5 - TERMINATION

5.1 TERMINATION. We will terminate this Agreement under the following circumstances:

- (A) You notify Us in writing that the Agreement will be terminated;
- (B) We notify You in writing that the Agreement will be terminated because You have materially breached a provision of Section 1, 2, 3, 4, or 6, or a provision of an Investment Addendum and You have failed to cure such breach after We have given you a reasonable opportunity to do so;
- (C) We notify You in writing that the Agreement will be terminated because You have not paid Expenses and You have not made alternative arrangements with Us for paying the Expenses as provided under Section 4.6; or
- (D) We determine that the class of business to which this Agreement belongs is no longer commercially desirable and We notify all investors of this class of business in writing that the agreements will be terminated.

5.2 TERMINATION DATE. The Termination Date is the first day of the month coinciding with or next following (i) the later of the date You specify in your notice pursuant to Section 5.1(A) or the date We receive such notice, (ii) thirty (30) days after the later of the date We specify in Our notice to You pursuant to Section(s) 5.1(B), 5.1(C) or 5.1(D) or the date We send the notice. Upon termination of the Agreement, We will

- (A) no longer accept Deposits under the Agreement as of the Termination Date, and
- (B) notify You of Expenses due as soon as practicable following the Termination Date.

5.3 TERMINATION DISBURSEMENT DATE. Unless You and We agree to an alternative date, We will initiate Termination Disbursements no later than the Termination Disbursement Date which is the valuation date coinciding with or next following the later of:

- (A) Ninety (90) days after the date We receive all information necessary to make the Disbursement; or
- (B) Ninety (90) days after the date We recover all outstanding Expenses under this Agreement.

The applicable Investment Addendum specifies the valuation date.

5.4 TERMINATION DISBURSEMENTS. On the Termination Disbursement Date, We will disburse, or begin to disburse all assets held under this Agreement. Any limitations under the applicable Investment Addendum will apply to these Termination Disbursements. We will recover any Expenses incurred under the Agreement up to the Termination Disbursement Date. We will disburse all assets from the investment vehicle(s) as follows:

- (A) If the Plan continues to meet the requirements of Code section 457 but a new funding agent is selected, You may direct Us to transfer the assets to the Plan's trustees or new funding agent. You or another authorized Plan representative must give Us written instructions regarding the Termination Disbursement. We may also require that You or another authorized Plan representative provide Us with written confirmation that the Plan will continue to meet the requirements of Code section 457.
- (B) If the Internal Revenue Service determines that the Plan initially fails to meet the requirements of Code section 457, We will disburse the Plan assets in a single sum cash payment.
- (C) If the Plan is terminated or the Internal Revenue Service determines that the Plan no longer meets the requirements of Code section 457, We will disburse the Plan assets as You and We mutually agree. If government approval is required, We may require that You or another authorized Plan representative provide Us with written confirmation that the Plan Sponsor has received any required government approval before We disburse the assets.

SECTION 6 - MISCELLANEOUS

- 6.1 You will address all communications in writing (by first class mail, postage prepaid) or as You and We mutually agree.

You will submit communications to Us at the following address:

Empower Annuity Insurance Company
8515 E. Orchard Road
Greenwood Village, CO 80111

We will submit communications to You at the Investor's principal place of business or as You and We mutually agree.

- 6.2 You and We (including any entity which may succeed Us or any entity to which this Agreement may be assigned) are obligated to comply with all terms of this Agreement unless the State of Connecticut determines that We have ceased doing this type of business.
- 6.3 A Distribution or Termination Disbursement payable to any Participant or beneficiary is only assignable if the law allows it. All Distributions or Termination Disbursements are exempt from the claims of creditors to the extent the law permits.
- 6.4 We agree only to the provisions of this Agreement and We are not a party to, and are not bound by, any trust or plan. We are not responsible for the effect of any state or Federal revenue law on any Contribution made under the Plan.
- 6.5 You release Us from any liability for any payments that We made under this Agreement and in accordance with the terms of the Plan and applicable law.
- 6.6 We may rely conclusively on reports, notices, requests and other information submitted by You, the Investor's designated representative, a Participant or a beneficiary.
- 6.7 We will notify You upon becoming aware that any premium tax will be assessed on amounts deposited under this Agreement. We may deduct this tax and any interest due on this tax from Deposits or from Plan assets held under this Agreement.
- 6.8 In applying for the Agreement, You will select the Investment Addendum (Addenda) which become(s) part of this Agreement.
- 6.9 Any change to this Agreement will be subject to the following provisions:
- (A) No change will affect the amount of interest credited or accrued prior to the effective date of the change.

- (B) No change will affect the amount or terms of any annuity purchased prior to the effective date of such change.
- (C) Any change to this Agreement may be made without notice to or the consent of any Participant, beneficiary or annuitant.
- (D) We may, at any time, revise the provisions of this Agreement if the revision is required to comply with Code section 457, or any applicable law or regulation issued by a governmental agency. If required by law, the revision will be retroactive.
- (E) We may annually review and revise the provisions of this Agreement unless otherwise provided in the Base Agreement or the Investment Addendum (Addenda). We will provide You ninety (90) days advance written notice before We revise the provisions of the Agreement. Upon receiving the advance written notice, You may elect to terminate the Agreement under the provisions of Section 5 and the applicable Investment Addendum.

- 6.10 The laws of the state of North Dakota will govern this Agreement.
- 6.11 The singular includes the plural and the masculine or feminine pronoun includes both the masculine and feminine gender unless the context indicates otherwise.
- 6.12 Two or more duplicate originals of this Agreement constitute one and the same instrument. The entire Agreement between You and Us consists of the Application together with all Investment Addenda and Schedules that We have attached to and made part of this Base Agreement.
- 6.13 If any payment due hereunder by Empower is otherwise due to be paid on a date when Empower is closed for business, We will make such payment on Our next normal business day.

SECTION 7 - ANNUITIES

- 7.1 You may, but are not required to, purchase an annuity under this Agreement. We will reduce the amount We apply to purchase an annuity by any amount necessary to pay applicable taxes and/or annuity purchase fees. We will provide any retirement annuity based on Our existing business practices and rates then in effect for agreements in the same class of business as this Agreement.
- 7.2 We may require proof that the recipient of annuity payments is living as of each and every date on which any annuity payment becomes payable. We may withhold payments until We receive the requested proof.
- 7.3 We will issue an individual certificate to each Participant for whom an annuity is purchased. Also, if the state where We issue this Agreement requires, We will issue a certificate to each Participant contributing to the Plan. Any certificate issued will not cancel or alter any terms of this Agreement.
- 7.4 If We discover that the annuitant's age or any other fact pertaining to the purchase or determination of an annuity amount was misstated, or We discover a clerical error, We will make the following adjustments:
- (A) We will correct the amount of annuity payable retroactively to the date We purchased the annuity;
 - (B) We will deduct any overpayments resulting from misstatements or errors from amounts payable following the correction of the annuity amount;
 - (C) We will pay any underpayments resulting from misstatements or errors in full with the next payment following the correction of the annuity amount.
- 7.5 We guarantee that We will purchase annuities on an actuarial basis that is at least equal to the following actuarial basis for a fixed annuity.
- (A) Form of Annuity: 100% Fixed Life Annuity
Actuarial Assumptions: Mortality - 1950 Male Group Annuity Valuation Table, with age setback of 4.8 years plus one-fifth of the number of years from 1895 to the annuitant's year of birth; Interest - 2%; Loading - 8.25%.

We will review this guaranteed actuarial basis annually and may change it after We give ninety (90) days' advance written notice to You. We may only change the guaranteed actuarial basis following the first twelve (12) months after the Agreement's Effective Date. We may only change it once in any twelve (12) month period unless You and We agree in writing to make an exception.

SECTION 8 – DEFINITIONS

“Agreement” is the Investment Agreement, including the Base Agreement, Investment Addendum (Addenda) and Application.

“Base Agreement” includes Sections 1 through 8 and the Expense Schedule.

“Benefit” is any payment to which a Participant is entitled under the terms of the Plan.

“Empower” is Empower Annuity Insurance Company.

“Code” is the Internal Revenue Code of 1986, as amended from time to time.

“Contributions” are amounts contributed under the terms of the Plan on or after the effective date of this Agreement.

“Deposits” are Contributions, Transferred Assets and Rollovers described in Section 1.

“Distributions” are withdrawals for Benefit payments described in Section 3.

“Expenses” are expenses and charges described in the Expense Schedule.

“Investment Agreement” is a group annuity contract, GA-100455-01, issued by Empower.

“Investment Addendum” describes each investment vehicle available under the Agreement, as You select, and all conditions associated with the use of the investment vehicle under this Agreement.

“Investor” is State of North Dakota, the Plan Sponsor, or any person designated by the Investor or the Plan Sponsor to carry out its administrative functions.

“Participant” is an individual having an account under the Plan.

“Plan” is The North Dakota Public Employees Retirement System Deferred Compensation 457(b) Companion Plan, as adopted by the Plan Sponsor, effective as of the date specified in the plan document, as constituted on the Effective Date of this Agreement, and as amended from time to time.

“Plan Sponsor” is the entity sponsoring the Plan.

“Termination Disbursements” are amounts payable from an investment vehicle(s) under this Agreement upon termination of this Agreement as described in Section 5.

“Transfers” are Participant-directed transfers (described in Section 2.1) between Plan investment vehicles.

“You” refers to the Investor.

“We”, "Our" or “Us” refers to Empower.

EXPENSE SCHEDULE

INVESTMENT FUNDS ASSET CHARGES

Part I – A

Payment Method (left-most column) Key:

Charges that are labeled “**OA**” are deducted from the gross rate of fixed funds and deducted from the gross unit value for the market valued funds.

Charges stated below are annual charges for the investment options offered under the addendums listed below as designated in the written communication executed by an authorized representative of the Plan Sponsor.

OA Guaranteed Income Fund

0.00%

EXPENSE SCHEDULE

Part II-A

Asset Charges

The Asset Charges for the investment funds listed in Part I-A of the Expense Schedule are annual charges deducted from the declared rate or unit value of individual investment funds on a daily basis. As used below, the term “You” refers to the Plan Sponsor and the terms “Us” and “Our” refer to Empower Annuity Insurance Company.

Asset Charges, where applicable, are imposed to cover certain of Our expenses incurred in connection with the establishment and maintenance of the Agreement and providing administrative services for the Plan. Asset Charges may also be used to cover payments made by Us at Your direction to other service providers. In no event will these charges cover or be amended so as to cover any fees, expenses, taxes or charges relating to the management of the assets held hereunder. If You request Us to pay the expenses of another service provider or request Us to reimburse You for Plan expenses, a separate agreement will be signed by You.

The Expense Schedule is subject to annual review by Us and may be changed effectively after ninety (90) days’ written notice to You. The Schedule will not be changed within the first twenty four (24) months following the Agreement’s Effective Date, nor will it be changed more frequently than once in any twelve (12) month period except by written agreement between You and Us.

The Asset Charges for the funds or family of funds are listed on Part I-A of this Expense Schedule.

Other Expenses/Charges

We may pay commissions in connection with this contract as disclosed to You in a separate disclosure document and/or as disclosed to You from time to time as part of the information We provide in connection with Your filing of Form 5500, if applicable.

From time to time We may consent to pay money or to give other value to You or Your representatives. Money that We may consent to pay may include allowances or reimbursements paid to You, or to third parties for Your benefit, in connection with services rendered to You or costs incurred by You in connection with Your administration of the Plan. Value that We may consent to give may include educational and reasonable entertainment events that assist You or Your representatives in the discharge of Your duties as a plan sponsor. Separately, apart from Plan activities, We may also at Your request contribute to Your employee appreciation, charitable, educational or entertainment events.

In addition, We or Our affiliates may provide compensation, payments and/or incentives to firms that furnish marketing, sales and/or other services to Us in connection with Our products. Such services may include Empower's participation in seminars or conferences sponsored by such firms.

GUARANTEED INCOME FUND INVESTMENT ADDENDUM

- 1.1 **GUARANTEED INCOME ACCOUNT.** The term Guaranteed Income Account (hereinafter “GIA”) refers to assets invested under this Agreement in the Guaranteed Income Fund. These assets are invested in Empower Annuity Insurance Company’s (“Empower’s”) general account.
- 1.2 **MAXIMUM DEPOSITS.** If Empower’s current guidelines establish a maximum amount that can be deposited to the GIA in any one Plan year, We will communicate the maximum amount to You. You may only deposit up to the maximum amount unless We give You prior written consent to deposit amounts in excess of the maximum.
- 1.3 **CREDITED INTEREST.** We will credit interest to the GIA daily. We will credit interest to each dollar in the GIA
 - (A) from the Valuation Date on which it is allocated to the GIA under Section 1.7 and Section 2.2 of the Base Agreement, and
 - (B) until the Valuation Date as of which We transfer, distribute or disburse each dollar from the GIA.

We will notify You of the interest rate that We will credit to the GIA for this class of business as of the date this Addendum becomes part of the Agreement (the “Declared Interest Rate”). Thereafter, We will announce a Declared Interest Rate semi-annually, effective January 1 and July 1, and that rate will be guaranteed against change during each six (6) month period. The Declared Interest Rate will always be greater than or equal to the minimum rate of interest determined as follows: The minimum rate applicable to any Declared Interest Rate announcement will be equal to the average of the five (5) year Constant Maturity Treasury rates reported by the Federal Reserve over the first thirteen (13) months of the fifteen (15) month period immediately preceding the date on which such Declared Interest Rate is effective, rounded to the nearest .05% and reduced by 1.25%, provided that such minimum rate will not be less than 1.00%, nor greater than 3.00% (the “Minimum Rate”).

The Declared Interest Rate is stated on an annual effective rate basis. This method for computing interest uses daily compounding so the amounts held in the GIA for 365 days (366 days during a leap year) will increase at the stated annual effective rate.

- 1.4 **ASSET CHARGE.** We will convert the annual Asset Charge under this Agreement’s Expense Schedule to a daily equivalent. We will reduce the daily equivalent of the Asset Charge from interest being credited to the GIA under the preceding Section 1.3.

As described in the Base Agreement, You have the option to pay the Asset Charge as an alternative to reducing the daily equivalent of the Asset Charge from interest being credited to the GIA.

1.5 VALUATION. The value of the GIA is an amount equal to (A) minus (B) where

(A) is the sum of

- (i) Deposits to the GIA,
- (ii) Transfers to the GIA from another Plan investment vehicle, and
- (iii) Credited Interest, and

(B) is the sum of

- (i) Expenses, if any, and
- (ii) Transfers, Distributions or Termination Disbursements from the GIA.

1.6 VALUATION DATE. For purposes of valuing the GIA, the term Valuation Date refers to each day that We are open to transact normal business.

1.7 DEFERRALS. We may defer Transfers, Distributions or Termination Disbursements from the GIA under Section 3.3 of the Base Agreement if:

- (A) the New York Stock Exchange is closed, other than customary weekend and holiday closings, or trading on the New York Stock Exchange is restricted;
- (B) an emergency exists as a result of which disposal by Empower of assets that are underlying investments for the Guaranteed Income Fund is not reasonably practical; or
- (C) the Securities and Exchange Commission by order permits.

The Securities and Exchange Commission shall by rules and regulations determine the conditions under which (i) trading shall be deemed to be restricted and (ii) an emergency shall be deemed to exist.

However, during the deferral period We may continue payments to investors ratably as the Guaranteed Income Fund cash flow permits. During the deferral period We will continue to apply Credited Interest.

1.8 TRANSFER LIMITATIONS

Transfers between the GIA and a Competing Fund may be made, provided the amount to be transferred is first transferred to a Plan investment option that is not a Competing

Fund and such amount is held in that fund for a period of at least ninety (90) days before being transferred to a Competing Fund.

A Competing Fund is an investment option available under the Plan that is primarily comprised of high quality fixed income securities with an average duration of less than or equal to 3.5 years. For purposes of the Agreement, Competing Funds include but are not limited to money market and short term bond funds. We reserve the right, upon 30 days notice, to determine whether any investment option under the Plan is or becomes a Competing Fund.

A Prohibited Competing Fund is a money market fund, a fund that guarantees principal or a fund that is primarily comprised of instruments that guarantee principal. You may not offer a Prohibited Competing Fund as a Plan investment option unless We give You prior written consent.

- 1.9 GIA POOL TRANSFER LIMITATION. The assets under the GIA are part of the Guaranteed Income Fund pool established for all investment agreements containing this or a similar limitation, and where We receive the initial Deposit to the GIA in the same period within the calendar year.

We may defer a Distribution or Termination Disbursement whenever (i) plus (ii) would exceed ten percent (10%) of (iii) where

- (i) is the Distribution or Termination Disbursement amount to be paid from the GIA,
- (ii) is all Transfer, Distribution, or Termination Disbursement amounts that We previously or simultaneously paid for any reason in the same calendar year in which (i) is computed, from the same pool of Guaranteed Income Fund assets to which the GIA belongs, and
- (iii) is total assets on January 1 of the year in which (i) is computed in the Guaranteed Income Fund pool to which the GIA belongs.

In addition, We guarantee the following:

- (A) We will not defer an amount which would result in a Distribution or Termination Disbursement of less than ten percent (10%) of the GIA in any one calendar year.
- (B) We will continue to apply Credited Interest to any amount We defer under this Section.
- (C) While the pool transfer limitations of this Section are in effect, as the Plan permits, We will continue to pay Distributions for retirement,

termination, death, disability, unforeseen emergency, or Distributions required by Code section 401(a)(9). In addition, as provided under Section 5.4(C) of the Base Agreement, We will pay Termination Disbursements occurring as a result of the Plan's termination or failure to meet the requirements of Code section 457, and the limitations of this Section 1.9 will not apply to such Termination Disbursements.

- (D) While the pool transfer limitations of this Section are in effect, We will continue to allow Transfers under the terms of the Plan.
- (E) This Section does not apply if this Agreement has terminated under Section 5 of the Base Agreement. Upon termination, the provisions of the following Section 1.10 will apply.

1.10 TERMINATION TRANSFER LIMITATIONS. If this Agreement terminates under Section 5 of the Base Agreement, the limitations of this Section apply. The assets under the GIA are part of the Guaranteed Income Fund pool established for all investment agreements containing this or a similar limitation, and where We receive the initial Deposit to the Guaranteed Income Fund in the same period within the calendar year.

We will disburse the assets under the GIA in a single lump sum as of the Termination Disbursement Date, defined in Section 5.3 of the Base Agreement, if (i) plus (ii) does not exceed ten percent (10%) of (iii) where

- (i) is the Termination Disbursement amount to be paid from the GIA,
- (ii) is all Transfer, Distribution, or Termination Disbursement amounts that We previously paid for any reason in the same calendar year in which this Agreement is terminated and from the same pool of Guaranteed Income Fund assets to which the GIA belongs, and
- (iii) is total assets on January 1 of the year in which (i) is computed in the Guaranteed Income Fund pool to which the GIA belongs.

If (i) plus (ii) exceeds ten percent (10%) of (iii), We may apply the following limitations:

- (A) As of the Termination Disbursement Date, We will disburse an amount equal to the greater of (a) or (b) as follows:
 - (a) is the difference between ten percent (10%) of (iii) above, and (ii) above.
 - (b) is one-sixth (1/6) of the GIA value as of the Termination Disbursement Date.

On each anniversary of the Termination Disbursement Date, We will disburse assets remaining credited to the GIA in five (5) succeeding annual installments as follows:

- (1) The first installment is one-fifth ($1/5$) of the remaining value of the GIA;
- (2) The second installment is one-fourth ($1/4$) of the remaining value of the GIA;
- (3) The third installment is one-third ($1/3$) of the remaining value of the GIA;
- (4) The fourth installment is one-half ($1/2$) of the remaining value of the GIA;
- (5) The fifth installment is the remaining value of the GIA.

We will issue a written guarantee of the interest rate that We will credit to the unpaid balance of the GIA. The interest rate will be an annual rate and will not change during the life of the installment payment period (the “Installment Period Rate”).

Installment Period Rate = $i - .5(j-i)$ where

- (i) is the Declared Interest Rate applicable to the Guaranteed Income Fund pool to which the GIA belongs as of the Termination Date, defined under Section 5.2 of the Base Agreement, and
- (j) is the rate of credited interest as of the Termination Date applicable to the Guaranteed Income Fund pool established for the same period within the calendar year in which the Termination Date occurs (the “New Rate”). We will ensure that the New Rate is determined on the same basis as the Declared Interest Rate.

The Installment Period Rate will always be greater than or equal to the Minimum Rate in effect during the semi-annual period in which the Termination Date falls, as described in Section 1.3 hereunder. In addition, We will continue to charge Expenses described in the Expense Schedule. The maximum interest rate We will credit is equal to the Declared Interest Rate.

Notwithstanding the preceding paragraphs of this Section 1.10(A), We may disburse the remaining balance of the GIA at any time in a single lump sum.

- (B) Payment Over a Maximum Period of Ten Years. In lieu of the installment payments under the preceding Section 1.10(A), You may direct Us in writing to disburse the assets from the GIA in annual installments over no more than ten (10) years from the Termination Date. The initial disbursement will be on the first anniversary of the Termination Date if that date is a normal business day for Us. If not, the disbursement will be made on Empower's next normal business day. Any subsequent disbursements will be made on each calendar year anniversary of the Termination Date if that date is a normal business day for Us. If not, the disbursement will be made on Empower's next normal business day.

We will issue a written guarantee of the interest rate that We will credit to the unpaid balance of the GIA. The interest rate will be an annual rate and will not change during the life of the installment payment period (the "Installment Period Rate").

Installment Period Rate = Declared Interest Rate as of the Termination Date - 1%

The Installment Period Rate will always be greater than or equal to the Minimum Rate in effect during the semi-annual period in which the Termination Date falls, as described in Section 1.3 hereunder. In addition, We will continue to charge Expenses described in the Expense Schedule.

The number of annual payments will be referred to as "N" where

$N = (j-i) \text{ times } 100 \text{ rounded up to the next integer}$
but N is not less than 1 or greater than 10,

j = the New Rate, and

i = the Declared Interest Rate as of the Termination Date.

Each disbursement will be an amount equal to $1/(N-t+1)$ times the remaining value of the GIA, where t equals 1 for the first installment, 2 for the second installment, and so on until it equals N for the last installment.

After the Termination Date and during any installment period described in this Section 1.10, and as the Plan permits, We will continue to pay Distributions for retirement,

termination, death, disability, unforeseen emergency, or Distributions required by Code section 401(a)(9). Also, after the Termination Date, as the Plan permits, We will continue to pay Transfers so long as:

- (a) the GIA is part of the Plan's stable value investment option and that investment option comprises at least one other investment contract;
- (b) amounts payable from investment contracts constituting the Plan's stable value option are on a "last in, first out" basis with all other investment contracts being used before the GIA to pay Transfers, i.e., the value of each of the other investment contracts that constitute the Plan's stable value option must be \$0 before a Transfer is paid from the GIA and
- (c) Transfers to a Competing Fund may be restricted in accordance with Section 1.8 of the Addendum.

Notwithstanding the foregoing, as provided under Section 5.4(B) and (C) of the Base Agreement, We will pay Termination Disbursements occurring as a result of the Plan's termination or failure to meet the requirements of Code Section 457 in a single lump sum payment, or as You and We mutually agree. We will also pay Termination Disbursements occurring as a result of termination of this Agreement under Section 5.1(D) of the Base Agreement in a single lump sum payment.

1.11 **TERMINATION OF GUARANTEED INCOME FUND INVESTMENT ADDENDUM.**
We may terminate this Investment Addendum upon 90 days' advance notice if:

- (i) We determine that the continued operation of the Guaranteed Income Fund is no longer commercially desirable for the class of business to which this Agreement belongs, and
- (ii) We notify all investors belonging to the same class of business as this Agreement and utilizing the Guaranteed Income Fund in writing that We are terminating the Guaranteed Income Fund.

The following provisions apply as of the date We terminate the Guaranteed Income Fund as provided above.

- (A) We will not accept additional Deposits or Transfers into the GIA and We will not make additional Transfers, Distributions, or Termination Disbursements from the GIA, except as provided in (B) and (C) below.
- (B) We will determine the amount of any outstanding Asset Charge attributable to the GIA, as described in Section 1.4 of this Investment Addendum and the Expense Schedule. We will withdraw the amount from the GIA unless You agree to pay the Asset Charge, as described

in the Base Agreement.

- (C) You may transfer the GIA balance in a lump sum to any other investment option represented by an Investment Addendum under this Agreement. We will disburse any remaining GIA balance in a lump sum as You direct in writing. If You do not transfer the GIA balance to another investment option under this Agreement, or otherwise direct Us to disburse the balance, We will transfer the GIA balance to a non-interest bearing account until such time as You transfer the GIA balance to another investment option under this Agreement, or otherwise direct Us to disburse the balance.

APPLICATION FOR INVESTMENT AGREEMENT
to be issued by
EMPOWER ANNUITY INSURANCE COMPANY ("Empower")
280 Trumbull Street, Hartford, CT 06103

Name of Applicant as it should appear on the Investment Agreement:	
State of North Dakota	
Street Address:	
1600 East Century Avenue, Suite 2	
City, State & Zip Code:	
Bismarck, ND 58502	
The Applicant is the (choose one) <input type="checkbox"/> Trustee <input checked="" type="checkbox"/> Plan Sponsor/Employer <input type="checkbox"/> Named fiduciary of the following Plan(s):	
The North Dakota Public Employees Retirement System Deferred Compensation 457(b) Plan	
Such Plan(s) is/are intended to meet the requirements of the following sections of the Internal Revenue Code:	
<input type="checkbox"/> 401(a) <input type="checkbox"/> 401(k) <input type="checkbox"/> 403(b) <input type="checkbox"/> 414(d) <input checked="" type="checkbox"/> 457(b) <input type="checkbox"/> 457(f) <input type="checkbox"/> Other _____	
The Applicant hereby applies for an Empower Investment Agreement (a group annuity contract) with the following investment product(s):	
Guaranteed Income Fund	
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
This Application will be attached to and form a part of the Investment Agreement.	
Any person who knowingly, and with intent to injure, defraud or deceive, includes any false or misleading information on an application for an insurance policy may be subject to potential criminal and/or civil penalties.	
The undersigned individuals represent that they have the requisite power and authority to apply for an Investment Agreement on behalf of the Plan(s).	
By _____	By _____
Title _____	Title _____
By _____	By _____
Title _____	Title _____
Dated at _____	on _____
(city, state)	(date)

100456-01 401(a)

EMPOWER ANNUITY INSURANCE COMPANY of AMERICA ("Empower") A Stock Company
 8515 East Orchard Road, Greenwood Village, CO 80111
For inquiries, information or resolution of complaint, call 1-877-694-4015

APPLICATION for GROUP UNALLOCATED ANNUITY CONTRACT

SECTION A. PLAN SPONSOR

NAME OF PLAN SPONSOR State of North Dakota			PLAN SPONSOR FEDERAL TAX ID # 45-0282090
STREET ADDRESS 1600 East Century Ave, Suite 2			State of SITUS North Dakota
CITY Bismarck	STATE ND	ZIP Code 58502	TELEPHONE # (701) 328-3978

TYPE OF ENTITY: ☒ **Government** (State, local, county, municipality, Healthcare, Public School)

FULL LEGAL PLAN NAME (as appears on Plan Document)

The North Dakota Public Employees Retirement System Defined Contribution 401(a) Plan

SECTION B. CONTRACTHOLDER

NAME OF TRUSTEE, IF DIFFERENT THAN THE PLAN SPONSOR			TRUSTEE FEDERAL TAX ID #, if applicable
STREET ADDRESS			State of SITUS
CITY	STATE	ZIP Code	TELEPHONE #

TYPE OF ENTITY: ☐ Bank ☐ Trust Company ☐ Individual(s) ☐ Other (specify):

SECTION C. PRODUCT INFORMATION

☒ **Fixed Annuity**

SECTION D. PLAN INFORMATION

TYPE of Plan (select one): ☐ 401(k) ☒ **401(a)** ☐ 457(b) (governmental) ☐ Other(specify):

Is this Plan subject to ERISA (Employee Retirement Income Security Act)? ☐ YES ☒ **NO**

SECTION E. FIXED ACCOUNT

☒ **Empower Investments Fixed Account – Series VI**

SECTION F. SERIES ACCOUNTS

☒ **None**

SECTION G. AGREEMENT AND SIGNATURES

By signing this Application, Plan Sponsor and Contractholder, if different than Plan Sponsor, understand, accept, and otherwise agree to the provisions of the attached Group Annuity Contract, represent that the information contained on this application is true and correct to the best of their knowledge, understand that Empower will rely on such information, and agree to notify Empower of any changes to the information provided above. Any information provided herewith shall be considered to be representations and not warranties.

Signature of Plan Sponsor _____ Date _____

Print Name _____

Title _____

Signature of Contractholder (Trustee) _____ Date _____
if different than Plan Sponsor

Print Name _____

Title _____

IMPORTANT NOTICES

Below are notices that apply only in certain states. Please read the following carefully to see if any apply in your state.

Alabama, Arkansas, Louisiana, Rhode Island, and West

Virginia: Any person who knowingly presents a false or fraudulent claim for payment of a loss or benefit or knowingly presents false information in an application for insurance is guilty of a crime and may be subject to fines and confinement in prison.

Colorado: It is unlawful to knowingly provide false, incomplete, or misleading facts or information to an insurance company for the purpose of defrauding or attempting to defraud the company. Penalties may include imprisonment, fines, denial of insurance, and civil damages. Any insurance company or agent of an insurance company who knowingly provides false, incomplete, or misleading facts or information to a policyholder or claimant for the purpose of defrauding or attempting to defraud the policyholder or claimant with regard to a settlement or award payable from insurance proceeds shall be reported to the Colorado division of insurance within the department of regulatory agencies.

District of Columbia: WARNING: It is a crime to provide false or misleading information to an insurer for the purpose of defrauding the insurer or any other person. Penalties include imprisonment and/or fines. In addition, an insurer may deny insurance benefits, if false information materially related to a claim was provided by the applicant.

Kentucky: Any person who knowingly and with intent to defraud any insurance company or other person files an application for insurance containing any materially false information or conceals, for the purpose of misleading, information concerning any fact material thereto commits a fraudulent insurance act, which is a crime.

Maryland: Any person who knowingly or willfully presents a false or fraudulent claim for payment of a loss or benefit or who knowingly or willfully presents false information in an application for insurance is guilty of a crime and may be subject to fines and confinement in prison.

Maine, Tennessee, and Washington: It is a crime to knowingly provide false, incomplete or misleading information to an insurance company for the purpose of defrauding the company. Penalties may include imprisonment, fines or a denial of insurance benefits.

New Jersey: Any person who includes any false or misleading information on an application for an insurance policy is subject to criminal and civil penalties.

New Mexico: Any person who knowingly presents a false or fraudulent claim for payment of a loss or benefit or knowingly presents false information in an application for insurance is guilty of a crime and may be subject to civil fines and criminal penalties.

Ohio: Any person who, with intent to defraud or knowing that he is facilitating a fraud against an insurer, submits an application or files a claim containing a false or deceptive statement is guilty of insurance fraud.

Oklahoma: WARNING: Any person who knowingly, and with intent to injure, defraud or deceive any insurer, makes any claim for the proceeds of an insurance policy containing any false, incomplete or misleading information is guilty of a felony.

Pennsylvania: Any person who knowingly and with intent to defraud any insurance company or other person files an application for insurance or statement of claim containing any materially false information or conceals for the purpose of misleading, information concerning any fact material thereto commits a fraudulent insurance act, which is a crime and subjects such person to criminal and civil penalties.

EMPOWER ANNUITY INSURANCE COMPANY of AMERICA

A Stock Company

8515 East Orchard Road, Greenwood Village, CO 80111

For inquiries, information or resolution of complaint, call 1-877-694-4015

Group Unallocated Fixed Deferred Annuity Contract **("Contract")** *Non-Participating*

PLAN SPONSOR	State of North Dakota
CONTRACTHOLDER	State of North Dakota
PLAN	The North Dakota Public Employees Retirement System Defined Contribution 401(a) Plan
CONTRACT NUMBER	100456-01
CONTRACT DATE	January 1, 2025 <i>or the later date signed by all parties</i>

Empower Annuity Insurance Company of America ("Empower") agrees to pay annuity benefits provided by this Contract, subject to its terms and conditions. The provisions on the following pages, together with the application for this Contract, and other documents referenced in Section 10.2, are part of this Contract.

Signed for Empower Annuity Insurance Company of America and effective on the Contract Date.



Secretary



President

This Contract is a legal contract between Contractholder, Plan Sponsor and Empower Annuity Insurance Company of America. PLEASE READ THIS CONTRACT CAREFULLY.

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SECTION 1. DEFINITIONS

Administrative Offices – 8515 East Orchard Road, Greenwood Village, CO 80111.

Alternate Payee(s) – any spouse, former spouse, child or other dependent of a Participant or any other person recognized under applicable law or Court Order as having a right to receive all or a portion of the benefit payable under a Plan with respect to such Participant.

Annuitant – the person for whom an annuity is purchased, and upon whose life the payment of the annuity is based.

Annuity Commencement Date – the date on which annuity payments begin.

Applicable Tax – the amount of tax charged by a state or other governmental authority.

Beneficiary(ies) – a person or entity designated by the Participant or under the terms of the Plan to receive all or a portion of the amount in the Contractual Account attributable to a Participant upon his or her death.

Business Day – any day and during the hours on which the New York Stock Exchange is open for trading. Except as otherwise provided in this Contract, in the event that a date falls on a non-Business Day, the date of the succeeding Business Day will be used.

Code – the Internal Revenue Code of 1986, as amended, and all related laws and regulations which are in effect during the term of the Contract.

Contract Date – the effective date of this Contract listed on the first page of this Contract.

Contractholder – The entity referenced on the cover page of this Contract that holds this Contract. For certain plans, the Contractholder also may be the Plan Sponsor.

Contractual Account – The Plan's aggregate amount in the Fixed Account(s).

Contractual Account Value – The sum of all amounts credited to the Contractual Account, less the sum of all amounts withdrawn from that account, reflecting amounts in the Fixed Account(s).

Contributions – salary reduction contributions, Participant after-tax contributions, employer contributions, or other contributions made by the Plan Sponsor to the Plan on behalf of a Participant under the Code.

Court Order – An order of a court of competent jurisdiction, such as a qualified domestic relations order that: (i) creates or recognizes the existence of an Alternate Payee's right to, or assigns to an Alternate Payee the right to, receive all or a portion of the benefits payable with respect to a Plan Participant; (ii) complies with applicable requirements of the Code and/or ERISA; and (iii) is approved by the Plan Sponsor or its designee.

Deposits – to the extent permitted under the Plan type, Participant initiated rollovers, plan to Plan transfers, Transfers, or other amounts, other than Contributions.

Distributions – amounts paid to the Contractholder on behalf of a Participant, Beneficiary or Alternate Payee, pursuant to the terms of the Plan and the Code.

ERISA – Employee Retirement Income Security Act of 1974, as amended.

Fixed Account – an investment option, the assets of which are part of the General Account of Empower.

Fixed Account Value – the sum of the amounts in the Fixed Account(s).

General Account – Empower's assets other than those held in any segregated investment account.

Good Order – A notice or instruction from a person authorized to initiate a transaction that is received by Empower at our Administrative Offices, utilizing such forms as we may require, and that contains all information, documentation, and instructions necessary for Empower to process such transaction.

Empower (we, us, our) – Empower Annuity Insurance Company of America, located at the Administrative Offices at the address shown under this Section 1.

Participant – an individual eligible to participate in the Plan.

Payee – a person entitled to receive all or a portion of the value of the Participant's interest in the Contractual Account.

Plan – A retirement program that an employer offers to its employees that is funded in part by this Contract. Each Plan must meet the applicable requirements of Code §401(a) or §457(b), as applicable.

Plan Sponsor – an entity maintaining the Plan on behalf of Participants, Alternate Payees and Beneficiaries. In a multiple employer plan, the Plan Sponsor shall be considered the entity maintaining the multiple employer plan on behalf of participating employers and the participating employers Participants, Alternate Payees and Beneficiaries. If the Plan is intended to qualify under Code §457(b), the Plan Sponsor must be an eligible employer described in Code §457(e)(1)(A).

Request(s) – inquiry or instruction that is/are: (1) received by Empower at its Administrative Offices in Good Order; and (2) submitted in accordance with the provisions of this Contract, or as required by Empower. The Request is subject to any action taken by Empower before the Request was processed.

Start-Up Costs – the amounts incurred by Empower in acquiring and implementing the Plan, which may include but are not limited to restorations, commissions or other costs, if applicable.

Transfer(s) – the reinvestment or exchange by the designated Plan recordkeeper of all or a portion of the Participant's interest from one investment option or provider under the Plan to another.

SECTION 2. OWNERSHIP PROVISIONS

2.1 Ownership of the Contract

Contractholder is the owner of the Contract and is identified on the first page of the Contract. The Plan Sponsor and the Contractholder have certain rights, responsibilities and privileges as set forth under this Contract. For certain Plan types, the Contractholder also may be the Plan Sponsor. Please see applicable tax endorsement attached to this Contract, which endorsement pertains to your specific type of Plan.

2.2 Transfer and Assignment

The interests of the Contractholder and the Plan Sponsor under this Contract are nontransferable and may not be waived, relinquished or assigned, sold, pledged, charged, encumbered, or in any way alienated, except as may be permitted under the Code, by law, or by applicable Court Order. If, however, the Plan is consolidated or merged with another retirement plan, or if the assets and liabilities of the Plan are transferred to another retirement plan or are acquired by another plan sponsor, this Contract may be assigned to the new plan sponsor and/or trustee.

2.3 Trust

The Contract may be used in lieu of a trust agreement for purposes of satisfying Code sections 401(a), 401(f) and 457(g) and no portion of the amount contributed to the Contract, plus earnings thereon, may be used for or diverted to any purpose other than the exclusive benefit of Participants and their Beneficiaries prior to the satisfaction of all liabilities to them.

SECTION 3. CONTRACTUAL ACCOUNT VALUE

3.1 Contractual Account Value

The Contractual Account Value is calculated as follows:

- (a) all Contributions and Deposits to the Fixed Account option selected, made for or on behalf of Participant(s), Alternate Payee(s) and Beneficiary(ies); plus
- (b) all interest credited to the Contractholder's assets in such Fixed Account in accordance with the applicable Fixed Account rider; less
- (c) any amounts transferred or distributed from the Fixed Account; less
- (d) any applicable charges, fees and Applicable Tax, if any.

3.2 Transaction Date

All Requests, Contributions and Deposits received in Good Order with all required documentation at Empower's Administrative Offices prior to the close of business of the New York Stock Exchange will be processed as of the date received, and if received after the close of business of the New York Stock Exchange will be processed on the next Business Day. However, Empower shall not be liable for the results of any delay or interruption in processing transaction Requests or Contributions or performing required acts hereunder due to extreme unforeseeable and unpreventable circumstances or causes or conditions beyond its control, such as power failure, fire, extreme flooding, earthquake, tsunami, mudslides, hurricane, tornado, blizzard, cyber-attack or disruptions in orderly trading on any relevant exchange or market, including disruptions due to extraordinary market volume that result in substantial delay in receipt of correct data.

SECTION 4. CONTRIBUTIONS AND DEPOSITS

4.1 Contributions

Prior to the termination of the Contract and unless otherwise described in a Fixed Account rider, Contributions may be made at any time on behalf of Participants, pursuant to the terms of the Plan.

The Contribution amounts will be allocated to the Fixed Account in accordance with instructions from the Plan Sponsor pursuant to the accompanying Contribution report. The Contribution report must be submitted in a manner acceptable to Empower and shall be conclusive and final. When the Contribution report does not coincide with the Contribution received and the inconsistency is not resolved within a period of time required under the law, Empower may return the Contribution.

4.2 Limitations on Salary Reduction Contributions

For limitations on salary reduction Contributions, if any, please see the applicable tax endorsement for your specific type of Plan, attached to this Contract.

4.3 Deposits

Deposits made directly to Empower by Plan Sponsor will be accepted and assumed permitted under the terms of the Plan and applicable Code requirements.

4.4 Allocation of Contributions and Deposits

Contributions and Deposits, less Applicable Tax, if any, will be allocated when received by Empower at its Administrative Offices, subject to Section 3.2 of this Contract.

If a selected Fixed Account option is changed or will no longer be made available, then Contributions and Deposits may be redirected to another available Fixed Account option and the account balance may be reallocated subject to the terms of the account selected. Empower will provide notice of any such changes in accordance with Section 10.4.

SECTION 5. CONTRACT CHARGES AND FEES

5.1 Contract Termination Charge

Upon termination of the Contract by Plan Sponsor, a Contract termination charge *may* apply, as set forth in the Specification Page.

5.2 Service Charges and Fees

Empower and Plan Sponsor may enter into agreements for other services to the Plan not otherwise provided under this Contract. Charges and fees, if applicable, for these services will be described in such separate agreement(s).

5.3 Contract Series Charge

The Contract series charge, if any, for the Fixed Account rider, shall be set forth in the Fixed Account rider selected by the Plan Sponsor or authorized Plan fiduciary.

5.4 Payment of Charges and Fees

Any charges and fees imposed under this Contract may be billed directly to Plan Sponsor. If Plan Sponsor does not elect to have such charges and fees billed to Plan Sponsor, such charges and fees shall be deducted from the Contractual Account Value.

In all instances where Plan Sponsor has elected to be billed for any fees and charges and any of the fees or charges are unpaid after the date billed, as disclosed in and pursuant to the procedures in the fee disclosure and/or service agreement for the Plan, Plan Sponsor and Contractholder hereby instruct Empower to debit the Contractual Account. Empower may continue to deduct charges and fees quarterly from the Contractual Account Value unless and until Plan Sponsor provides Empower with written instructions to reinstate billing.

Empower may change any charges and fees upon not fewer than thirty (30) calendar days advance written notice to Plan Sponsor.

SECTION 6. PARTICIPANT-, ALTERNATE PAYEE-, AND BENEFICIARY-DIRECTED TRANSFERS AMONG INVESTMENT OPTIONS OFFERED BY THE PLAN

Upon receipt of a Request by Plan Sponsor or its designee made on behalf of Participants, Alternate Payees or Beneficiaries, meeting all of the requirements of this section, Empower will process Transfers. Transfers must:

- (a) satisfy the terms of the Plan in accordance with the appropriate provisions of the Code; and
- (b) satisfy any restrictions in the attached Fixed Account rider.

SECTION 7. PAYMENTS TO PLAN SPONSOR FOR DISTRIBUTIONS

7.1 Distribution Requirements

Notwithstanding any provision herein to the contrary, payments made to the Plan Sponsor or its designee for Distributions to a Payee, or Plan to Plan transfers, may only be made in accordance with the terms of the Plan and applicable Code sections and any terms of the Fixed Account rider(s). Empower shall be entitled to rely solely on information provided by Plan Sponsor or its designee as to compliance with all applicable law and the terms of this Contract, any attached tax endorsement and any applicable Fixed Account rider(s) for such Distributions.

SECTION 8. BENEFIT PAYMENT OPTIONS

8.1 Plan Sponsor Requests for Distributions for Participants, Beneficiaries or Alternate Payees

The Plan Sponsor may elect to provide Distributions by directing Empower to withdraw from the Contractual Account Value the amounts necessary to provide such benefits, subject to this Section 8. As long as the Contractual Account Value is greater than zero and as allowed by the Plan and Code, a Request may be made by the Plan Sponsor on behalf of a Payee to:

- (a) Elect an annuity payment option, provided such Request is made at least thirty (30) calendar days before the Annuity Commencement Date;
- (b) Elect a lump sum payment option and designate the date of payment.

8.2 Conditions of Payment

Approved Distributions shall be effective on the later of: (a) the date elected subject to any restrictions of the Plan and Code and the applicable Fixed Account rider(s); and (b) the date of the Request.

8.3 Lump Sum Payment Option

If the Plan Sponsor determines that the Payee is entitled to a Distribution under the applicable terms and provisions of the Plan and the Code sections governing the Plan, the Plan Sponsor or its designee may direct us to withdraw from the Contractual Account a lump sum payment amount as selected by the Payee.

Subject to the provisions of the attached Fixed Account rider(s), the amount to be distributed is: (i) the lump sum amount requested; less (ii) the Applicable Tax, if any, as of the date of the amount distributed, and (iii) any applicable fees and charges.

8.4 Periodic Payment Options

If, based upon information provided by Plan Sponsor, the Payee is entitled to a Distribution under the applicable terms and provisions of the Plan and the Code sections governing the Plan, all or a portion of a Participant's interest in the Contractual Account may be applied to a periodic payment option selected by the Payee, subject to any restrictions in a Fixed Account rider. Charges and fees will continue to apply. An Applicable Tax, if any, may apply. Plan Sponsor will provide Empower with any Requests for periodic payments by Participants and shall instruct its designated Plan recordkeeper to administer such payments.

Plan Sponsor shall provide Empower notice in Good Order upon the death of any Participant who is receiving periodic payments and of the deceased Participant's Beneficiary's election of a payment option under this Section 8 meeting all the requirements of Code section 401(a)(9).

8.5 Annuity Payment Options

If, based upon information provided by Plan Sponsor, the Payee is entitled to a Distribution under the applicable terms and provisions of the Plan and the Code sections governing the Plan, all or a portion of the interest in the Contractual Account attributable to the Participant may be applied to an annuity payment option selected by the Payee, so long as the requirements of Code section 401(a)(9) are met. Thereafter, this Contract shall no longer be applicable with respect to amounts directed to the annuity payment option. Empower will issue an 'individual retired life certificate' to each Annuitant describing the rights and benefits payable under the elected annuity payment option provided to the Participant/Payee under this Contract.

The amount to be applied to an annuity payment option is: (i) the portion of the interest in the Contractual Account attributable to the Participant elected by Payee subject to any applicable restrictions in the Fixed Account rider, less (ii) Applicable Tax, less (iii) any fees and charges described in this Contract.

The minimum amount that may be applied under the elected annuity option for any Payee is \$5,000. If any payments to be made under the elected annuity payment option will be less than \$50, Empower may make the payments in the most frequent interval that produces a payment of at least \$50.

8.6 Election of Annuity Options

In order to elect, or change the election of, an annuity payment option, Empower must receive the Request at least thirty (30) calendar days before the Annuity Commencement Date.

To the extent available under the Plan, the available annuity payment options are:

- Period Certain Annuity
- Single Life Only Annuity
- Single Life Only Annuity with Period Certain
- Single Life Only Annuity with Cash Refund
- Single Life Only Annuity with Installment Refund
- Joint and Survivor Annuity
- Joint and Survivor Annuity with Period Certain
- Subject to regulatory approval and the terms of the Plan, any other form of annuity offered by Empower.

Annuities will be purchased using Empower's current purchase rates for contracts of this class at the time the annuity is purchased. These rates will be at least as favorable to the Annuitant as an annuity purchased with rates based on the following actuarial assumptions:

- Interest Rate Assumption: 1.00%
- Mortality Assumption: 2012 IAM Basic Female mortality table with Projection Scale G2 improvement factors applied; Static improvement from year of table (2012) to year of the annuity election, generational improvement thereafter
- Loading: 5.00%

Empower will review this guaranteed actuarial basis annually and may change it by providing at least ninety (90) calendar days' advance written notice to the Plan Sponsor. However unless Empower and Plan Sponsor otherwise agree in writing, Empower will only change the guaranteed actuarial basis once in any sixty (60) month period, in which case the actuarial basis will be at least as favorable as the actuarial basis Empower offers to any other contractholder in the same class as this Contract at the time of such change.

8.7 Misstatement of Age

Empower may require the Payee or the Contractholder on behalf of a Payee to provide to Empower adequate proof of the age and death of any Payee before processing a Request for or making any payment. Generally, adequate proof consists of a state-issued driver's license, birth certificate or death certificate, as applicable. Additionally, for life contingent annuity options, Empower may require evidence of survival of any Annuitant periodically on or after the Annuity Commencement Date. If the age of the Payee has been misstated, the payments established for him/her under the applicable payment option will be made on the basis of his/her correct age, the correct facts will be used to adjust payments.

If payments made pursuant to an annuity payment option were too large because of a misstatement of age, Empower may deduct the difference from the next payment or payments. If payments were too small, Empower may add the difference to the next payment.

8.8 Empower's Liability

Empower's liability is for the payment of requested benefits to Participants, including the provision of annuity benefits, as directed by the Contractholder, as set forth in Section 8.5 and 8.6 hereof, on the basis of making correct withdrawals in accordance with the terms of the Contract.

SECTION 9. CONTRACT TERMINATION

9.1 Notice of Contract Termination and Selection of Termination Option(s)

Either Empower or Plan Sponsor may terminate this Contract with advance written notice to the other party or parties. The Contract termination date shall be the seventy-fifth (75th) calendar day after the date written notice is received in the Administrative Offices in Good Order. If the seventy-fifth (75th) day is not a Business Day, the Contract termination date shall be the Business Day immediately following the seventy-fifth (75th) day. Prior to the Contract termination date, Empower and Plan Sponsor may agree to an alternate Contract termination date. Contract termination may not occur on the date selected by Plan Sponsor unless Empower has received all required information.

9.2 Contract Termination Provisions

In the event this Contract is terminated, Empower will pay the Contractual Account Value as described below.

Empower will remit the Fixed Account Value in accordance with the applicable Fixed Account rider.

Plan Sponsor and Contractholder hereby instruct Empower to deduct any outstanding charges and fees, including the Contract termination charge, if applicable, due to Empower from the amount remitted from the Fixed Account.

9.3 Contract Termination due to Plan Termination

If Plan Sponsor terminates the Plan, it shall notify Empower of such Plan termination and that final Contributions have been remitted to Empower. Upon notice of Contract termination due to Plan termination, Plan Sponsor agrees to provide any and all information and instructions Empower requires to properly comply with Plan Sponsor's notification of Plan termination.

Plan Sponsor acknowledges that the amount distributed from the Contract upon Plan termination will be equal to the Contractual Account balance and subject to the provisions in the applicable Fixed Account rider, less all outstanding charges or fees and any applicable Contract termination charge due upon Distribution.

Plan Sponsor shall file any and all required Forms 5500.

If the Plan is abandoned, orphaned or if Plan Sponsor cannot be located or Plan Sponsor fails to provide appropriate representations and instructions to Empower in connection with termination of the Plan, Empower is authorized to accept notices, representations and instructions from the Plan administrator or trustee, the bankruptcy trustee for Plan Sponsor, the U.S. Department of Labor, if applicable, or an authorized and appropriate representative of Plan Sponsor. Empower may also utilize any procedures promulgated by the U.S. Department of Labor, if applicable, or other applicable regulatory agencies for abandoned or orphaned plans including the facilitation of Distributions to Payees performed by a Qualified Termination Administrator, as that term is defined under Federal law and regulations promulgated thereunder, or comparable person as allowed by applicable law.

Once Empower has distributed all Plan assets in accordance with the terms of the Contract and the Fixed Account rider(s), Empower is discharged of all its obligations with respect to the Contractual Account and this Contract.

The Contract shall terminate once all Plan assets have been distributed.

SECTION 10. GENERAL PROVISIONS

10.1 Contract

Empower has issued this Contract to Plan Sponsor and Contractholder in consideration of the application and payment of the initial Contributions or Deposits.

This Contract is subject to the laws of the state in which it was issued. Empower reserves the right to interpret provisions of this Contract accordingly, and to amend this Contract as necessary to maintain compliance with applicable state and federal law and regulations.

10.2 Entire Contract

This Contract, including the application, tax endorsement(s), specification page, and Fixed Account or other rider(s)/endorsement(s) (*subject to regulatory approval*), if any, constitute the entire contract between Plan Sponsor, Contractholder and Empower.

10.3 Contract Modification

Empower may modify this Contract from time to time to conform it to changes in tax or other law, including applicable regulations and rulings, without consent of Plan Sponsor, Contractholder, or any other person. Empower will provide notice and a copy of any such modification to Plan Sponsor and Contractholder as soon as reasonably practicable. Only the President, Vice-President, or the Secretary of Empower, or their authorized designees, can agree on behalf of Empower to modify any provisions of the Contract.

Plan Sponsor and Empower, with the acknowledgment of Contractholder, may, by written agreement or amendment, make other modifications to this Contract, subject to the approval of the appropriate state department of insurance, if applicable. No such modification will, without the written consent of Plan Sponsor, affect the terms, provisions, or conditions of this Contract, which are or may be applicable to Contributions or Deposits made prior to the date of such modification.

10.4 Modification of Fixed Account Options

Empower may offer new or cease offering existing Fixed Account options, or make other changes to the Fixed Account options as Empower deems necessary, and subject to the approval of the state insurance department, if applicable. If Empower changes material provisions of its Fixed Account option(s), Empower will provide at least sixty (60) calendar days' written notice to the Plan Sponsor. This notice shall explain any Fixed Account change(s), communicate the timeline and effective date of any Fixed Account change and explain Plan Sponsor's right to opt out of any Fixed Account change. Plan Sponsor's absence of an objection to such notice will be considered consent to the change(s).

If Empower replaces a Fixed Account option and does not receive an objection from the Plan Sponsor, Transfers between account options as disclosed in the notice will be completed by Empower as of the effective date of the change. Such allocation will be in effect until such time as Empower receives a written Request for a different allocation.

If Plan Sponsor provides written objection to Empower within the sixty (60) calendar day notice period, Empower will not make the Fixed Account change at issue. If Plan Sponsor objects to the Fixed Account change, Empower may terminate this Contract by providing written notice pursuant to Section 9.1 of this Contract.

10.5 Restorations

Empower may agree to restore any back-end load charges, or other charges deducted from Plan assets. Empower recovers restoration amounts, if applicable, at Contract termination through the Contract termination charge.

10.6 Plan Provisions

In all cases, the Plan document shall determine (subject to the Code) the specific features of the Plan, which may include the availability of certain types of investment options, Distributions, loans, and other features allowed but not mandated by the Code. Any provision of this Contract which deals with a feature not included in the Plan shall be ineffective.

10.7 Non-Participating

This Contract is Non-Participating, meaning that it is not eligible to share in Empower's divisible surplus.

10.8 Currency and Contributions and Deposits

All amounts to be paid to or by Empower must be in currency of the United States of America. All Contributions and Deposits to this Contract must be made payable to Empower or to a designee acceptable to Empower.

10.9 Notices

Empower may provide any notice or demand to Plan Sponsor, Contractholder, Payee, or other person, by either sending it to such person's last known address, email address, or facsimile number on file with Empower, or by posting it to an electronic network or website so long as a separate email notice is sent to the email address on file with Empower.

An application, report, Request, election, direction, notice or demand by Plan Sponsor or a Payee/Annuitant must be made in Good Order. When Empower requires it, Plan Sponsor will obtain the signature of the Payee on forms provided by Empower. Empower must first approve any written materials describing this Contract that are developed by any other person.

10.10 Disclaimer

Nothing contained in this Contract shall be construed to be tax, investment or legal advice, and Empower assumes no responsibility or liability for any costs, including but not limited to taxes, penalties or interest incurred by the Plan, Plan Sponsor or any other Payee arising out of a determination of liability. Empower shall not be held liable for any third party's negligence, willful misconduct, or failure to perform.

10.11 Representations

Empower shall be entitled to rely and act solely on the reports, directions, proofs, notices, elections, and other information furnished to it by Contractholder, Plan Sponsor, or their designee(s), and such acts shall be conclusive and final.

10.12 Non-Waiver

Empower may elect not to exercise a right, privilege, or option under this Contract. Such election shall not constitute a waiver of the right to exercise such right, privilege, or option at any subsequent time, nor shall it constitute a waiver of any provision of this Contract.

10.13 Information

Plan Sponsor shall furnish all information that Empower may reasonably require for the administration of this Contract. Empower shall not be responsible for any obligation under this Contract until it receives all requested information in Good Order.

EMPOWER ANNUITY INSURANCE COMPANY of AMERICA

A Stock Company

ENDORSEMENT for SECTION 401(a) and 401(k) Plans

Attached to and forming a part of the Unallocated Group Annuity Contract ("Contract")

*This Endorsement is a part of the Empower Annuity Insurance Company of America ("Empower")
Contract to which it is attached.*

Terms defined in the Contract have the same meaning where used in this Endorsement.

This Endorsement forms a part of the Contract to which it is attached and addresses certain requirements under the Internal Revenue Code of 1986, as amended (the "Code"). The following provisions apply to Contracts issued under plans intended to satisfy the requirements of Section 401(a) and 401(k) of the Code ("Plan" or "Plans").

The effective date of this Endorsement is the issue date of the Contract or such later date necessary to maintain the status of the Plan under Section 401(a) of the Code.

If there is a conflict between the terms of this Endorsement and the terms of the Contract or riders thereto, the terms of this Endorsement will control.

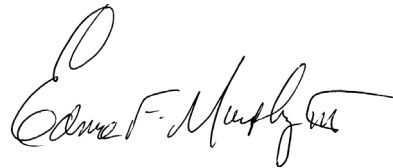
All capitalized terms in this Endorsement shall have the same meaning as attributed to them in the Contract.

1. The Group Annuity Contract and Application are intended to conform to Code sections 401(a) and 401(k). To maintain eligibility under Code sections 401(a) and 401(k), if applicable, the Plan must continue to hold Plan assets in trust.
2. Any Annuitant under this Contract will be a Participant or Beneficiary of the Plan and the Contractholder of this Contract will be the owner as provided under the Plan.
3. The Contractholder shall hold all Plan assets hereunder for the exclusive benefit of Plan Participants and Beneficiaries and no portion of the amount deposited into the Contract or earnings thereon may be used for, or diverted to, any purpose other than for the exclusive benefit of such persons prior to the satisfaction of all liabilities with respect to such persons.
4. The Contract shall be subject to the provisions, terms and conditions of the Plan, and any payment, distribution, or transfer under this Contract shall comply with the provisions, terms and conditions under the Plan as determined by the Plan Administrator, trustee or other Plan fiduciary. We shall have no responsibility with respect to the provisions, terms and conditions of the Plan, including but not limited to, determining whether any payment, distribution or transfer complies with the provisions, terms and conditions of the Plan or with Applicable Law, or in administration of the Plan. Further, the terms of the Plan cannot expand the terms of the Contract or impose responsibilities or duties on Empower not specifically set forth in the Contract.
5. A Plan Participant or Beneficiary may request Contractholder to direct us to have any portion of an eligible rollover distribution (within the meaning of Section 402(c)(4) of the Code) paid

directly to an eligible retirement plan described in Section 402(c)(8)(B) of the Code by means of a direct transfer or direct rollover under Section 401(a)(31) of the Code.

6. If the Plan distributes from the Contract to a Participant or Beneficiary and the Plan is subject to Section 401(a)(11) of the Code, benefits under the Contract should be provided in accordance with the applicable consent, present value, and other requirements of Sections 401(a)(11) and 417 of the Code that are applicable to the plan.

Signed for Empower Annuity Insurance Company of America on the Effective Date of the Contract.

A handwritten signature in black ink, appearing to read "Edward F. Murphy". The signature is fluid and cursive, with a large initial "E" and a long horizontal flourish at the end.

President

EMPOWER ANNUITY INSURANCE COMPANY of AMERICA

A Stock Company

Empower Investments Fixed Account – Series VI FIXED ACCOUNT RIDER

This Empower Investments Fixed Account – Series VI rider (the “Rider”) is part of the Empower Annuity Insurance Company of America (“Empower”) Contract to which it is attached. Terms defined in the Contract have the same meaning where used in this Rider.

The Empower Investments Fixed Account – Series VI (“Fixed Account”) is a Fixed Account that is part of the General Account of Empower. All or a portion of the Contributions and Deposits may be allocated to the Fixed Account.

Definitions

A **Competing Fund** is any of the following types of funds offered by the Plan Sponsor:

- (a) any stable value fund; or
- (b) any fund with a known or periodically declared rate of interest; or
- (c) any money market fund; or
- (d) any bond fund with a duration of 3 years or less; or
- (e) any investment option at any time under a Plan that, unless otherwise agreed by Empower, is a balanced fund that seeks to maintain 75% or more of its assets invested in investment grade U.S. fixed income assets that have a stated benchmark of less than three (3) year or long term objective of maintaining a duration of less than three (3) years; or is a fund that has investment characteristics substantially similar or identical to a stable value fund; or is a fund that Empower, in accordance with its underwriting standards, has determined to be a Competing Fund.

Contractual Account Value – For the purposes of this Rider only, the book value of the Fixed Account.

Plan Sponsor Initiated Event (“PSIE”) – Plan Sponsor action that leads to a transfer of Plan assets from the Fixed Account, including but not limited to, spin-off, layoff, sale, merger, terminating union in a multi-employer plan; terminating participating employer in a multiple employer plan; termination by a political subdivision, agency, or instrumentality of a governmental plan.

Credited Interest Rate

Interest earned on the amounts invested in the Fixed Account is compounded daily at the declared credited interest rate. At the end of each calendar quarter, Empower will establish and declare the interest rate to be credited to the Plan’s assets held in the Fixed Account during the next calendar quarter. Empower will reset the interest rate quarterly and declare all reset credited interest rates at least 48 hours in advance of each reset.

Guaranteed Minimum Interest Rate

The guaranteed minimum interest rate will be equal to 0.00%.

Contract Series Charge

Empower will accrue a charge of 0.10% to cover expenses, which as of the Contract Date includes an amount for Contract administration and investment management. No adjustment is made to the credited interest rate to reduce the amount for Plan recordkeeping/administration services charged to the Plan.

Limitations

Empower shall defer processing Distribution or Transfer Requests if transactions cannot be executed or settled due to the closing or disruption of financial markets or exchanges. Empower shall resume the processing of Distributions and Transfers once the disruption is resolved.

Plan Sponsor shall not offer Competing Funds unless mutually agreed upon by Empower and Plan Sponsor, in which case amounts withdrawn from the Fixed Account must be transferred to a non-competing fund and remain there for at least ninety (90) days before transferring to a Competing Fund.

Should the Plan Sponsor offer a Competing Fund without Empower's agreement or should an existing Plan investment become a Competing Fund that is available to the Plan without Empower's prior agreement, Empower shall suspend all Transfers out of the Fixed Account upon at least thirty (30) calendar days advance written notice to the Plan Sponsor, which notice Plan Sponsor shall communicate promptly to the Participants, Alternate Payees and Beneficiaries invested in the Fixed Account. This Transfer restriction shall remain until the Competing Fund is removed as an eligible Plan investment option, or as otherwise mutually agreed.

Excessive Trading

In order to discourage Transfer activities that are disruptive to the operation of the Empower General Account, Plan Sponsor shall, or shall direct its designated Plan recordkeeper to track Participant, Alternate Payee, and Beneficiary initiated Transfers to identify a purchase into and sale out of the Fixed Account within a thirty (30) calendar day period of time (a "Round Trip").

If a Participant, Alternate Payee, or Beneficiary completes a second Round Trip within thirty (30) calendar days of completing the first Round Trip, Plan Sponsor shall, or shall direct its designated Plan recordkeeper to restrict such person from making a Transfer into or out of the Fixed Account for up to thirty (30) calendar days starting on the date the second Round Trip is completed (the "Transfer Restriction Period").

Contributions and Deposits, other than Transfers, will be allowed into the Fixed Account during the Transfer Restriction Period.

Transfers

Unless otherwise provided in this Rider, Participant, Alternate Payee, and Beneficiary initiated Transfers of amounts held in the Fixed Account are permitted at any time.

Fixed Account Value

The Plan's value in the Fixed Account is determined as the value of (a) minus (b) where:

- (a) is the sum of all Fixed Account Contributions and Deposits plus interest credited to the Fixed Account; and
- (b) is the sum of:
 - i. any amounts distributed;
 - ii. any Transfers from the Fixed Account;
 - iii. any applicable fees and charges; and
 - iv. any Applicable Tax.

Plan Sponsor Initiated Events ("PSIE")

Plan Sponsor shall provide notification to Empower, in writing, at least thirty (30) calendar days in advance of a PSIE.

Upon receipt of the written notification date, if the book value of the amount associated with the PSIE ("PSIE Fixed Account book value") is less than or equal to the de minimis amount as disclosed on the

Specification Page, then Empower will remit the PSIE Fixed Account book value to Plan Sponsor's designee within thirty (30) calendar days after the Event Date (as defined below).

With respect to the amounts in the Fixed Account associated with the PSIE that exceed the de minimis amount, Plan Sponsor must elect, in writing to Empower, one of the following options on the date Empower and Plan Sponsor mutually agree to transact the PSIE (the "Event Date"):

1. **PSIE Fixed Account Book Value** – Empower shall remit to Plan Sponsor's designee the amounts associated with the PSIE Fixed Account book value no later than twelve (12) months after the Event Date. However, if the average 3 year and 5 year Constant Maturity Treasury rates, as of the Event Date, is 300 basis points or more above the lowest weekly average of the 3 and 5 year Constant Maturity Treasury rates over the 104 weeks prior to the Event Date, Empower will remit the Fixed Account book value no later than thirty-six (36) months after the Event Date. Empower will use published rates from the United States Federal Reserve Website.

All the terms of the Contract shall remain in effect with regard to the interests in the Contractual Account impacted by the PSIE; however, no Plan loans and no additional Contributions or Deposits shall be made after the Event Date by or at direction of the Plan Sponsor with respect to amounts impacted by the PSIE. Additionally, no Plan Sponsor Transfers of the PSIE Fixed Account book value will be permitted.

2. **PSIE Market Value Adjustment ("MVA")** –Within seven (7) Business Days after the Event Date, Empower will remit to the Plan Sponsor's designee the lesser of (a) Plan withdrawals associated with the PSIE ("PSIE Fixed Account book value") and (b) the PSIE Fixed Account book value adjusted by the MVA factor as described below. However, if the Plan Sponsor pays from its own assets to Empower the difference between the PSIE Fixed Account book value adjusted by the MVA factor as described below, prior to the Event Date, Empower will remit the PSIE Fixed Account book value.

If the MVA Factor is positive, Empower will not assess a market value adjustment.

Market Value Adjustment (MVA) = MVA Factor x Fixed Account value

The MVA Factor is:

$$MVAF = ((1+i)^3) / ((1+j+1.0\%)^3) - 1$$

Where

i = the three (3) year Constant Maturity Treasury rate as published in *the United States Federal Reserve Website* on the later of the Contract Date and the last business day of the week two (2) years prior to the Calculation Date.

j = the three (3) year Constant Maturity Treasury rate as published in *the United States Federal Reserve Website* on the last business day of the week prior to the Calculation Date.

For the purposes of establishing a Calculation Date in the MVA factor formula, unless another date is mutually agreed upon, the Calculation Date will be the date Plan Sponsor notified Empower of the PSIE.

Mischaracterization of PSIE

If the Plan Sponsor timely notified Empower of a withdrawal, but mischaracterized such withdrawal as a Participant-initiated withdrawal when it was due to a PSIE, and Empower paid the full requested withdrawal amount, then Empower will adjust the Fixed Account book value in accordance with the PSIE MVA provision. Specifically, if the MVA would have been negative, Empower will make an additional charge to the book value equal to the PSIE amount that exceeds the de minimis amount, multiplied by the MVA factor.

Disputes

If a dispute arises out of, or in connection with a withdrawal that was improperly characterized as a Participant-initiated withdrawal request rather than a PSIE withdrawal, Empower and Plan Sponsor shall agree to pursue a resolution through good faith negotiation or other appropriate dispute resolution process.

Contract Termination Due to Full Plan Termination

In the event of a full Plan termination, Plan Sponsor hereby instructs Empower to pay Plan Sponsor the Contractual Account Value in a lump sum as soon as practicable, less any outstanding fees and charges.

Contract Termination other than Due to Full Plan Termination

In order for the Plan Sponsor to terminate the Contract for any reason other than a full plan termination, at least sixty (60) calendar days before the Contract termination date, Plan Sponsor must notify Empower, in writing, of Plan Sponsor's election of one of the Contract termination options described below ("Contract Termination Options"). Empower shall remit all Fixed Account amounts pursuant to the Plan Sponsor's election less any outstanding fees and charges. The Plan Sponsor's election of the Contract Termination Option is irrevocable.

If Empower terminates the Contract, no additional assets will be permitted to be allocated to this Rider. Unless Empower and Plan Sponsor otherwise agree, Empower will continue to administer all other applicable provisions of the Contract until Plan Sponsor notifies Empower, in writing, of Plan Sponsor's election of one of the Contract Termination Options. Interest will continue to be credited to the Fixed Account from the date of termination to the date on which final payment is made. The rate will never be less than the guaranteed minimum interest rate.

However, if, on the written notification date, the book value is less than or equal to the de minimis amount as disclosed on the Specification Page, then Empower will remit the book value to Plan Sponsor's designee within thirty (30) calendar days after the Contract termination date less any outstanding fees and charges.

The Contract Termination Options are as follows:

1. ***Payment at Book Value*** – Empower will remit the Contractual Account Value of the Contractholder's assets in the Fixed Account ("book value") either 12 or 36 months after the Contract termination date, depending on the conditions outlined in (a) and (b) below. Plan Sponsor and Empower may mutually agree to an alternative book value payout date. If mutual agreement cannot be reached, then payment shall continue to proceed as described in accordance with (a) or (b), below. Starting on the Contract termination date, Empower will continue to credit interest until Empower remits the book value to the Plan Sponsor's designee.
 - (a) ***Payment at Book Value after 12 Months***: Empower will remit the book value to the Plan Sponsor's designee twelve (12) months after the Contract termination date if, on the date Empower receives notice of Contract termination in Good Order, the average of the 3 year and 5 year Constant Maturity Treasury rates is less than 300 basis points above the lowest weekly average of the 3 and 5 year Constant Maturity Treasury rates over the previous 104 weeks from notice.

Empower will use published rates from the United States Federal Reserve Website.

Numerical Example: On the date notice of Contract termination is received by Empower in Good Order, the average of the 3 year and 5 year Constant Maturity Treasury rates is 4.00%. Over the previous 104 weeks from notice, the lowest average of the 3 year and 5 year Constant Maturity Treasury rates from the United States Federal Reserve Website was 2.25%. As 4.00% is less than 300 basis

points above 2.25%, Empower will remit the book value 12 months after the Contract termination date.

Plan Sponsor may continue to direct Empower to make Distributions and Participant, Alternate Payee, and Beneficiary-initiated Transfers from the Fixed Account at any time. However, no Plan Sponsor Transfers will be allowed after the Contract termination date.

Unless Plan Sponsor retains Empower as the designated Plan recordkeeper, after the Contract termination date, Plan loans (if permitted under your Plan) will not be permitted to be made from the Fixed Account assets, and Contributions and Deposits will not be accepted into the Fixed Account.

- (b) **Payment at Book Value after 36 Months:** Empower will remit the book value to the Plan Sponsor's designee thirty-six (36) months after the Contract termination date if, on the date Empower receives notice of Contract termination in Good Order, the average of the 3 year and 5 year Constant Maturity Treasury rates is 300 basis points or more above the lowest weekly average of the 3 and 5 year Constant Maturity Treasury rates over the previous 104 weeks from notice.

Empower will use published rates from the United States Federal Reserve Website.

Numerical Example: On the date notice of Contract termination is received by Empower in Good Order, the average of the 3 year and 5 year Constant Maturity Treasury rates is 6.00%. Over the previous 104 weeks from notice, the lowest average of the 3 year and 5 year Constant Maturity Treasury rates from the United States Federal Reserve Website was 2.50%. As 6.00% is more than 300 basis points above 2.50%, Empower will remit the book value 36 months after the Contract termination date.

Plan Sponsor may continue to direct Empower to make Distributions and Participant, Alternate Payee, and Beneficiary-initiated Transfers from the Fixed Account at any time. However, no Plan Sponsor Transfers will be allowed after the Contract termination date.

Unless Plan Sponsor retains Empower as the designated Plan recordkeeper, after the Contract termination date, Plan loans (if permitted under your Plan) will not be permitted to be made from the Fixed Account assets, and Contributions and Deposits will not be accepted into the Fixed Account.

2. **Payment in 20 Quarterly Installments** – Empower will remit the total Contractual Account Value of the Contractholder's assets in the Fixed Account ("book value") in twenty (20) quarterly installments. Empower will make the first installment no later than ninety (90) calendar days after Contract termination date. The first installment will be 1/20th of the book value on the payment date. The remaining installments will be incrementally remitted in fractional amounts of remaining book value each calendar quarter over the succeeding nineteen quarters (e.g., 1/19, 1/18...1/1) until the total book value is remitted. Empower will continue to credit interest to the book value held in the Fixed Account (i.e., the portion of the book value that has not been transferred out of the Fixed Account) until Empower remits the total book value to the Plan Sponsor's designee.

Plan Sponsor may continue to direct Empower to make Distributions and Participant, Alternate Payee, and Beneficiary initiated Transfers from the Fixed Account at any time. However, no Plan Sponsor Transfers will be allowed after the Contract termination date.

Unless Plan Sponsor retains Empower as the designated Plan recordkeeper, after the Contract termination date, Plan loans (if permitted under your Plan) will not be permitted to be made from the Fixed Account assets, and Contributions and Deposits will not be accepted into the Fixed Account.

3. ***Lump Sum Payment with Market Value Adjustment*** – The Market Value Adjustment (“MVA”) of the Fixed Account value will be calculated as of the date Empower receives notice of Contract termination in Good Order, or another date as mutually agreed (“Calculation Date”). Within seven (7) Business Days after the Contract termination date, Empower will remit the lesser of (a) the total Contractual Account Value in the Fixed Account (“book value”) and (b) the book value adjusted by the MVA factor. However, if Empower receives the difference between the book value and the book value adjusted by the MVA factor from the Plan Sponsor prior to the Contract termination date, Empower will remit the book value.

Market Value Adjustment (MVA) = MVA Factor x Fixed Account value

The MVA Factor is:

$$MVAF = ((1+i)^3) / ((1+j+1.0\%)^3) - 1$$

Where

i = the three (3) year Treasury Constant Maturity rate as published in *the United States Federal Reserve Website* on the later of the Contract Date and the last business day of the week two (2) years prior to the Calculation Date.

j = the three (3) year Treasury Constant Maturity rate as published in *the United States Federal Reserve Website* on the last business day of the week prior to the Calculation Date.

4. ***Any other termination option*** allowable under applicable law as mutually agreed upon in writing by Empower and the Plan Sponsor.

Plan Sponsor Termination and/or Transfer of Fixed Account under the Contract

If Plan Sponsor elects to remove this Fixed Account as an eligible investment option but does not desire to terminate the Contract, Plan Sponsor must elect one of the Contract Termination Options listed in the “Contract Termination other than Due to Full Plan Termination” section of this Rider. Alternatively, if Plan Sponsor elects to remove this Fixed Account as an eligible Plan investment option but does not terminate the Contract, Plan Sponsor may request to transfer the Contractholder’s Fixed Account value on a mutually agreeable date to another series of the Fixed Account. For purposes of this section, any references to Contract termination and Contract termination date in the “Contract Termination other than Due to Full Plan Termination” section of this Rider will be interpreted as Fixed Account Rider termination and Fixed Account Rider termination date, respectively.

General

For the purposes of the reference in the Rider, Empower shall use a comparable source if applicable information is unavailable in the United States Federal Reserve Website.

EMPOWER ANNUITY INSURANCE COMPANY of AMERICA

A Stock Company

GROUP UNALLOCATED ANNUITY CONTRACT SPECIFICATION PAGE

This Specification Page is made part of the Empower Annuity Insurance Company of America Group Annuity Contract ("Contract") to which it is attached.

Terms defined in the Contract have the same meaning where used in this Specification Page.

PLAN SPONSOR	State of North Dakota
CONTRACTHOLDER	State of North Dakota
PLAN	The North Dakota Public Employees Retirement System Defined Contribution 401(a) Plan
CONTRACT NUMBER	100456-01
CONTRACT DATE	January 1, 2025 <i>or the later date signed by all parties</i>

OTHER PROVISIONS

Empower Investment Fixed Account De Minimis Pay-out Amount – The minimum guaranteed de minimis amount is \$20,000.

NOTICE OF PROTECTION PROVIDED BY THE NORTH DAKOTA LIFE AND HEALTH INSURANCE GUARANTY ASSOCIATION

This notice provides a brief summary of the North Dakota Life and Health Insurance Guaranty Association ("the Association") and the protection it provides for policyholders. This safety net was created under North Dakota law, which determines who and what is covered and the amounts of coverage.

The Association was established to provide protection in the unlikely event that your life, annuity or health insurance company becomes financially unable to meet its obligations and is taken over by its Insurance Department. If this should happen, the Association will typically arrange to continue coverage and pay claims, in accordance with North Dakota law, with funding from assessments paid by other insurance companies.

The protections provided by the Association are based on contract obligations up to the following amounts:

- Life Insurance
 - \$300,000 in death benefits
 - \$100,000 in cash surrender or withdrawal values
- Health Insurance
 - \$500,000 in health benefit plans
 - \$300,000 in disability income insurance benefits
 - \$300,000 in long-term care insurance benefits
 - \$100,000 in other types of health insurance benefits
- Annuities
 - \$250,000 in withdrawal and cash values

The maximum amount of protection for each individual, regardless of type of coverage is \$300,000; however, may be up to \$500,000 with regard to basic health.

Note: Certain policies and contracts may not be covered or fully covered. For example, coverage does not extend to any portion(s) of a policy or contract that the insurer does not guarantee, such as certain investment additions to the account value of a variable life insurance policy or a variable annuity contract. If coverage is available, it will be subject to substantial limitations. There are also various residency requirements and other limitations under North Dakota law. To learn more about the above protections, as well as protections relating to group contracts or retirement plans, please visit the Association's website at www.ndlifega.org or contact:

North Dakota Life and Health Insurance
Guaranty Association
P.O. Box 2422
Fargo, North Dakota 58108

North Dakota Insurance Department
600 East Boulevard Avenue, Dept. 401
Bismarck, ND 58505

COMPLAINTS AND COMPANY FINANCIAL INFORMATION

A written complaint to allege a violation of any provision of the Life and Health Insurance Guaranty Association Act must be filed with the North Dakota Insurance Department, 600 East Boulevard Avenue, Dept. 401, Bismarck, North Dakota 58505; telephone (701) 328-2440. Financial information for an insurance company, if the information is not proprietary, is available at the same address and telephone number and on the Insurance Department website at www.nd.gov/ndins.

Insurance companies and agents are not allowed by North Dakota law to use the existence of the Association or its coverage to sell, solicit or induce you to purchase any form of insurance. When selecting an insurance company, you should not rely on Association coverage. If there is any inconsistency between this notice and North Dakota law, then North Dakota law will control.

EMPOWER ANNUITY INSURANCE COMPANY of AMERICA ("Empower") A Stock Company
 8515 East Orchard Road, Greenwood Village, CO 80111
For inquiries, information or resolution of complaint, call 1-877-694-4015

APPLICATION for GROUP UNALLOCATED ANNUITY CONTRACT

SECTION A. PLAN SPONSOR

NAME OF PLAN SPONSOR State of North Dakota			PLAN SPONSOR FEDERAL TAX ID # 45-0282090
STREET ADDRESS 1600 East Century Ave, Suite 2			State of SITUS North Dakota
CITY Bismarck	STATE ND	ZIP Code 58502	TELEPHONE # (701) 328-3978
TYPE OF ENTITY: <input checked="" type="checkbox"/> Government (State, local, county, municipality, Healthcare, Public School)			

FULL LEGAL PLAN NAME (as appears on Plan Document)

The North Dakota Public Employees Retirement System Deferred Compensation 457(b) Companion Plan

SECTION B. CONTRACTHOLDER

NAME OF TRUSTEE, IF DIFFERENT THAN THE PLAN SPONSOR			TRUSTEE FEDERAL TAX ID #, if applicable
STREET ADDRESS			State of SITUS
CITY	STATE	ZIP Code	TELEPHONE #
TYPE OF ENTITY: <input type="checkbox"/> Bank <input type="checkbox"/> Trust Company <input type="checkbox"/> Individual(s) <input type="checkbox"/> Other (specify):			

SECTION C. PRODUCT INFORMATION

☒ **Fixed Annuity**

SECTION D. PLAN INFORMATION

TYPE of Plan (select one): ☐ 401(k) ☐ 401(a) ☒ **457(b) (governmental)** ☐ Other(specify): _____
 Is this Plan subject to ERISA (Employee Retirement Income Security Act)? ☐ YES ☒ NO

SECTION E. FIXED ACCOUNT

☒ **Empower Investments Fixed Account – Series VI**

SECTION F. SERIES ACCOUNTS

☒ None

SECTION G. AGREEMENT AND SIGNATURES

By signing this Application, Plan Sponsor and Contractholder, if different than Plan Sponsor, understand, accept, and otherwise agree to the provisions of the attached Group Annuity Contract, represent that the information contained on this application is true and correct to the best of their knowledge, understand that Empower will rely on such information, and agree to notify Empower of any changes to the information provided above. Any information provided herewith shall be considered to be representations and not warranties.

Signature of Plan Sponsor _____ Date _____

Print Name _____

Title _____

Signature of Contractholder (Trustee) _____ Date _____
if different than Plan Sponsor

Print Name _____

Title _____

IMPORTANT NOTICES

Below are notices that apply only in certain states. Please read the following carefully to see if any apply in your state.

Alabama, Arkansas, Louisiana, Rhode Island, and West

Virginia: Any person who knowingly presents a false or fraudulent claim for payment of a loss or benefit or knowingly presents false information in an application for insurance is guilty of a crime and may be subject to fines and confinement in prison.

Colorado: It is unlawful to knowingly provide false, incomplete, or misleading facts or information to an insurance company for the purpose of defrauding or attempting to defraud the company. Penalties may include imprisonment, fines, denial of insurance, and civil damages. Any insurance company or agent of an insurance company who knowingly provides false, incomplete, or misleading facts or information to a policyholder or claimant for the purpose of defrauding or attempting to defraud the policyholder or claimant with regard to a settlement or award payable from insurance proceeds shall be reported to the Colorado division of insurance within the department of regulatory agencies.

District of Columbia: WARNING: It is a crime to provide false or misleading information to an insurer for the purpose of defrauding the insurer or any other person. Penalties include imprisonment and/or fines. In addition, an insurer may deny insurance benefits, if false information materially related to a claim was provided by the applicant.

Kentucky: Any person who knowingly and with intent to defraud any insurance company or other person files an application for insurance containing any materially false information or conceals, for the purpose of misleading, information concerning any fact material thereto commits a fraudulent insurance act, which is a crime.

Maryland: Any person who knowingly or willfully presents a false or fraudulent claim for payment of a loss or benefit or who knowingly or willfully presents false information in an application for insurance is guilty of a crime and may be subject to fines and confinement in prison.

Maine, Tennessee, and Washington: It is a crime to knowingly provide false, incomplete or misleading information to an insurance company for the purpose of defrauding the company. Penalties may include imprisonment, fines or a denial of insurance benefits.

New Jersey: Any person who includes any false or misleading information on an application for an insurance policy is subject to criminal and civil penalties.

New Mexico: Any person who knowingly presents a false or fraudulent claim for payment of a loss or benefit or knowingly presents false information in an application for insurance is guilty of a crime and may be subject to civil fines and criminal penalties.

Ohio: Any person who, with intent to defraud or knowing that he is facilitating a fraud against an insurer, submits an application or files a claim containing a false or deceptive statement is guilty of insurance fraud.

Oklahoma: WARNING: Any person who knowingly, and with intent to injure, defraud or deceive any insurer, makes any claim for the proceeds of an insurance policy containing any false, incomplete or misleading information is guilty of a felony.

Pennsylvania: Any person who knowingly and with intent to defraud any insurance company or other person files an application for insurance or statement of claim containing any materially false information or conceals for the purpose of misleading, information concerning any fact material thereto commits a fraudulent insurance act, which is a crime and subjects such person to criminal and civil penalties.

EMPOWER ANNUITY INSURANCE COMPANY of AMERICA

A Stock Company

8515 East Orchard Road, Greenwood Village, CO 80111

For inquiries, information or resolution of complaint, call 1-877-694-4015

Group Unallocated Fixed Deferred Annuity Contract **("Contract")** *Non-Participating*

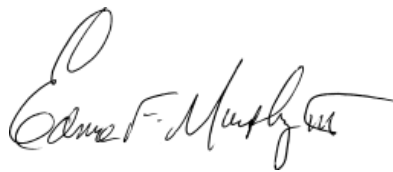
PLAN SPONSOR	State of North Dakota
CONTRACTHOLDER	State of North Dakota
PLAN	The North Dakota Public Employees Retirement System Deferred Compensation 457(b) Companion Plan
CONTRACT NUMBER	100455-01
CONTRACT DATE	January 1, 2025 <i>or the later date signed by all parties</i>

Empower Annuity Insurance Company of America ("Empower") agrees to pay annuity benefits provided by this Contract, subject to its terms and conditions. The provisions on the following pages, together with the application for this Contract, and other documents referenced in Section 10.2, are part of this Contract.

Signed for Empower Annuity Insurance Company of America and effective on the Contract Date.



Secretary



President

This Contract is a legal contract between Contractholder, Plan Sponsor and Empower Annuity Insurance Company of America. PLEASE READ THIS CONTRACT CAREFULLY.

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SECTION 1. DEFINITIONS

Administrative Offices – 8515 East Orchard Road, Greenwood Village, CO 80111.

Alternate Payee(s) – any spouse, former spouse, child or other dependent of a Participant or any other person recognized under applicable law or Court Order as having a right to receive all or a portion of the benefit payable under a Plan with respect to such Participant.

Annuitant – the person for whom an annuity is purchased, and upon whose life the payment of the annuity is based.

Annuity Commencement Date – the date on which annuity payments begin.

Applicable Tax – the amount of tax charged by a state or other governmental authority.

Beneficiary(ies) – a person or entity designated by the Participant or under the terms of the Plan to receive all or a portion of the amount in the Contractual Account attributable to a Participant upon his or her death.

Business Day – any day and during the hours on which the New York Stock Exchange is open for trading. Except as otherwise provided in this Contract, in the event that a date falls on a non-Business Day, the date of the succeeding Business Day will be used.

Code – the Internal Revenue Code of 1986, as amended, and all related laws and regulations which are in effect during the term of the Contract.

Contract Date – the effective date of this Contract listed on the first page of this Contract.

Contractholder – The entity referenced on the cover page of this Contract that holds this Contract. For certain plans, the Contractholder also may be the Plan Sponsor.

Contractual Account – The Plan's aggregate amount in the Fixed Account(s).

Contractual Account Value – The sum of all amounts credited to the Contractual Account, less the sum of all amounts withdrawn from that account, reflecting amounts in the Fixed Account(s).

Contributions – salary reduction contributions, Participant after-tax contributions, employer contributions, or other contributions made by the Plan Sponsor to the Plan on behalf of a Participant under the Code.

Court Order – An order of a court of competent jurisdiction, such as a qualified domestic relations order that: (i) creates or recognizes the existence of an Alternate Payee's right to, or assigns to an Alternate Payee the right to, receive all or a portion of the benefits payable with respect to a Plan Participant; (ii) complies with applicable requirements of the Code and/or ERISA; and (iii) is approved by the Plan Sponsor or its designee.

Deposits – to the extent permitted under the Plan type, Participant initiated rollovers, plan to Plan transfers, Transfers, or other amounts, other than Contributions.

Distributions – amounts paid to the Contractholder on behalf of a Participant, Beneficiary or Alternate Payee, pursuant to the terms of the Plan and the Code.

ERISA – Employee Retirement Income Security Act of 1974, as amended.

Fixed Account – an investment option, the assets of which are part of the General Account of Empower.

Fixed Account Value – the sum of the amounts in the Fixed Account(s).

General Account – Empower's assets other than those held in any segregated investment account.

Good Order – A notice or instruction from a person authorized to initiate a transaction that is received by Empower at our Administrative Offices, utilizing such forms as we may require, and that contains all information, documentation, and instructions necessary for Empower to process such transaction.

Empower (we, us, our) – Empower Annuity Insurance Company of America, located at the Administrative Offices at the address shown under this Section 1.

Participant – an individual eligible to participate in the Plan.

Payee – a person entitled to receive all or a portion of the value of the Participant's interest in the Contractual Account.

Plan – A retirement program that an employer offers to its employees that is funded in part by this Contract. Each Plan must meet the applicable requirements of Code §401(a) or §457(b), as applicable.

Plan Sponsor – an entity maintaining the Plan on behalf of Participants, Alternate Payees and Beneficiaries. In a multiple employer plan, the Plan Sponsor shall be considered the entity maintaining the multiple employer plan on behalf of participating employers and the participating employers Participants, Alternate Payees and Beneficiaries. If the Plan is intended to qualify under Code §457(b), the Plan Sponsor must be an eligible employer described in Code §457(e)(1)(A).

Request(s) – inquiry or instruction that is/are: (1) received by Empower at its Administrative Offices in Good Order; and (2) submitted in accordance with the provisions of this Contract, or as required by Empower. The Request is subject to any action taken by Empower before the Request was processed.

Start-Up Costs – the amounts incurred by Empower in acquiring and implementing the Plan, which may include but are not limited to restorations, commissions or other costs, if applicable.

Transfer(s) – the reinvestment or exchange by the designated Plan recordkeeper of all or a portion of the Participant's interest from one investment option or provider under the Plan to another.

SECTION 2. OWNERSHIP PROVISIONS

2.1 Ownership of the Contract

Contractholder is the owner of the Contract and is identified on the first page of the Contract. The Plan Sponsor and the Contractholder have certain rights, responsibilities and privileges as set forth under this Contract. For certain Plan types, the Contractholder also may be the Plan Sponsor. Please see applicable tax endorsement attached to this Contract, which endorsement pertains to your specific type of Plan.

2.2 Transfer and Assignment

The interests of the Contractholder and the Plan Sponsor under this Contract are nontransferable and may not be waived, relinquished or assigned, sold, pledged, charged, encumbered, or in any way alienated, except as may be permitted under the Code, by law, or by applicable Court Order. If, however, the Plan is consolidated or merged with another retirement plan, or if the assets and liabilities of the Plan are transferred to another retirement plan or are acquired by another plan sponsor, this Contract may be assigned to the new plan sponsor and/or trustee.

2.3 Trust

The Contract may be used in lieu of a trust agreement for purposes of satisfying Code sections 401(a), 401(f) and 457(g) and no portion of the amount contributed to the Contract, plus earnings thereon, may be used for or diverted to any purpose other than the exclusive benefit of Participants and their Beneficiaries prior to the satisfaction of all liabilities to them.

SECTION 3. CONTRACTUAL ACCOUNT VALUE

3.1 Contractual Account Value

The Contractual Account Value is calculated as follows:

- (a) all Contributions and Deposits to the Fixed Account option selected, made for or on behalf of Participant(s), Alternate Payee(s) and Beneficiary(ies); plus
- (b) all interest credited to the Contractholder's assets in such Fixed Account in accordance with the applicable Fixed Account rider; less
- (c) any amounts transferred or distributed from the Fixed Account; less
- (d) any applicable charges, fees and Applicable Tax, if any.

3.2 Transaction Date

All Requests, Contributions and Deposits received in Good Order with all required documentation at Empower's Administrative Offices prior to the close of business of the New York Stock Exchange will be processed as of the date received, and if received after the close of business of the New York Stock Exchange will be processed on the next Business Day. However, Empower shall not be liable for the results of any delay or interruption in processing transaction Requests or Contributions or performing required acts hereunder due to extreme unforeseeable and unpreventable circumstances or causes or conditions beyond its control, such as power failure, fire, extreme flooding, earthquake, tsunami, mudslides, hurricane, tornado, blizzard, cyber-attack or disruptions in orderly trading on any relevant exchange or market, including disruptions due to extraordinary market volume that result in substantial delay in receipt of correct data.

SECTION 4. CONTRIBUTIONS AND DEPOSITS

4.1 Contributions

Prior to the termination of the Contract and unless otherwise described in a Fixed Account rider, Contributions may be made at any time on behalf of Participants, pursuant to the terms of the Plan.

The Contribution amounts will be allocated to the Fixed Account in accordance with instructions from the Plan Sponsor pursuant to the accompanying Contribution report. The Contribution report must be submitted in a manner acceptable to Empower and shall be conclusive and final. When the Contribution report does not coincide with the Contribution received and the inconsistency is not resolved within a period of time required under the law, Empower may return the Contribution.

4.2 Limitations on Salary Reduction Contributions

For limitations on salary reduction Contributions, if any, please see the applicable tax endorsement for your specific type of Plan, attached to this Contract.

4.3 Deposits

Deposits made directly to Empower by Plan Sponsor will be accepted and assumed permitted under the terms of the Plan and applicable Code requirements.

4.4 Allocation of Contributions and Deposits

Contributions and Deposits, less Applicable Tax, if any, will be allocated when received by Empower at its Administrative Offices, subject to Section 3.2 of this Contract.

If a selected Fixed Account option is changed or will no longer be made available, then Contributions and Deposits may be redirected to another available Fixed Account option and the account balance may be reallocated subject to the terms of the account selected. Empower will provide notice of any such changes in accordance with Section 10.4.

SECTION 5. CONTRACT CHARGES AND FEES

5.1 Contract Termination Charge

Upon termination of the Contract by Plan Sponsor, a Contract termination charge *may* apply, as set forth in the Specification Page.

5.2 Service Charges and Fees

Empower and Plan Sponsor may enter into agreements for other services to the Plan not otherwise provided under this Contract. Charges and fees, if applicable, for these services will be described in such separate agreement(s).

5.3 Contract Series Charge

The Contract series charge, if any, for the Fixed Account rider, shall be set forth in the Fixed Account rider selected by the Plan Sponsor or authorized Plan fiduciary.

5.4 Payment of Charges and Fees

Any charges and fees imposed under this Contract may be billed directly to Plan Sponsor. If Plan Sponsor does not elect to have such charges and fees billed to Plan Sponsor, such charges and fees shall be deducted from the Contractual Account Value.

In all instances where Plan Sponsor has elected to be billed for any fees and charges and any of the fees or charges are unpaid after the date billed, as disclosed in and pursuant to the procedures in the fee disclosure and/or service agreement for the Plan, Plan Sponsor and Contractholder hereby instruct Empower to debit the Contractual Account. Empower may continue to deduct charges and fees quarterly from the Contractual Account Value unless and until Plan Sponsor provides Empower with written instructions to reinstate billing.

Empower may change any charges and fees upon not fewer than thirty (30) calendar days advance written notice to Plan Sponsor.

SECTION 6. PARTICIPANT-, ALTERNATE PAYEE-, AND BENEFICIARY-DIRECTED TRANSFERS AMONG INVESTMENT OPTIONS OFFERED BY THE PLAN

Upon receipt of a Request by Plan Sponsor or its designee made on behalf of Participants, Alternate Payees or Beneficiaries, meeting all of the requirements of this section, Empower will process Transfers. Transfers must:

- (a) satisfy the terms of the Plan in accordance with the appropriate provisions of the Code; and
- (b) satisfy any restrictions in the attached Fixed Account rider.

SECTION 7. PAYMENTS TO PLAN SPONSOR FOR DISTRIBUTIONS

7.1 Distribution Requirements

Notwithstanding any provision herein to the contrary, payments made to the Plan Sponsor or its designee for Distributions to a Payee, or Plan to Plan transfers, may only be made in accordance with the terms of the Plan and applicable Code sections and any terms of the Fixed Account rider(s). Empower shall be entitled to rely solely on information provided by Plan Sponsor or its designee as to compliance with all applicable law and the terms of this Contract, any attached tax endorsement and any applicable Fixed Account rider(s) for such Distributions.

SECTION 8. BENEFIT PAYMENT OPTIONS

8.1 Plan Sponsor Requests for Distributions for Participants, Beneficiaries or Alternate Payees

The Plan Sponsor may elect to provide Distributions by directing Empower to withdraw from the Contractual Account Value the amounts necessary to provide such benefits, subject to this Section 8. As long as the Contractual Account Value is greater than zero and as allowed by the Plan and Code, a Request may be made by the Plan Sponsor on behalf of a Payee to:

- (a) Elect an annuity payment option, provided such Request is made at least thirty (30) calendar days before the Annuity Commencement Date;
- (b) Elect a lump sum payment option and designate the date of payment.

8.2 Conditions of Payment

Approved Distributions shall be effective on the later of: (a) the date elected subject to any restrictions of the Plan and Code and the applicable Fixed Account rider(s); and (b) the date of the Request.

8.3 Lump Sum Payment Option

If the Plan Sponsor determines that the Payee is entitled to a Distribution under the applicable terms and provisions of the Plan and the Code sections governing the Plan, the Plan Sponsor or its designee may direct us to withdraw from the Contractual Account a lump sum payment amount as selected by the Payee.

Subject to the provisions of the attached Fixed Account rider(s), the amount to be distributed is: (i) the lump sum amount requested; less (ii) the Applicable Tax, if any, as of the date of the amount distributed, and (iii) any applicable fees and charges.

8.4 Periodic Payment Options

If, based upon information provided by Plan Sponsor, the Payee is entitled to a Distribution under the applicable terms and provisions of the Plan and the Code sections governing the Plan, all or a portion of a Participant's interest in the Contractual Account may be applied to a periodic payment option selected by the Payee, subject to any restrictions in a Fixed Account rider. Charges and fees will continue to apply. An Applicable Tax, if any, may apply. Plan Sponsor will provide Empower with any Requests for periodic payments by Participants and shall instruct its designated Plan recordkeeper to administer such payments.

Plan Sponsor shall provide Empower notice in Good Order upon the death of any Participant who is receiving periodic payments and of the deceased Participant's Beneficiary's election of a payment option under this Section 8 meeting all the requirements of Code section 401(a)(9).

8.5 Annuity Payment Options

If, based upon information provided by Plan Sponsor, the Payee is entitled to a Distribution under the applicable terms and provisions of the Plan and the Code sections governing the Plan, all or a portion of the interest in the Contractual Account attributable to the Participant may be applied to an annuity payment option selected by the Payee, so long as the requirements of Code section 401(a)(9) are met. Thereafter, this Contract shall no longer be applicable with respect to amounts directed to the annuity payment option. Empower will issue an 'individual retired life certificate' to each Annuitant describing the rights and benefits payable under the elected annuity payment option provided to the Participant/Payee under this Contract.

The amount to be applied to an annuity payment option is: (i) the portion of the interest in the Contractual Account attributable to the Participant elected by Payee subject to any applicable restrictions in the Fixed Account rider, less (ii) Applicable Tax, less (iii) any fees and charges described in this Contract.

The minimum amount that may be applied under the elected annuity option for any Payee is \$5,000. If any payments to be made under the elected annuity payment option will be less than \$50, Empower may make the payments in the most frequent interval that produces a payment of at least \$50.

8.6 Election of Annuity Options

In order to elect, or change the election of, an annuity payment option, Empower must receive the Request at least thirty (30) calendar days before the Annuity Commencement Date.

To the extent available under the Plan, the available annuity payment options are:

- Period Certain Annuity
- Single Life Only Annuity
- Single Life Only Annuity with Period Certain
- Single Life Only Annuity with Cash Refund
- Single Life Only Annuity with Installment Refund
- Joint and Survivor Annuity
- Joint and Survivor Annuity with Period Certain
- Subject to regulatory approval and the terms of the Plan, any other form of annuity offered by Empower.

Annuities will be purchased using Empower's current purchase rates for contracts of this class at the time the annuity is purchased. These rates will be at least as favorable to the Annuitant as an annuity purchased with rates based on the following actuarial assumptions:

- Interest Rate Assumption: 1.00%
- Mortality Assumption: 2012 IAM Basic Female mortality table with Projection Scale G2 improvement factors applied; Static improvement from year of table (2012) to year of the annuity election, generational improvement thereafter
- Loading: 5.00%

Empower will review this guaranteed actuarial basis annually and may change it by providing at least ninety (90) calendar days' advance written notice to the Plan Sponsor. However unless Empower and Plan Sponsor otherwise agree in writing, Empower will only change the guaranteed actuarial basis once in any sixty (60) month period, in which case the actuarial basis will be at least as favorable as the actuarial basis Empower offers to any other contractholder in the same class as this Contract at the time of such change.

8.7 Misstatement of Age

Empower may require the Payee or the Contractholder on behalf of a Payee to provide to Empower adequate proof of the age and death of any Payee before processing a Request for or making any payment. Generally, adequate proof consists of a state-issued driver's license, birth certificate or death certificate, as applicable. Additionally, for life contingent annuity options, Empower may require evidence of survival of any Annuitant periodically on or after the Annuity Commencement Date. If the age of the Payee has been misstated, the payments established for him/her under the applicable payment option will be made on the basis of his/her correct age, the correct facts will be used to adjust payments.

If payments made pursuant to an annuity payment option were too large because of a misstatement of age, Empower may deduct the difference from the next payment or payments. If payments were too small, Empower may add the difference to the next payment.

8.8 Empower's Liability

Empower's liability is for the payment of requested benefits to Participants, including the provision of annuity benefits, as directed by the Contractholder, as set forth in Section 8.5 and 8.6 hereof, on the basis of making correct withdrawals in accordance with the terms of the Contract.

SECTION 9. CONTRACT TERMINATION

9.1 Notice of Contract Termination and Selection of Termination Option(s)

Either Empower or Plan Sponsor may terminate this Contract with advance written notice to the other party or parties. The Contract termination date shall be the seventy-fifth (75th) calendar day after the date written notice is received in the Administrative Offices in Good Order. If the seventy-fifth (75th) day is not a Business Day, the Contract termination date shall be the Business Day immediately following the seventy-fifth (75th) day. Prior to the Contract termination date, Empower and Plan Sponsor may agree to an alternate Contract termination date. Contract termination may not occur on the date selected by Plan Sponsor unless Empower has received all required information.

9.2 Contract Termination Provisions

In the event this Contract is terminated, Empower will pay the Contractual Account Value as described below.

Empower will remit the Fixed Account Value in accordance with the applicable Fixed Account rider.

Plan Sponsor and Contractholder hereby instruct Empower to deduct any outstanding charges and fees, including the Contract termination charge, if applicable, due to Empower from the amount remitted from the Fixed Account.

9.3 Contract Termination due to Plan Termination

If Plan Sponsor terminates the Plan, it shall notify Empower of such Plan termination and that final Contributions have been remitted to Empower. Upon notice of Contract termination due to Plan termination, Plan Sponsor agrees to provide any and all information and instructions Empower requires to properly comply with Plan Sponsor's notification of Plan termination.

Plan Sponsor acknowledges that the amount distributed from the Contract upon Plan termination will be equal to the Contractual Account balance and subject to the provisions in the applicable Fixed Account rider, less all outstanding charges or fees and any applicable Contract termination charge due upon Distribution.

Plan Sponsor shall file any and all required Forms 5500.

If the Plan is abandoned, orphaned or if Plan Sponsor cannot be located or Plan Sponsor fails to provide appropriate representations and instructions to Empower in connection with termination of the Plan, Empower is authorized to accept notices, representations and instructions from the Plan administrator or trustee, the bankruptcy trustee for Plan Sponsor, the U.S. Department of Labor, if applicable, or an authorized and appropriate representative of Plan Sponsor. Empower may also utilize any procedures promulgated by the U.S. Department of Labor, if applicable, or other applicable regulatory agencies for abandoned or orphaned plans including the facilitation of Distributions to Payees performed by a Qualified Termination Administrator, as that term is defined under Federal law and regulations promulgated thereunder, or comparable person as allowed by applicable law.

Once Empower has distributed all Plan assets in accordance with the terms of the Contract and the Fixed Account rider(s), Empower is discharged of all its obligations with respect to the Contractual Account and this Contract.

The Contract shall terminate once all Plan assets have been distributed.

SECTION 10. GENERAL PROVISIONS

10.1 Contract

Empower has issued this Contract to Plan Sponsor and Contractholder in consideration of the application and payment of the initial Contributions or Deposits.

This Contract is subject to the laws of the state in which it was issued. Empower reserves the right to interpret provisions of this Contract accordingly, and to amend this Contract as necessary to maintain compliance with applicable state and federal law and regulations.

10.2 Entire Contract

This Contract, including the application, tax endorsement(s), specification page, and Fixed Account or other rider(s)/endorsement(s) (*subject to regulatory approval*), if any, constitute the entire contract between Plan Sponsor, Contractholder and Empower.

10.3 Contract Modification

Empower may modify this Contract from time to time to conform it to changes in tax or other law, including applicable regulations and rulings, without consent of Plan Sponsor, Contractholder, or any other person. Empower will provide notice and a copy of any such modification to Plan Sponsor and Contractholder as soon as reasonably practicable. Only the President, Vice-President, or the Secretary of Empower, or their authorized designees, can agree on behalf of Empower to modify any provisions of the Contract.

Plan Sponsor and Empower, with the acknowledgment of Contractholder, may, by written agreement or amendment, make other modifications to this Contract, subject to the approval of the appropriate state department of insurance, if applicable. No such modification will, without the written consent of Plan Sponsor, affect the terms, provisions, or conditions of this Contract, which are or may be applicable to Contributions or Deposits made prior to the date of such modification.

10.4 Modification of Fixed Account Options

Empower may offer new or cease offering existing Fixed Account options, or make other changes to the Fixed Account options as Empower deems necessary, and subject to the approval of the state insurance department, if applicable. If Empower changes material provisions of its Fixed Account option(s), Empower will provide at least sixty (60) calendar days' written notice to the Plan Sponsor. This notice shall explain any Fixed Account change(s), communicate the timeline and effective date of any Fixed Account change and explain Plan Sponsor's right to opt out of any Fixed Account change. Plan Sponsor's absence of an objection to such notice will be considered consent to the change(s).

If Empower replaces a Fixed Account option and does not receive an objection from the Plan Sponsor, Transfers between account options as disclosed in the notice will be completed by Empower as of the effective date of the change. Such allocation will be in effect until such time as Empower receives a written Request for a different allocation.

If Plan Sponsor provides written objection to Empower within the sixty (60) calendar day notice period, Empower will not make the Fixed Account change at issue. If Plan Sponsor objects to the Fixed Account change, Empower may terminate this Contract by providing written notice pursuant to Section 9.1 of this Contract.

10.5 Restorations

Empower may agree to restore any back-end load charges, or other charges deducted from Plan assets. Empower recovers restoration amounts, if applicable, at Contract termination through the Contract termination charge.

10.6 Plan Provisions

In all cases, the Plan document shall determine (subject to the Code) the specific features of the Plan, which may include the availability of certain types of investment options, Distributions, loans, and other features allowed but not mandated by the Code. Any provision of this Contract which deals with a feature not included in the Plan shall be ineffective.

10.7 Non-Participating

This Contract is Non-Participating, meaning that it is not eligible to share in Empower's divisible surplus.

10.8 Currency and Contributions and Deposits

All amounts to be paid to or by Empower must be in currency of the United States of America. All Contributions and Deposits to this Contract must be made payable to Empower or to a designee acceptable to Empower.

10.9 Notices

Empower may provide any notice or demand to Plan Sponsor, Contractholder, Payee, or other person, by either sending it to such person's last known address, email address, or facsimile number on file with Empower, or by posting it to an electronic network or website so long as a separate email notice is sent to the email address on file with Empower.

An application, report, Request, election, direction, notice or demand by Plan Sponsor or a Payee/Annuitant must be made in Good Order. When Empower requires it, Plan Sponsor will obtain the signature of the Payee on forms provided by Empower. Empower must first approve any written materials describing this Contract that are developed by any other person.

10.10 Disclaimer

Nothing contained in this Contract shall be construed to be tax, investment or legal advice, and Empower assumes no responsibility or liability for any costs, including but not limited to taxes, penalties or interest incurred by the Plan, Plan Sponsor or any other Payee arising out of a determination of liability. Empower shall not be held liable for any third party's negligence, willful misconduct, or failure to perform.

10.11 Representations

Empower shall be entitled to rely and act solely on the reports, directions, proofs, notices, elections, and other information furnished to it by Contractholder, Plan Sponsor, or their designee(s), and such acts shall be conclusive and final.

10.12 Non-Waiver

Empower may elect not to exercise a right, privilege, or option under this Contract. Such election shall not constitute a waiver of the right to exercise such right, privilege, or option at any subsequent time, nor shall it constitute a waiver of any provision of this Contract.

10.13 Information

Plan Sponsor shall furnish all information that Empower may reasonably require for the administration of this Contract. Empower shall not be responsible for any obligation under this Contract until it receives all requested information in Good Order.

EMPOWER ANNUITY INSURANCE COMPANY of AMERICA

A Stock Company

ENDORSEMENT for SECTION 457(b) Governmental Plans

Attached to and forming a part of the Unallocated Group Annuity Contract ("Contract")

*This Endorsement is a part of the Empower Annuity Insurance Company of America ("Empower")
Contract to which it is attached.*

Terms defined in the Contract have the same meaning where used in this Endorsement.

This Endorsement forms a part of the Contract to which it is attached and addresses certain requirements under the Internal Revenue Code of 1986, as amended (the "Code"). The following provisions apply to Contracts issued under plans intended to satisfy the requirements of Section 457(b) of the Code ("Plan" or "Plans") which are established and maintained by a governmental employer within the meaning of Section 457(b)(e)(1)(A) ("Governmental Employer").

The effective date of this Endorsement is the issue date of the Contract or such later date necessary to maintain the status of the Plan under Section 457(b) of the Code.

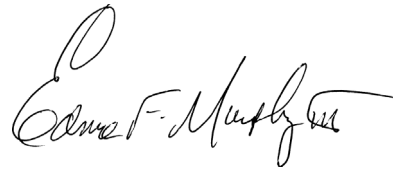
If there is a conflict between the terms of this Endorsement and the terms of the Contract or riders thereto, the terms of this Endorsement will control. The Contract may, however, contain further restrictions, including but not limited to the number and frequency of Contributions which will be accepted, which will continue to apply to the extent consistent with Federal tax law.

All capitalized terms in this Endorsement shall have the same meaning as attributed to them in the Contract.

1. Any Annuitant under this Contract will be a Participant or Beneficiary of the Plan. The Contractholder will be the owner of the Contract under the Plan.
2. The Contract shall be subject to the provisions, terms and conditions of the Plan, and any payment, distribution or transfer under this Contract shall comply with the provisions, terms and conditions under the Plan as determined by the Governmental Employer (or its authorized designee) who established the Plan. We shall have no responsibility with respect to the provisions, terms and conditions of the Plan, including but not limited to determining whether any payment, distribution or transfer complies with the provisions, terms and conditions of the Plan or with Applicable Law, or in administration of the Plan. Further, the terms of the Plan cannot expand the terms of the Contract or impose responsibilities or duties on Empower not specifically set forth in the Contract.
3. To maintain eligibility under Code section 457(b), the Plan must continue to hold Plan assets in trust.
4. The Contractholder shall hold all Plan assets hereunder for the exclusive benefit of Plan Participants and Beneficiaries and no portion of Contributions or earnings thereon may be used for or diverted to any other purpose other than for the exclusive benefit of such persons prior to the satisfaction of all liabilities with respect to such persons.

5. A Plan Participant or Beneficiary may request Plan Sponsor to direct us to have any portion of an eligible rollover distribution (within the meaning of Section 402(c)(4) of the Code) paid directly to an eligible retirement plan described in Section 402(c)(8)(B) of the Code by means of a direct transfer or direct rollover under Section 401(a)(31) of the Code.
6. Distributions under the Contract and any annuities purchased under the Contract shall meet the requirements of Section 72(s) of the Code, as applicable.

Signed for Empower Annuity Insurance Company of America on the Effective Date of the Contract.

A handwritten signature in black ink, appearing to read "Edmund F. Murphy". The signature is fluid and cursive, with a large initial "E" and "M".

President

EMPOWER ANNUITY INSURANCE COMPANY of AMERICA

A Stock Company

Empower Investments Fixed Account – Series VI FIXED ACCOUNT RIDER

This Empower Investments Fixed Account – Series VI rider (the “Rider”) is part of the Empower Annuity Insurance Company of America (“Empower”) Contract to which it is attached. Terms defined in the Contract have the same meaning where used in this Rider.

The Empower Investments Fixed Account – Series VI (“Fixed Account”) is a Fixed Account that is part of the General Account of Empower. All or a portion of the Contributions and Deposits may be allocated to the Fixed Account.

Definitions

A **Competing Fund** is any of the following types of funds offered by the Plan Sponsor:

- (a) any stable value fund; or
- (b) any fund with a known or periodically declared rate of interest; or
- (c) any money market fund; or
- (d) any bond fund with a duration of 3 years or less; or
- (e) any investment option at any time under a Plan that, unless otherwise agreed by Empower, is a balanced fund that seeks to maintain 75% or more of its assets invested in investment grade U.S. fixed income assets that have a stated benchmark of less than three (3) year or long term objective of maintaining a duration of less than three (3) years; or is a fund that has investment characteristics substantially similar or identical to a stable value fund; or is a fund that Empower, in accordance with its underwriting standards, has determined to be a Competing Fund.

Contractual Account Value – For the purposes of this Rider only, the book value of the Fixed Account.

Plan Sponsor Initiated Event (“PSIE”) – Plan Sponsor action that leads to a transfer of Plan assets from the Fixed Account, including but not limited to, spin-off, layoff, sale, merger, terminating union in a multi-employer plan; terminating participating employer in a multiple employer plan; termination by a political subdivision, agency, or instrumentality of a governmental plan.

Credited Interest Rate

Interest earned on the amounts invested in the Fixed Account is compounded daily at the declared credited interest rate. At the end of each calendar quarter, Empower will establish and declare the interest rate to be credited to the Plan’s assets held in the Fixed Account during the next calendar quarter. Empower will reset the interest rate quarterly and declare all reset credited interest rates at least 48 hours in advance of each reset.

Guaranteed Minimum Interest Rate

The guaranteed minimum interest rate will be equal to 0.00%.

Contract Series Charge

Empower will accrue a charge of 0.10% to cover expenses, which as of the Contract Date includes an amount for Contract administration and investment management. No adjustment is made to the credited interest rate to reduce the amount for Plan recordkeeping/administration services charged to the Plan.

Limitations

Empower shall defer processing Distribution or Transfer Requests if transactions cannot be executed or settled due to the closing or disruption of financial markets or exchanges. Empower shall resume the processing of Distributions and Transfers once the disruption is resolved.

Plan Sponsor shall not offer Competing Funds unless mutually agreed upon by Empower and Plan Sponsor, in which case amounts withdrawn from the Fixed Account must be transferred to a non-competing fund and remain there for at least ninety (90) days before transferring to a Competing Fund.

Should the Plan Sponsor offer a Competing Fund without Empower's agreement or should an existing Plan investment become a Competing Fund that is available to the Plan without Empower's prior agreement, Empower shall suspend all Transfers out of the Fixed Account upon at least thirty (30) calendar days advance written notice to the Plan Sponsor, which notice Plan Sponsor shall communicate promptly to the Participants, Alternate Payees and Beneficiaries invested in the Fixed Account. This Transfer restriction shall remain until the Competing Fund is removed as an eligible Plan investment option, or as otherwise mutually agreed.

Excessive Trading

In order to discourage Transfer activities that are disruptive to the operation of the Empower General Account, Plan Sponsor shall, or shall direct its designated Plan recordkeeper to track Participant, Alternate Payee, and Beneficiary initiated Transfers to identify a purchase into and sale out of the Fixed Account within a thirty (30) calendar day period of time (a "Round Trip").

If a Participant, Alternate Payee, or Beneficiary completes a second Round Trip within thirty (30) calendar days of completing the first Round Trip, Plan Sponsor shall, or shall direct its designated Plan recordkeeper to restrict such person from making a Transfer into or out of the Fixed Account for up to thirty (30) calendar days starting on the date the second Round Trip is completed (the "Transfer Restriction Period").

Contributions and Deposits, other than Transfers, will be allowed into the Fixed Account during the Transfer Restriction Period.

Transfers

Unless otherwise provided in this Rider, Participant, Alternate Payee, and Beneficiary initiated Transfers of amounts held in the Fixed Account are permitted at any time.

Fixed Account Value

The Plan's value in the Fixed Account is determined as the value of (a) minus (b) where:

- (a) is the sum of all Fixed Account Contributions and Deposits plus interest credited to the Fixed Account; and
- (b) is the sum of:
 - i. any amounts distributed;
 - ii. any Transfers from the Fixed Account;
 - iii. any applicable fees and charges; and
 - iv. any Applicable Tax.

Plan Sponsor Initiated Events ("PSIE")

Plan Sponsor shall provide notification to Empower, in writing, at least thirty (30) calendar days in advance of a PSIE.

Upon receipt of the written notification date, if the book value of the amount associated with the PSIE ("PSIE Fixed Account book value") is less than or equal to the de minimis amount as disclosed on the

Specification Page, then Empower will remit the PSIE Fixed Account book value to Plan Sponsor's designee within thirty (30) calendar days after the Event Date (as defined below).

With respect to the amounts in the Fixed Account associated with the PSIE that exceed the de minimis amount, Plan Sponsor must elect, in writing to Empower, one of the following options on the date Empower and Plan Sponsor mutually agree to transact the PSIE (the "Event Date"):

1. **PSIE Fixed Account Book Value** – Empower shall remit to Plan Sponsor's designee the amounts associated with the PSIE Fixed Account book value no later than twelve (12) months after the Event Date. However, if the average 3 year and 5 year Constant Maturity Treasury rates, as of the Event Date, is 300 basis points or more above the lowest weekly average of the 3 and 5 year Constant Maturity Treasury rates over the 104 weeks prior to the Event Date, Empower will remit the Fixed Account book value no later than thirty-six (36) months after the Event Date. Empower will use published rates from the United States Federal Reserve Website.

All the terms of the Contract shall remain in effect with regard to the interests in the Contractual Account impacted by the PSIE; however, no Plan loans and no additional Contributions or Deposits shall be made after the Event Date by or at direction of the Plan Sponsor with respect to amounts impacted by the PSIE. Additionally, no Plan Sponsor Transfers of the PSIE Fixed Account book value will be permitted.

2. **PSIE Market Value Adjustment ("MVA")** –Within seven (7) Business Days after the Event Date, Empower will remit to the Plan Sponsor's designee the lesser of (a) Plan withdrawals associated with the PSIE ("PSIE Fixed Account book value") and (b) the PSIE Fixed Account book value adjusted by the MVA factor as described below. However, if the Plan Sponsor pays from its own assets to Empower the difference between the PSIE Fixed Account book value adjusted by the MVA factor as described below, prior to the Event Date, Empower will remit the PSIE Fixed Account book value.

If the MVA Factor is positive, Empower will not assess a market value adjustment.

Market Value Adjustment (MVA) = MVA Factor x Fixed Account value

The MVA Factor is:

$$MVAF = ((1+i)^3) / ((1+j+1.0\%)^3) - 1$$

Where

i = the three (3) year Constant Maturity Treasury rate as published in *the United States Federal Reserve Website* on the later of the Contract Date and the last business day of the week two (2) years prior to the Calculation Date.

j = the three (3) year Constant Maturity Treasury rate as published in *the United States Federal Reserve Website* on the last business day of the week prior to the Calculation Date.

For the purposes of establishing a Calculation Date in the MVA factor formula, unless another date is mutually agreed upon, the Calculation Date will be the date Plan Sponsor notified Empower of the PSIE.

Mischaracterization of PSIE

If the Plan Sponsor timely notified Empower of a withdrawal, but mischaracterized such withdrawal as a Participant-initiated withdrawal when it was due to a PSIE, and Empower paid the full requested withdrawal amount, then Empower will adjust the Fixed Account book value in accordance with the PSIE MVA provision. Specifically, if the MVA would have been negative, Empower will make an additional charge to the book value equal to the PSIE amount that exceeds the de minimis amount, multiplied by the MVA factor.

Disputes

If a dispute arises out of, or in connection with a withdrawal that was improperly characterized as a Participant-initiated withdrawal request rather than a PSIE withdrawal, Empower and Plan Sponsor shall agree to pursue a resolution through good faith negotiation or other appropriate dispute resolution process.

Contract Termination Due to Full Plan Termination

In the event of a full Plan termination, Plan Sponsor hereby instructs Empower to pay Plan Sponsor the Contractual Account Value in a lump sum as soon as practicable, less any outstanding fees and charges.

Contract Termination other than Due to Full Plan Termination

In order for the Plan Sponsor to terminate the Contract for any reason other than a full plan termination, at least sixty (60) calendar days before the Contract termination date, Plan Sponsor must notify Empower, in writing, of Plan Sponsor's election of one of the Contract termination options described below ("Contract Termination Options"). Empower shall remit all Fixed Account amounts pursuant to the Plan Sponsor's election less any outstanding fees and charges. The Plan Sponsor's election of the Contract Termination Option is irrevocable.

If Empower terminates the Contract, no additional assets will be permitted to be allocated to this Rider. Unless Empower and Plan Sponsor otherwise agree, Empower will continue to administer all other applicable provisions of the Contract until Plan Sponsor notifies Empower, in writing, of Plan Sponsor's election of one of the Contract Termination Options. Interest will continue to be credited to the Fixed Account from the date of termination to the date on which final payment is made. The rate will never be less than the guaranteed minimum interest rate.

However, if, on the written notification date, the book value is less than or equal to the de minimis amount as disclosed on the Specification Page, then Empower will remit the book value to Plan Sponsor's designee within thirty (30) calendar days after the Contract termination date less any outstanding fees and charges.

The Contract Termination Options are as follows:

1. ***Payment at Book Value*** – Empower will remit the Contractual Account Value of the Contractholder's assets in the Fixed Account ("book value") either 12 or 36 months after the Contract termination date, depending on the conditions outlined in (a) and (b) below. Plan Sponsor and Empower may mutually agree to an alternative book value payout date. If mutual agreement cannot be reached, then payment shall continue to proceed as described in accordance with (a) or (b), below. Starting on the Contract termination date, Empower will continue to credit interest until Empower remits the book value to the Plan Sponsor's designee.
 - (a) ***Payment at Book Value after 12 Months***: Empower will remit the book value to the Plan Sponsor's designee twelve (12) months after the Contract termination date if, on the date Empower receives notice of Contract termination in Good Order, the average of the 3 year and 5 year Constant Maturity Treasury rates is less than 300 basis points above the lowest weekly average of the 3 and 5 year Constant Maturity Treasury rates over the previous 104 weeks from notice.

Empower will use published rates from the United States Federal Reserve Website.

Numerical Example: On the date notice of Contract termination is received by Empower in Good Order, the average of the 3 year and 5 year Constant Maturity Treasury rates is 4.00%. Over the previous 104 weeks from notice, the lowest average of the 3 year and 5 year Constant Maturity Treasury rates from the United States Federal Reserve Website was 2.25%. As 4.00% is less than 300 basis

points above 2.25%, Empower will remit the book value 12 months after the Contract termination date.

Plan Sponsor may continue to direct Empower to make Distributions and Participant, Alternate Payee, and Beneficiary-initiated Transfers from the Fixed Account at any time. However, no Plan Sponsor Transfers will be allowed after the Contract termination date.

Unless Plan Sponsor retains Empower as the designated Plan recordkeeper, after the Contract termination date, Plan loans (if permitted under your Plan) will not be permitted to be made from the Fixed Account assets, and Contributions and Deposits will not be accepted into the Fixed Account.

- (b) **Payment at Book Value after 36 Months:** Empower will remit the book value to the Plan Sponsor's designee thirty-six (36) months after the Contract termination date if, on the date Empower receives notice of Contract termination in Good Order, the average of the 3 year and 5 year Constant Maturity Treasury rates is 300 basis points or more above the lowest weekly average of the 3 and 5 year Constant Maturity Treasury rates over the previous 104 weeks from notice.

Empower will use published rates from the United States Federal Reserve Website.

Numerical Example: On the date notice of Contract termination is received by Empower in Good Order, the average of the 3 year and 5 year Constant Maturity Treasury rates is 6.00%. Over the previous 104 weeks from notice, the lowest average of the 3 year and 5 year Constant Maturity Treasury rates from the United States Federal Reserve Website was 2.50%. As 6.00% is more than 300 basis points above 2.50%, Empower will remit the book value 36 months after the Contract termination date.

Plan Sponsor may continue to direct Empower to make Distributions and Participant, Alternate Payee, and Beneficiary-initiated Transfers from the Fixed Account at any time. However, no Plan Sponsor Transfers will be allowed after the Contract termination date.

Unless Plan Sponsor retains Empower as the designated Plan recordkeeper, after the Contract termination date, Plan loans (if permitted under your Plan) will not be permitted to be made from the Fixed Account assets, and Contributions and Deposits will not be accepted into the Fixed Account.

2. **Payment in 20 Quarterly Installments** – Empower will remit the total Contractual Account Value of the Contractholder's assets in the Fixed Account ("book value") in twenty (20) quarterly installments. Empower will make the first installment no later than ninety (90) calendar days after Contract termination date. The first installment will be 1/20th of the book value on the payment date. The remaining installments will be incrementally remitted in fractional amounts of remaining book value each calendar quarter over the succeeding nineteen quarters (e.g., 1/19, 1/18...1/1) until the total book value is remitted. Empower will continue to credit interest to the book value held in the Fixed Account (i.e., the portion of the book value that has not been transferred out of the Fixed Account) until Empower remits the total book value to the Plan Sponsor's designee.

Plan Sponsor may continue to direct Empower to make Distributions and Participant, Alternate Payee, and Beneficiary initiated Transfers from the Fixed Account at any time. However, no Plan Sponsor Transfers will be allowed after the Contract termination date.

Unless Plan Sponsor retains Empower as the designated Plan recordkeeper, after the Contract termination date, Plan loans (if permitted under your Plan) will not be permitted to be made from the Fixed Account assets, and Contributions and Deposits will not be accepted into the Fixed Account.

3. **Lump Sum Payment with Market Value Adjustment** – The Market Value Adjustment (“MVA”) of the Fixed Account value will be calculated as of the date Empower receives notice of Contract termination in Good Order, or another date as mutually agreed (“Calculation Date”). Within seven (7) Business Days after the Contract termination date, Empower will remit the lesser of (a) the total Contractual Account Value in the Fixed Account (“book value”) and (b) the book value adjusted by the MVA factor. However, if Empower receives the difference between the book value and the book value adjusted by the MVA factor from the Plan Sponsor prior to the Contract termination date, Empower will remit the book value.

Market Value Adjustment (MVA) = MVA Factor x Fixed Account value

The MVA Factor is:

$$MVAF = ((1+i)^3) / ((1+j+1.0\%)^3) - 1$$

Where

i = the three (3) year Treasury Constant Maturity rate as published in *the United States Federal Reserve Website* on the later of the Contract Date and the last business day of the week two (2) years prior to the Calculation Date.

j = the three (3) year Treasury Constant Maturity rate as published in *the United States Federal Reserve Website* on the last business day of the week prior to the Calculation Date.

4. **Any other termination option** allowable under applicable law as mutually agreed upon in writing by Empower and the Plan Sponsor.

Plan Sponsor Termination and/or Transfer of Fixed Account under the Contract

If Plan Sponsor elects to remove this Fixed Account as an eligible investment option but does not desire to terminate the Contract, Plan Sponsor must elect one of the Contract Termination Options listed in the “Contract Termination other than Due to Full Plan Termination” section of this Rider. Alternatively, if Plan Sponsor elects to remove this Fixed Account as an eligible Plan investment option but does not terminate the Contract, Plan Sponsor may request to transfer the Contractholder’s Fixed Account value on a mutually agreeable date to another series of the Fixed Account. For purposes of this section, any references to Contract termination and Contract termination date in the “Contract Termination other than Due to Full Plan Termination” section of this Rider will be interpreted as Fixed Account Rider termination and Fixed Account Rider termination date, respectively.

General

For the purposes of the reference in the Rider, Empower shall use a comparable source if applicable information is unavailable in the United States Federal Reserve Website.

EMPOWER ANNUITY INSURANCE COMPANY of AMERICA

A Stock Company

GROUP UNALLOCATED ANNUITY CONTRACT SPECIFICATION PAGE

This Specification Page is made part of the Empower Annuity Insurance Company of America Group Annuity Contract ("Contract") to which it is attached.

Terms defined in the Contract have the same meaning where used in this Specification Page.

PLAN SPONSOR	State of North Dakota
CONTRACTHOLDER	State of North Dakota
PLAN	The North Dakota Public Employees Retirement System Deferred Compensation 457(b) Companion Plan
CONTRACT NUMBER	100455-01
CONTRACT DATE	January 1, 2025 <i>or the later date signed by all parties</i>

OTHER PROVISIONS

Empower Investment Fixed Account De Minimis Pay-out Amount – The minimum guaranteed de minimis amount is \$20,000.

NOTICE OF PROTECTION PROVIDED BY THE NORTH DAKOTA LIFE AND HEALTH INSURANCE GUARANTY ASSOCIATION

This notice provides a brief summary of the North Dakota Life and Health Insurance Guaranty Association ("the Association") and the protection it provides for policyholders. This safety net was created under North Dakota law, which determines who and what is covered and the amounts of coverage.

The Association was established to provide protection in the unlikely event that your life, annuity or health insurance company becomes financially unable to meet its obligations and is taken over by its Insurance Department. If this should happen, the Association will typically arrange to continue coverage and pay claims, in accordance with North Dakota law, with funding from assessments paid by other insurance companies.

The protections provided by the Association are based on contract obligations up to the following amounts:

- Life Insurance
 - \$300,000 in death benefits
 - \$100,000 in cash surrender or withdrawal values
- Health Insurance
 - \$500,000 in health benefit plans
 - \$300,000 in disability income insurance benefits
 - \$300,000 in long-term care insurance benefits
 - \$100,000 in other types of health insurance benefits
- Annuities
 - \$250,000 in withdrawal and cash values

The maximum amount of protection for each individual, regardless of type of coverage is \$300,000; however, may be up to \$500,000 with regard to basic health.

Note: Certain policies and contracts may not be covered or fully covered. For example, coverage does not extend to any portion(s) of a policy or contract that the insurer does not guarantee, such as certain investment additions to the account value of a variable life insurance policy or a variable annuity contract. If coverage is available, it will be subject to substantial limitations. There are also various residency requirements and other limitations under North Dakota law. To learn more about the above protections, as well as protections relating to group contracts or retirement plans, please visit the Association's website at www.ndlifega.org or contact:

North Dakota Life and Health Insurance
Guaranty Association
P.O. Box 2422
Fargo, North Dakota 58108

North Dakota Insurance Department
600 East Boulevard Avenue, Dept. 401
Bismarck, ND 58505

COMPLAINTS AND COMPANY FINANCIAL INFORMATION

A written complaint to allege a violation of any provision of the Life and Health Insurance Guaranty Association Act must be filed with the North Dakota Insurance Department, 600 East Boulevard Avenue, Dept. 401, Bismarck, North Dakota 58505; telephone (701) 328-2440. Financial information for an insurance company, if the information is not proprietary, is available at the same address and telephone number and on the Insurance Department website at www.nd.gov/ndins.

Insurance companies and agents are not allowed by North Dakota law to use the existence of the Association or its coverage to sell, solicit or induce you to purchase any form of insurance. When selecting an insurance company, you should not rely on Association coverage. If there is any inconsistency between this notice and North Dakota law, then North Dakota law will control.



New York Life Insurance Company

A Mutual Company Founded in 1845

51 Madison Avenue, New York, NY 10010

Contractholder: NORTH DAKOTA PUBLIC EMPLOYEES RETIREMENT SYSTEM

Date of Issue:

Contract Number: GA-85249

NEW YORK LIFE WILL PAY the benefits provided by this “Contract”, subject to its terms and conditions.

This Contract is made in consideration of the payment of contributions in accordance with its terms and conditions.

The “Effective Date” of the Contract means the date of receipt of the initial contribution by New York Life pursuant to Section 1.1.

The first “Contract Year” begins on the Effective Date, as described above, and ends on December 31, 2025. Subsequent Contract Years will be determined from January 1, 2026 and each such subsequent Contract Year is a period of twelve (12) months.

“Plan” means The North Dakota Public Employees Retirement System Defined Contribution 401(a) Plan as amended to the Effective Date hereof. New York Life is not a party to the Plan and its obligations are limited to those set forth in this Contract.

The benefits, terms and conditions set forth on the following pages are a part of this Contract.

This Contract is delivered in the state of North Dakota and will be subject to the applicable North Dakota laws.

IN WITNESS WHEREOF, New York Life has caused this Contract to be executed as of its Date of Issue.

PARTICIPATING GROUP ANNUITY CONTRACT
GUARANTEED INTEREST ACCOUNT
ANNUITY BENEFITS PAYABLE IN FIXED DOLLAR AMOUNTS

Chair, President & CEO

Secretary

Countersignature



Section 1. Contractual Account

Section 1.1 **CONTRIBUTIONS.** Contributions from the Plan are amounts received by New York Life at its Home Office in New York City in immediately available funds, including amounts transferred from other contracts which will be treated as new contributions under this Contract and shall constitute 100% of monies becoming available for investment under the stable value (or comparable) investment option of the Plan.

A grace period of 31 days will be allowed to pay all contributions due under the terms and conditions of this Contract.

Section 1.2 **GUARANTEED INTEREST ACCOUNT.** Contributions when received will be credited to the Guaranteed Interest Account maintained under this Contract. The amount in the Guaranteed Interest Account at any time will be equal to the sum of all amounts credited to that account, less the sum of all amounts withdrawn from that account.

Amounts credited to the Guaranteed Interest Account will be:

- (a) contributions made pursuant to Section 1.1;
- (b) interest credited pursuant to Section 1.3; and
- (c) dividends, if any, credited pursuant to Section 4.3.

Amounts charged to the Guaranteed Interest Account will be:

- (a) amounts withdrawn as expense charges pursuant to Section 1.4;
- (b) amounts withdrawn or charged pursuant to the provisions of Sections 1.5, 1.6 or 2.4; and
- (c) amounts withdrawn in order to provide pension benefits pursuant to Section 3.

Section 1.3 **INTEREST.** The initial effective annual interest rate (the “initial rate”) applicable to the Guaranteed Interest Account is the rate as declared by New York Life on the Effective Date. The initial rate will apply from the Effective Date through December 31st of the first Contract Year. In subsequent Contract Years, New York Life will establish an effective



annual interest rate every January 1st and July 1st (each, a “Rate Reset Date”). On the 15th day of the calendar month preceding the Rate Reset Date, New York Life will declare an effective annual interest rate to be applicable to the Guaranteed Interest Account from and including the Rate Reset Date to but excluding the immediately succeeding Rate Reset Date (the “Rate Reset Period”). In no event will such declared effective annual interest rate, minus the deduction of expenses pursuant to Section 1.4(a), be less than the “Minimum Interest Rate”. The Minimum Interest Rate is equal to the lesser of (a) 3.00%; and (b) a rate that is not less than 1.00% and determined by using the six-month average of the five-year Constant Maturity Treasury Rate as reported by the Federal Reserve for June through November (for each Rate Reset Period beginning January 1st) and December through May (for each Rate Reset Period beginning July 1st), rounded to the nearest one-twentieth of one percent (.05%), minus 1.25%.

As of the last day of each calendar month, or as of any payment date provided for in Section 2.4, if earlier, New York Life will credit interest to the Guaranteed Interest Account. Such interest will accrue from and including the date of deposit up to, but excluding, the date of withdrawal from this Contract. Interest will accrue at the declared effective annual interest rate, compounded daily, based on the actual number of days in the Rate Reset Period, on the balance in the Guaranteed Interest Account at the beginning of the day, plus all contributions, if any, less amounts withdrawn, if any, on such day.

Such effective annual interest rate will be that which New York Life determines to be applicable to contracts in the investment year pool of contracts to which this Contract belongs. An investment year pool is established for each calendar year in which New York Life issues new group annuity contracts in this Class of Contracts. For purposes of this Contract, “this Class of Contracts” means all group annuity contracts with a Guaranteed Interest Account and effective annual interest rates declared semi-annually issued by New York Life in connection with employee benefit plans.



Section 1.4 RISK AND ADMINISTRATIVE FEES.

- (a) As of the end of each calendar day, New York Life will accrue an amount to be withdrawn from the Guaranteed Interest Account to cover expenses for risk and administration which may include various recordkeeping and other services that affiliates of New York Life or unaffiliated third-party service providers provide to the Plan pursuant to a separate agreement with the Plan. The accrual will be in an amount determined by applying an effective annual expense charge rate of 0.10% to the balance in the Guaranteed Interest Account at the beginning of the calendar day, plus all contributions, if any, less amounts withdrawn, if any, as of such calendar day.

Such amount will accrue daily and will be withdrawn on the last day of each month, or as of any payment date provided in Section 2.4, if earlier, unless other arrangements have been made pursuant to a written agreement between the Contractholder and New York Life.

For this Contract, no portion (0.00%) of the effective annual expense charge will be used to pay affiliates or unaffiliated third-party service providers to the Plan to offset recordkeeping/administration or other administrative or advisory expenses that are otherwise charged to the Plan.

New York Life reserves the right to change the expense charge rate after the first anniversary of the Effective Date, but not more frequently than once in any twelve-month period and only on a Rate Reset Date, upon sixty (60) days advance written notice to the Contractholder. If the Contractholder notifies New York Life of its intent to terminate this Contract prior to the date that the new expense charge rate becomes effective, the expense charge rate in effect on the date New York Life receives written notice of such termination will apply to Section 2.3(c) of this Contract.

- (b) Other Charges. The Contractholder may request that New York Life make a withdrawal from the Guaranteed Interest Account for commissions, fees or expenses incurred in connection with any services provided to the Contractholder



Section 1.5

PAYMENTS TO THE CONTRACTHOLDER. Provided that the Contract has not yet been terminated, the Contractholder, acting in accordance with the provisions of the Plan, will direct New York Life by written notice to pay an amount to the Contractholder, or to any other entity as directed by the Contractholder in writing, from the Guaranteed Interest Account. Any such amount will be for the purpose of providing benefits for Plan participants upon death, retirement, disability or termination of employment occurring in the normal course of business. Active participants may also elect hardship, in-service and loan withdrawals in accordance with the provisions of the Plan.

Withdrawals pursuant to this Section 1.5 and transfers pursuant to Section 1.6 due to events initiated by the Plan sponsor including, but not limited to, total or partial plan termination, mergers, spin-offs, lay-offs, early retirement incentive programs, sales or closings of all or part of the Plan sponsor's operations, bankruptcy or receivership will be subject to a 5% annual limitation as described in the next paragraph.

The amount to be paid for such events or other events initiated by the Plan sponsor cannot be more than 5% of the total amount held under this Contract, as of the first day of the Contract Year. In the event that the Contractholder requests an amount to be paid because of events initiated by the Plan sponsor, as described above, more than once during a Contract Year, such amounts paid during the Contract Year shall be aggregated for the purpose of determining this 5% annual limitation. If any withdrawals requested for the above-mentioned reasons exceed the 5% annual limitation then New York Life will pay the amount of the requested withdrawal from the Guaranteed Interest Account and will charge the Guaranteed Interest Account an additional amount equal to the excess of (1) over (2) where:

- (1) is the amount of all such withdrawals in excess of the 5% annual limitation, and
- (2) is an amount determined by multiplying the amount of all such withdrawals in excess of the 5% annual limitation described above by the lesser of (i) a factor of one and (ii) the market value adjustment factor described in Section 2.4(a)(i), determined as of the date of withdrawal. New York Life will withdraw from the Guaranteed Interest Account the amount to be

paid to the Contractholder on the later of (1) the date of receipt of written notice or (2) the date specified in such notice, provided that the following order of each withdrawal from the total assets of the Plan held in the Plan's stable value option has been adhered to by the Contractholder:

- (i) first, from current cash flow to the extent sufficient;
- (ii) second, from all guaranteed interest contracts or similar contracts on a last-in, first-out basis.

In the event of a merger, spin-off or sale of a portion of the Plan Sponsor's operations covered under this Contract, the Contractholder may direct New York Life by written notice to issue a contract for a successor plan sponsor provided an initial minimum contribution requirement of \$5,000,000.00 can be satisfied. Such contract will be substantially similar in all respects to the provisions of this Contract. New York Life will transfer, on a book value basis, and without regard to the provisions of Section 2.4, the assets attributable to such successor plan from this Contract to the newly issued contract, as directed by the Contractholder. Such a withdrawal will not be considered to be a withdrawal in the context of the 5% annual limitation specified above.

New York Life will bill the Contractholder, or plan sponsor as directed by the Contractholder, for an administrative charge, as negotiated with the Contractholder, for the issuance of any such contract. Such administrative charge will be due within sixty (60) days of the effective date of the newly issued contract and will be withdrawn from the Guaranteed Interest Account by New York Life in the event such amount is not paid by such due date.

The amount withdrawn from the Guaranteed Interest Account on account of such payment(s) pursuant to this Section 1.5 will not exceed the balance in the Guaranteed Interest Account as of the date of withdrawal, reduced by any amount necessary to recover charges applicable pursuant to Section 1.4 and this Section 1.5.

The Contractholder will furnish New York Life with such information as New York Life may reasonably require in connection with requests for withdrawals under this Section 1.5.



Section 1.6

TRANSFER TO OTHER FUNDING MEDIA. Provided that the Contract has not yet been terminated, the Contractholder may direct New York Life by written notice to transfer an amount to other funding media pursuant to elections made by participants under the Plan. Such transfers will be permitted daily. No direct transfers to competing investment options, such as fixed income funds including, but not limited to, guaranteed investment contracts, money market funds or bond funds with a target duration of three (3) years or less. Any transfers out of the Guaranteed Interest Account must first go through a non-competing investment option and reside there for at least ninety (90) days before transfer to a competing investment option.

New York Life will withdraw from the Guaranteed Interest Account the amount to be transferred on the later of (1) the date of receipt of written notice or (2) the date specified in such notice, provided that the following order of each withdrawal from the total assets of the Plan held in the Plan's stable value option has been adhered to by the Contractholder:

- (i) first, from current cash flow to the extent sufficient;
- (ii) second, from all guaranteed interest contracts or similar contracts on a last-in, first-out basis.

The amount withdrawn from the Guaranteed Interest Account on account of such payment pursuant to this Section 1.6 will not exceed the balance in the Guaranteed Interest Account as of the date of withdrawal, reduced by any amount necessary to recover charges applicable pursuant to Section 1.4.

The Contractholder will furnish New York Life with such information as New York Life may reasonably require in connection with requests for transfers under this Section 1.6.

Section 2. Contract Termination

- Section 2.1 **TERMINATION BY THE CONTRACTHOLDER.** The Contractholder may terminate this Contract as of any Business Day as defined in Section 4.9, which day will be the “Termination Date”, provided written notice of termination is received by New York Life at its Home Office in New York City at least thirty (30) but not more than sixty (60) days prior to the intended Termination Date.
- Section 2.2 (a) **TERMINATION BY NEW YORK LIFE.** New York Life may terminate this Contract as of any Business Day, which will be the Termination Date, provided written notice of termination is delivered to the Contractholder at the address of record at least sixty (60) days prior to the intended Termination Date.
- (b) **TERMINATION BY NEW YORK LIFE FOR CAUSE.** New York Life may terminate this Contract immediately upon written notice to the Contractholder at the address of record if the Plan fails to maintain its status as a Qualified Plan or a Governmental Plan as defined in Section 4.6.
- Section 2.3 **EFFECT OF TERMINATION.** In the event of termination under Section 2.1 or 2.2, the following will take effect:
- (a) no further contributions to the Guaranteed Interest Account may be made to or accepted by New York Life;
- (b) interest at the effective annual interest rate in effect as of the date written notice of termination is received by or delivered to New York Life, determined pursuant to Section 1.3, minus 1.00%, will be credited to the Guaranteed Interest Account from the Termination Date to either (1) the date on which a single sum payment is made pursuant to Section 2.4(a)(i), Section 2.4(b) or Section 2.4(c), or (2) the date on which the final installment payment is made under Section 2.4(a)(ii) below, whichever is applicable. In no event will interest credited pursuant to this paragraph, minus the deduction of expenses pursuant to Section 1.4, be less than the Minimum Interest Rate described in Section 1.3;
- (c) fees determined pursuant to Section 1.4 will be charged to the Guaranteed Interest Account from the Termination Date to either (1) the date on which a single sum payment is made pursuant to Section 2.4(a)(i), Section 2.4(b) or Section 2.4(c), or

(2) the date on which the final installment payment is made under Section 2.4(a)(ii) below, whichever is applicable; and

- (d) withdrawals in excess of any installment payment made pursuant to Section 2.4(a)(ii) for the purpose of providing benefits to Plan participants will continue to be made from the Guaranteed Interest Account in accordance with the terms of Section 1.5 and 1.6

Section 2.4 PAYMENT UPON TERMINATION.

- (a) If Termination of the Contract occurs at the election of the Contractholder pursuant to Section 2.1, the Contractholder may elect a single sum payment equal to the amount determined in accordance with paragraph (i) below (the “Transfer Amount”) or in installment payments as described in paragraph (ii) below.
- (i) New York Life will withdraw the balance in the Guaranteed Interest Account as of the Termination Date after adjustment pursuant to Section 2.3 and will make payment in a single sum to the Contractholder, or to such other entity as the Contractholder may designate in writing, of the Transfer Amount described below.

The Transfer Amount will be equal to the product of (A) the balance in the Guaranteed Interest Account as of the payment date and (B) the market value adjustment factor described below.

The “market value adjustment factor” equals 1.0 plus the product of (1) the Contract Earnings Rate minus the New Issue Rate, and (2) the Duration of the asset portfolio for contracts in this Class of Contracts.

“Contract Earnings Rate” means the interest crediting rate applicable to the balance in the Guaranteed Interest Account as of the date written notice of termination is received by New York Life for contracts in the investment year pool of contracts to which this Contract belongs.

“New Issue Rate” means the rate made available by New York Life to contracts in this Class of Contracts issued as of the date written notice of termination is received by New York Life.

“Duration” means the dollar weighted average of the effective duration of each security in the asset portfolio for contracts in this Class of Contracts where each security has a weight determined as the fair market value of the security divided by the fair market value of the asset portfolio for contracts in this Class of Contracts. The Duration will be determined as of the last Business Day of the third month prior to the Termination Date.

At the Contractholder’s request, New York Life will provide a calculation of the Transfer Amount determined by applying the market value adjustment factor described in this Section 2.4(a)(i). The calculation will show the specific factors (Contract Earnings Rate, New Issue Rate and Duration, each as described above) used to determine the Transfer Amount. The Contractholder may request such calculation on an annual basis.

Any contributions received by New York Life within the one hundred eighty (180) day period prior to the Termination Date will not be subject to the market value adjustment factor described in this Section 2.4(a)(i) but will be subject to the terms of Section 2.3.

- (ii) If the Contractholder elects installment payments, the balance in the Guaranteed Interest Account will be paid to the Contractholder, or to such other entity as the Contractholder may designate in writing, in six (6) annual installments with the first installment payable within ninety (90) days of the Termination Date and each subsequent installment payable on the anniversary of the first installment. The amount of each installment will be determined as a fraction of the Guaranteed Interest Account as of the installment payment date as follows:

<u>Installment Number</u>	<u>Amount of Payment</u>
1	1/6 of the balance in the Guaranteed Interest Account
2	1/5 of the balance in the Guaranteed Interest Account
3	1/4 of the balance in the Guaranteed Interest Account

4	1/3 of the balance in the Guaranteed Interest Account
5	1/2 of the balance in the Guaranteed Interest Account
6	the balance in the Guaranteed Interest Account

At the Termination Date or at any time during the installment payment period, New York Life may accelerate the payments which would otherwise be made under the above installment schedule, provided the Contractholder consents, in writing, to such accelerated payments.

- (b) If Termination of the Contract occurs at the election of New York Life pursuant to Section 2.2(a), the balance in the Guaranteed Interest Account will be paid in a single sum to the Contractholder or to such other entity as the Contractholder may designate in writing within ninety (90) days of the Termination Date.
- (c) If Termination of the Contract occurs pursuant to Section 2.2(b), an amount equal to the Transfer Amount, determined by New York Life pursuant to Section 2.4(a)(i), will be paid in a single sum to the Contractholder or to such other entity as the Contractholder may designate in writing on or as soon as practicable after the Termination Date.

Any payment or payments made pursuant to this Section 2.4 will fully discharge New York Life of its obligations under this Contract.



Section 3. Pension Benefits

- Section 3.1 **GENERAL.** The Contractholder may elect to provide guaranteed pension benefits by directing New York Life, in writing, to withdraw from the Guaranteed Interest Account the amounts necessary to provide such pension benefits through the purchase of immediate annuities, subject to the provisions of this Section 3. Any annuity benefit purchased will not be less than that which would be provided by the application of such amount to purchase a single consideration immediate annuity offered by New York Life at that time for the same class of contract. In no event, however, will any annuity purchase rate be greater than the appropriate rate in the attached Table of Annuity Purchase Rates.
- Section 3.2 **REQUIRED INFORMATION.** For each person for whom an immediate annuity is to be purchased, the Contractholder will specify in writing to New York Life at its Home Office in New York City the amount and form of pension benefit, the date payment is to begin, proof of age and such other information as New York Life may require.
- Section 3.3 **FORM AND AMOUNT OF BENEFIT PAYMENT.** New York Life will provide a pension benefit in the form of a life annuity that provides monthly payments ending with the last payment due on or before the person's death or in any other form of benefit as specified pursuant to Section 3.2 and which is agreeable to New York Life. The amount of any monthly annuity benefit may not be less than \$100.00 per month.
- Section 3.4 **CERTIFICATES.** New York Life will issue to the Contractholder for delivery to each person for whom an annuity has been purchased an individual retirement certificate setting forth the amount and terms of payment of such benefit.
- Section 3.5 **MISSTATEMENTS.** If any facts on which the purchase of an annuity was based have been misstated, the amount withdrawn from the Guaranteed Interest Account pursuant to Section 3.1, or the amount of such benefit payments, or both, will be adjusted. Overpayments by New York Life will be charged against and underpayments will be added to any such benefit payments payable thereafter.
- Section 3.6 **LIABILITY OF NEW YORK LIFE.** New York Life makes no representation and assumes no liability as to the sufficiency of contributions or of the Guaranteed



Interest Account for the benefits to be provided under the Plan. The liability of New York Life is for the payment of benefits as directed by the Contractholder and on the basis of the correct withdrawal from the Guaranteed Interest Account in accordance with the terms of this Contract.

Section 4 General Provisions

- Section 4.1 **CONTRACT.** This Contract, and the Application for it, constitute the entire Contract. No modification of this Contract, other than one resulting from the exercise of a right expressly reserved to New York Life will be valid unless evidenced by an amendment to the Contract signed by the Contractholder and by an Officer of New York Life. Without limiting the generality of the foregoing, it is expressly understood that no modification of the language in Sections 1.3, 1.5, 1.6, 2.3 or 2.4 shall be effected without the prior written consent of the Contractholder and New York Life.
- Section 4.2 **ASSIGNABILITY.** The Contractholder may not assign this Contract or any interest therein and any attempted assignment will be null and void. A transfer of ownership to a new Contractholder as set forth in Section 1.5 will not be deemed to be an assignment of the Contract provided the Contract is held as an asset of the same Plan or a successor plan which has assumed some or all of the assets and liabilities of this Plan pursuant to a merger, consolidation or spin-off.
- Section 4.3 **DIVIDENDS.** As of the last day of each Contract Year, the divisible surplus, if any, ascertained and apportioned to this Contract as a dividend will be paid to the Contractholder or to such other entity as the Contractholder may designate in writing. Dividends are not expected to arise under this Contract.
- Section 4.4 **PLAN CHANGES.** The Contractholder agrees to notify New York Life of any changes to the Plan that take effect after the Effective Date of this Contract and which New York Life could reasonably expect to have a potential financial, legal or administrative impact on the obligations of New York Life under this Contract. New York Life agrees to respond to the Contractholder within forty-five (45) days of receipt of such notice. If New York Life determines that the change will have an adverse financial, legal or administrative impact on the obligations of the New York Life under this Contract, then the Contractholder and New York Life shall negotiate in good faith a mutually acceptable alternative to avoid an adverse financial, legal or administrative impact. If the Contractholder and New York Life are unable to negotiate a mutually acceptable alternative within sixty (60) days then New York Life reserves the right to continue this Contract as it existed immediately prior to

such change or to deem this Contract terminated by the Contractholder pursuant to Section 2.1 as of the effective date of the amendment, which day will be the Termination Date.

Changes that could have an adverse financial, legal or administrative impact on the obligations of New York Life under this Contract include but are not limited to the following events:

1. a plan change that materially alters the amount of contributions or withdrawals to be directed in or out of this Contract;
2. a change in the Plan's investment options; or
3. a change in the investment philosophy for the Plan's stable value option (or comparable investment option).

Section 4.5 **CHANGE IN SERVICE PROVIDERS.** The Contractholder agrees to notify New York Life of a change in the Plan's trustee, record-keeper or any other service provider (including a provider of investment services) as soon as the Contractholder becomes aware of such change, and with respect to a change in the Plan's record-keeper, at least ninety (90) days before such change becomes effective.

Section 4.6 **PLAN QUALIFICATION.** This Contract is issued to the Contractholder with the understanding that the Plan is qualified under Section 401(a) of the Internal Revenue Code, as amended (a "Qualified Plan"). Any written direction by the Contractholder to New York Life to make payment to another entity will also specify that such payment will not impair the Plan's status as a Qualified Plan.

Section 4.7 **RELIANCE BY NEW YORK LIFE.** New York Life may rely on any information received by the Contractholder for all purposes under the Contract. New York Life shall not be liable for any damages arising out of its use of, or reliance upon, such information in good faith.

Section 4.8 **CONSTRUCTION.** In the event of any inconsistency between the provisions of this Contract and the provisions of the Plan, the provisions of this Contract will control.

Section 4.9 **BUSINESS DAY.** Business Day means a day on which the United States banking system and New York Life are open for business. If a payment is due on any day



which is not a Business Day, such payment will be made on the next following Business Day.



TABLE OF LIFE ANNUITY PURCHASE RATES

THE FOLLOWING PURCHASE RATES REPRESENT THE AMOUNTS REQUIRED ON A NON-PARTICIPATING BASIS AT THE ILLUSTRATIVE APPLICABLE INTEREST RATES (“AIR”) INDICATED TO PURCHASE AN IMMEDIATE LIFE ANNUITY OF \$1.00 A MONTH BEGINNING ON THE DATE OF PURCHASE.

PURCHASE MADE PRIOR TO THE FIFTH ANNIVERSARY OF THE EFFECTIVE DATE OF THE CONTRACT OR RIDER TO WHICH THIS TABLE IS ATTACHED

AGE	AIR 1.00%	AIR 3.00%
50	\$367.78	\$265.14
51	358.91	260.59
52	349.98	255.93
53	341.01	251.15
54	332.01	246.26
55	322.97	241.27
56	313.92	236.19
57	304.87	231.01
58	295.83	225.76
59	286.82	220.45
60	277.85	215.07
61	268.91	209.63
62	260.01	204.13
63	251.20	198.60
64	242.45	193.03
65	233.83	187.47
66	225.30	181.89
67	216.89	176.32
68	208.62	170.77
69	200.46	165.21
70	192.34	159.60

NEW YORK LIFE MAY CHANGE THE PURCHASE RATES IN THIS TABLE FOR PURCHASES MADE ON OR AFTER THE FIFTH CONTRACT ANNIVERSARY, OF THE EFFECT DATE OF THE CONTRACT OR RIDER TO WHICH THIS TABLE IS ATTACHED, BUT NOT MORE OFTEN THAN ONCE EVERY FIVE YEARS



AGE FOR THE PURPOSE OF THIS TABLE IS AGE NEAREST BIRTHDAY AT ANNUITY PURCHASE DATE.

NEW YORK LIFE WILL CALCULATE ANNUITY PURCHASE RATES FOR OTHER AGES AND ANNUITY FORMS ON THE SAME ACTUARIAL BASIS, AND WILL FURNISH SUCH RATES ON REQUEST.

THE RATES IN THIS TABLE ARE EXCLUSIVE OF ANY STATE OR LOCAL PREMIUM TAX AND WILL BE INCREASED TO RECOGNIZE APPROPRIATELY ANY SUCH TAX PAID OR PAYABLE BY NEW YORK LIFE WITH RESPECT TO ANNUITY BENEFITS PURCHASED HEREUNDER.

PURCHASE RATE BASIS:

MORTALITY: UP 1994 FULL PROJECTION BY SCALE AA, YOP = 2016
AGES SET BACK: 1 YEAR MALE, 1 YEAR FEMALE

UNISEX BLEND: PRINCIPAL ANNUITANTS WEIGHTED 2/3 MALE, 1/3 FEMALE
JOINT ANNUITANTS WEIGHTED 1/3 MALE, 2/3 FEMALE

APPLICABLE INTEREST RATE ("AIR"):

THE APPLICABLE INTEREST RATE IS RESET BY NEW YORK LIFE EACH JANUARY 1 AND JULY 1 (EACH, A "RATE RESET DATE") AND WILL BE APPLICABLE FOR THE 6-CALENDAR MONTH PERIOD (EACH, A "RATE RESET PERIOD") BEGINNING ON SUCH RATE RESET DATE. THE AIR FOR A RATE RESET PERIOD WILL BE EQUAL TO THE LESSER OF (A) 3.00%; AND (B) A RATE THAT IS NOT LESS THAN 1.00% AND DETERMINED BY USING THE SIX-MONTH AVERAGE OF THE FIVE-YEAR CONSTANT MATURITY TREASURY RATE AS REPORTED BY THE FEDERAL RESERVE FOR JUNE THROUGH NOVEMBER (FOR EACH RATE RESET PERIOD BEGINNING ON JANUARY 1) AND DECEMBER THROUGH MAY (FOR EACH RATE RESET PERIOD BEGINNING ON JULY 1), ROUNDED TO THE NEAREST ONE-TWENTIETH OF ONE PERCENT (.05%), MINUS 1.25%.

EXPENSES: 2.50%

RATE TABLE CODE: 205100



Application

NORTH DAKOTA PUBLIC EMPLOYEES RETIREMENT SYSTEM as Contractholder whose Main Office Address is

1600 East Century Ave.
Suite 2
Bismarck, ND 58502-1657

hereby makes application to New York Life Insurance Company, 51 Madison Avenue, New York, NY 10010, for Group Annuity Contract No. GA-85249, the terms of which are hereby approved and accepted by the Contractholder to take effect on the Effective Date specified in the Contract.

It is agreed that this Application supersedes any application for this Contract previously signed by the Contractholder.

Executed at _____ CONTRACTHOLDER

On _____ by _____
(Signature and Title)

Agent: _____

Countersignature: _____
(Resident Licensed Agent Where Required)

This copy is part of the entire Contract and a duplicate original of this Application is to be returned to New York Life.



New York Life Insurance Company

A Mutual Company Founded in 1845

51 Madison Avenue, New York, NY 10010

Contractholder: NORTH DAKOTA PUBLIC EMPLOYEES RETIREMENT SYSTEM

Date of Issue:

Contract Number: GA-85248

NEW YORK LIFE WILL PAY the benefits provided by this “Contract”, subject to its terms and conditions.

This Contract is made in consideration of the payment of contributions in accordance with its terms and conditions.

The “Effective Date” of the Contract means the date of receipt of the initial contribution by New York Life pursuant to Section 1.1.

The first “Contract Year” begins on the Effective Date, as described above, and ends on December 31, 2025. Subsequent Contract Years will be determined from January 1, 2026 and each such subsequent Contract Year is a period of twelve (12) months.

“Plan” means The North Dakota Public Employees Retirement System Deferred Compensation 457(b) Companion Plan as amended to the Effective Date hereof. New York Life is not a party to the Plan and its obligations are limited to those set forth in this Contract.

The benefits, terms and conditions set forth on the following pages are a part of this Contract.

This Contract is delivered in the state of North Dakota and will be subject to the applicable North Dakota laws.

IN WITNESS WHEREOF, New York Life has caused this Contract to be executed as of its Date of Issue.

PARTICIPATING GROUP ANNUITY CONTRACT
GUARANTEED INTEREST ACCOUNT
ANNUITY BENEFITS PAYABLE IN FIXED DOLLAR AMOUNTS

Chair, President & CEO

Secretary

Countersignature



Section 1. Contractual Account

Section 1.1 **CONTRIBUTIONS.** Contributions from the Plan are amounts received by New York Life at its Home Office in New York City in immediately available funds, including amounts transferred from other contracts which will be treated as new contributions under this Contract and shall constitute 100% of monies becoming available for investment under the stable value (or comparable) investment option of the Plan.

A grace period of 31 days will be allowed to pay all contributions due under the terms and conditions of this Contract.

Section 1.2 **GUARANTEED INTEREST ACCOUNT.** Contributions when received will be credited to the Guaranteed Interest Account maintained under this Contract. The amount in the Guaranteed Interest Account at any time will be equal to the sum of all amounts credited to that account, less the sum of all amounts withdrawn from that account.

Amounts credited to the Guaranteed Interest Account will be:

- (a) contributions made pursuant to Section 1.1;
- (b) interest credited pursuant to Section 1.3; and
- (c) dividends, if any, credited pursuant to Section 4.3.

Amounts charged to the Guaranteed Interest Account will be:

- (a) amounts withdrawn as expense charges pursuant to Section 1.4;
- (b) amounts withdrawn or charged pursuant to the provisions of Sections 1.5, 1.6 or 2.4; and
- (c) amounts withdrawn in order to provide pension benefits pursuant to Section 3.

Section 1.3 **INTEREST.** The initial effective annual interest rate (the “initial rate”) applicable to the Guaranteed Interest Account is the rate as declared by New York Life on the Effective Date. The initial rate will apply from the Effective Date through December 31st of the first Contract Year. In subsequent Contract Years, New York Life will establish an effective

annual interest rate every January 1st and July 1st (each, a “Rate Reset Date”). On the 15th day of the calendar month preceding the Rate Reset Date, New York Life will declare an effective annual interest rate to be applicable to the Guaranteed Interest Account from and including the Rate Reset Date to but excluding the immediately succeeding Rate Reset Date (the “Rate Reset Period”). In no event will such declared effective annual interest rate, minus the deduction of expenses pursuant to Section 1.4(a), be less than the “Minimum Interest Rate”. The Minimum Interest Rate is equal to the lesser of (a) 3.00%; and (b) a rate that is not less than 1.00% and determined by using the six-month average of the five-year Constant Maturity Treasury Rate as reported by the Federal Reserve for June through November (for each Rate Reset Period beginning January 1st) and December through May (for each Rate Reset Period beginning July 1st), rounded to the nearest one-twentieth of one percent (.05%), minus 1.25%.

As of the last day of each calendar month, or as of any payment date provided for in Section 2.4, if earlier, New York Life will credit interest to the Guaranteed Interest Account. Such interest will accrue from and including the date of deposit up to, but excluding, the date of withdrawal from this Contract. Interest will accrue at the declared effective annual interest rate, compounded daily, based on the actual number of days in the Rate Reset Period, on the balance in the Guaranteed Interest Account at the beginning of the day, plus all contributions, if any, less amounts withdrawn, if any, on such day.

Such effective annual interest rate will be that which New York Life determines to be applicable to contracts in the investment year pool of contracts to which this Contract belongs. An investment year pool is established for each calendar year in which New York Life issues new group annuity contracts in this Class of Contracts. For purposes of this Contract, “this Class of Contracts” means all group annuity contracts with a Guaranteed Interest Account and effective annual interest rates declared semi-annually issued by New York Life in connection with employee benefit plans.



Section 1.4 RISK AND ADMINISTRATIVE FEES.

- (a) As of the end of each calendar day, New York Life will accrue an amount to be withdrawn from the Guaranteed Interest Account to cover expenses for risk and administration which may include various recordkeeping and other services that affiliates of New York Life or unaffiliated third-party service providers provide to the Plan pursuant to a separate agreement with the Plan. The accrual will be in an amount determined by applying an effective annual expense charge rate of 0.10% to the balance in the Guaranteed Interest Account at the beginning of the calendar day, plus all contributions, if any, less amounts withdrawn, if any, as of such calendar day.

Such amount will accrue daily and will be withdrawn on the last day of each month, or as of any payment date provided in Section 2.4, if earlier, unless other arrangements have been made pursuant to a written agreement between the Contractholder and New York Life.

For this Contract, no portion (0.00%) of the effective annual expense charge will be used to pay affiliates or unaffiliated third-party service providers to the Plan to offset recordkeeping/administration or other administrative or advisory expenses that are otherwise charged to the Plan.

New York Life reserves the right to change the expense charge rate after the first anniversary of the Effective Date, but not more frequently than once in any twelve-month period and only on a Rate Reset Date, upon sixty (60) days advance written notice to the Contractholder. If the Contractholder notifies New York Life of its intent to terminate this Contract prior to the date that the new expense charge rate becomes effective, the expense charge rate in effect on the date New York Life receives written notice of such termination will apply to Section 2.3(c) of this Contract.

- (b) Other Charges. The Contractholder may request that New York Life make a withdrawal from the Guaranteed Interest Account for commissions, fees or expenses incurred in connection with any services provided to the Contractholder

Section 1.5

PAYMENTS TO THE CONTRACTHOLDER. Provided that the Contract has not yet been terminated, the Contractholder, acting in accordance with the provisions of the Plan, will direct New York Life by written notice to pay an amount to the Contractholder, or to any other entity as directed by the Contractholder in writing, from the Guaranteed Interest Account. Any such amount will be for the purpose of providing benefits for Plan participants upon death, retirement, disability or termination of employment occurring in the normal course of business. Active participants may also elect hardship, in-service and loan withdrawals in accordance with the provisions of the Plan.

Withdrawals pursuant to this Section 1.5 and transfers pursuant to Section 1.6 due to events initiated by the Plan sponsor including, but not limited to, total or partial plan termination, mergers, spin-offs, lay-offs, early retirement incentive programs, sales or closings of all or part of the Plan sponsor's operations, bankruptcy or receivership will be subject to a 5% annual limitation as described in the next paragraph.

The amount to be paid for such events or other events initiated by the Plan sponsor cannot be more than 5% of the total amount held under this Contract, as of the first day of the Contract Year. In the event that the Contractholder requests an amount to be paid because of events initiated by the Plan sponsor, as described above, more than once during a Contract Year, such amounts paid during the Contract Year shall be aggregated for the purpose of determining this 5% annual limitation. If any withdrawals requested for the above-mentioned reasons exceed the 5% annual limitation then New York Life will pay the amount of the requested withdrawal from the Guaranteed Interest Account and will charge the Guaranteed Interest Account an additional amount equal to the excess of (1) over (2) where:

- (1) is the amount of all such withdrawals in excess of the 5% annual limitation, and
- (2) is an amount determined by multiplying the amount of all such withdrawals in excess of the 5% annual limitation described above by the lesser of (i) a factor of one and (ii) the market value adjustment factor described in Section 2.4(a)(i), determined as of the date of withdrawal. New York Life will withdraw from the Guaranteed Interest Account the amount to be

paid to the Contractholder on the later of (1) the date of receipt of written notice or (2) the date specified in such notice, provided that the following order of each withdrawal from the total assets of the Plan held in the Plan's stable value option has been adhered to by the Contractholder:

- (i) first, from current cash flow to the extent sufficient;
- (ii) second, from all guaranteed interest contracts or similar contracts on a last-in, first-out basis.

In the event of a merger, spin-off or sale of a portion of the Plan Sponsor's operations covered under this Contract, the Contractholder may direct New York Life by written notice to issue a contract for a successor plan sponsor provided an initial minimum contribution requirement of \$5,000,000.00 can be satisfied. Such contract will be substantially similar in all respects to the provisions of this Contract. New York Life will transfer, on a book value basis, and without regard to the provisions of Section 2.4, the assets attributable to such successor plan from this Contract to the newly issued contract, as directed by the Contractholder. Such a withdrawal will not be considered to be a withdrawal in the context of the 5% annual limitation specified above.

New York Life will bill the Contractholder, or plan sponsor as directed by the Contractholder, for an administrative charge, as negotiated with the Contractholder, for the issuance of any such contract. Such administrative charge will be due within sixty (60) days of the effective date of the newly issued contract and will be withdrawn from the Guaranteed Interest Account by New York Life in the event such amount is not paid by such due date.

The amount withdrawn from the Guaranteed Interest Account on account of such payment(s) pursuant to this Section 1.5 will not exceed the balance in the Guaranteed Interest Account as of the date of withdrawal, reduced by any amount necessary to recover charges applicable pursuant to Section 1.4 and this Section 1.5.

The Contractholder will furnish New York Life with such information as New York Life may reasonably require in connection with requests for withdrawals under this Section 1.5.



Section 1.6

TRANSFER TO OTHER FUNDING MEDIA. Provided that the Contract has not yet been terminated, the Contractholder may direct New York Life by written notice to transfer an amount to other funding media pursuant to elections made by participants under the Plan. Such transfers will be permitted daily. No direct transfers to competing investment options, such as fixed income funds including, but not limited to, guaranteed investment contracts, money market funds or bond funds with a target duration of three (3) years or less. Any transfers out of the Guaranteed Interest Account must first go through a non-competing investment option and reside there for at least ninety (90) days before transfer to a competing investment option.

New York Life will withdraw from the Guaranteed Interest Account the amount to be transferred on the later of (1) the date of receipt of written notice or (2) the date specified in such notice, provided that the following order of each withdrawal from the total assets of the Plan held in the Plan's stable value option has been adhered to by the Contractholder:

- (i) first, from current cash flow to the extent sufficient;
- (ii) second, from all guaranteed interest contracts or similar contracts on a last-in, first-out basis.

The amount withdrawn from the Guaranteed Interest Account on account of such payment pursuant to this Section 1.6 will not exceed the balance in the Guaranteed Interest Account as of the date of withdrawal, reduced by any amount necessary to recover charges applicable pursuant to Section 1.4.

The Contractholder will furnish New York Life with such information as New York Life may reasonably require in connection with requests for transfers under this Section 1.6.

Section 2. Contract Termination

- Section 2.1 **TERMINATION BY THE CONTRACTHOLDER.** The Contractholder may terminate this Contract as of any Business Day as defined in Section 4.9, which day will be the “Termination Date”, provided written notice of termination is received by New York Life at its Home Office in New York City at least thirty (30) but not more than sixty (60) days prior to the intended Termination Date.
- Section 2.2 (a) **TERMINATION BY NEW YORK LIFE.** New York Life may terminate this Contract as of any Business Day, which will be the Termination Date, provided written notice of termination is delivered to the Contractholder at the address of record at least sixty (60) days prior to the intended Termination Date.
- (b) **TERMINATION BY NEW YORK LIFE FOR CAUSE.** New York Life may terminate this Contract immediately upon written notice to the Contractholder at the address of record if the Plan fails to maintain its status as a Qualified Plan or a Governmental Plan as defined in Section 4.6.
- Section 2.3 **EFFECT OF TERMINATION.** In the event of termination under Section 2.1 or 2.2, the following will take effect:
- (a) no further contributions to the Guaranteed Interest Account may be made to or accepted by New York Life;
- (b) interest at the effective annual interest rate in effect as of the date written notice of termination is received by or delivered to New York Life, determined pursuant to Section 1.3, minus 1.00%, will be credited to the Guaranteed Interest Account from the Termination Date to either (1) the date on which a single sum payment is made pursuant to Section 2.4(a)(i), Section 2.4(b) or Section 2.4(c), or (2) the date on which the final installment payment is made under Section 2.4(a)(ii) below, whichever is applicable. In no event will interest credited pursuant to this paragraph, minus the deduction of expenses pursuant to Section 1.4, be less than the Minimum Interest Rate described in Section 1.3;
- (c) fees determined pursuant to Section 1.4 will be charged to the Guaranteed Interest Account from the Termination Date to either (1) the date on which a single sum payment is made pursuant to Section 2.4(a)(i), Section 2.4(b) or Section 2.4(c), or

(2) the date on which the final installment payment is made under Section 2.4(a)(ii) below, whichever is applicable; and

- (d) withdrawals in excess of any installment payment made pursuant to Section 2.4(a)(ii) for the purpose of providing benefits to Plan participants will continue to be made from the Guaranteed Interest Account in accordance with the terms of Section 1.5 and 1.6

Section 2.4 PAYMENT UPON TERMINATION.

- (a) If Termination of the Contract occurs at the election of the Contractholder pursuant to Section 2.1, the Contractholder may elect a single sum payment equal to the amount determined in accordance with paragraph (i) below (the “Transfer Amount”) or in installment payments as described in paragraph (ii) below.
- (i) New York Life will withdraw the balance in the Guaranteed Interest Account as of the Termination Date after adjustment pursuant to Section 2.3 and will make payment in a single sum to the Contractholder, or to such other entity as the Contractholder may designate in writing, of the Transfer Amount described below.

The Transfer Amount will be equal to the product of (A) the balance in the Guaranteed Interest Account as of the payment date and (B) the market value adjustment factor described below.

The “market value adjustment factor” equals 1.0 plus the product of (1) the Contract Earnings Rate minus the New Issue Rate, and (2) the Duration of the asset portfolio for contracts in this Class of Contracts.

“Contract Earnings Rate” means the interest crediting rate applicable to the balance in the Guaranteed Interest Account as of the date written notice of termination is received by New York Life for contracts in the investment year pool of contracts to which this Contract belongs.

“New Issue Rate” means the rate made available by New York Life to contracts in this Class of Contracts issued as of the date written notice of termination is received by New York Life.

“Duration” means the dollar weighted average of the effective duration of each security in the asset portfolio for contracts in this Class of Contracts where each security has a weight determined as the fair market value of the security divided by the fair market value of the asset portfolio for contracts in this Class of Contracts. The Duration will be determined as of the last Business Day of the third month prior to the Termination Date.

At the Contractholder’s request, New York Life will provide a calculation of the Transfer Amount determined by applying the market value adjustment factor described in this Section 2.4(a)(i). The calculation will show the specific factors (Contract Earnings Rate, New Issue Rate and Duration, each as described above) used to determine the Transfer Amount. The Contractholder may request such calculation on an annual basis.

Any contributions received by New York Life within the one hundred eighty (180) day period prior to the Termination Date will not be subject to the market value adjustment factor described in this Section 2.4(a)(i) but will be subject to the terms of Section 2.3.

- (ii) If the Contractholder elects installment payments, the balance in the Guaranteed Interest Account will be paid to the Contractholder, or to such other entity as the Contractholder may designate in writing, in six (6) annual installments with the first installment payable within ninety (90) days of the Termination Date and each subsequent installment payable on the anniversary of the first installment. The amount of each installment will be determined as a fraction of the Guaranteed Interest Account as of the installment payment date as follows:

<u>Installment Number</u>	<u>Amount of Payment</u>
1	1/6 of the balance in the Guaranteed Interest Account
2	1/5 of the balance in the Guaranteed Interest Account
3	1/4 of the balance in the Guaranteed Interest Account

4	1/3 of the balance in the Guaranteed Interest Account
5	1/2 of the balance in the Guaranteed Interest Account
6	the balance in the Guaranteed Interest Account

At the Termination Date or at any time during the installment payment period, New York Life may accelerate the payments which would otherwise be made under the above installment schedule, provided the Contractholder consents, in writing, to such accelerated payments.

- (b) If Termination of the Contract occurs at the election of New York Life pursuant to Section 2.2(a), the balance in the Guaranteed Interest Account will be paid in a single sum to the Contractholder or to such other entity as the Contractholder may designate in writing within ninety (90) days of the Termination Date.
- (c) If Termination of the Contract occurs pursuant to Section 2.2(b), an amount equal to the Transfer Amount, determined by New York Life pursuant to Section 2.4(a)(i), will be paid in a single sum to the Contractholder or to such other entity as the Contractholder may designate in writing on or as soon as practicable after the Termination Date.

Any payment or payments made pursuant to this Section 2.4 will fully discharge New York Life of its obligations under this Contract.



Section 3. Pension Benefits

- Section 3.1 **GENERAL.** The Contractholder may elect to provide guaranteed pension benefits by directing New York Life, in writing, to withdraw from the Guaranteed Interest Account the amounts necessary to provide such pension benefits through the purchase of immediate annuities, subject to the provisions of this Section 3. Any annuity benefit purchased will not be less than that which would be provided by the application of such amount to purchase a single consideration immediate annuity offered by New York Life at that time for the same class of contract. In no event, however, will any annuity purchase rate be greater than the appropriate rate in the attached Table of Annuity Purchase Rates.
- Section 3.2 **REQUIRED INFORMATION.** For each person for whom an immediate annuity is to be purchased, the Contractholder will specify in writing to New York Life at its Home Office in New York City the amount and form of pension benefit, the date payment is to begin, proof of age and such other information as New York Life may require.
- Section 3.3 **FORM AND AMOUNT OF BENEFIT PAYMENT.** New York Life will provide a pension benefit in the form of a life annuity that provides monthly payments ending with the last payment due on or before the person's death or in any other form of benefit as specified pursuant to Section 3.2 and which is agreeable to New York Life. The amount of any monthly annuity benefit may not be less than \$100.00 per month.
- Section 3.4 **CERTIFICATES.** New York Life will issue to the Contractholder for delivery to each person for whom an annuity has been purchased an individual retirement certificate setting forth the amount and terms of payment of such benefit.
- Section 3.5 **MISSTATEMENTS.** If any facts on which the purchase of an annuity was based have been misstated, the amount withdrawn from the Guaranteed Interest Account pursuant to Section 3.1, or the amount of such benefit payments, or both, will be adjusted. Overpayments by New York Life will be charged against and underpayments will be added to any such benefit payments payable thereafter.
- Section 3.6 **LIABILITY OF NEW YORK LIFE.** New York Life makes no representation and assumes no liability as to the sufficiency of contributions or of the Guaranteed



Interest Account for the benefits to be provided under the Plan. The liability of New York Life is for the payment of benefits as directed by the Contractholder and on the basis of the correct withdrawal from the Guaranteed Interest Account in accordance with the terms of this Contract.

Section 4 General Provisions

- Section 4.1 **CONTRACT.** This Contract, and the Application for it, constitute the entire Contract. No modification of this Contract, other than one resulting from the exercise of a right expressly reserved to New York Life will be valid unless evidenced by an amendment to the Contract signed by the Contractholder and by an Officer of New York Life. Without limiting the generality of the foregoing, it is expressly understood that no modification of the language in Sections 1.3, 1.5, 1.6, 2.3 or 2.4 shall be effected without the prior written consent of the Contractholder and New York Life.
- Section 4.2 **ASSIGNABILITY.** The Contractholder may not assign this Contract or any interest therein and any attempted assignment will be null and void. A transfer of ownership to a new Contractholder as set forth in Section 1.5 will not be deemed to be an assignment of the Contract provided the Contract is held as an asset of the same Plan or a successor plan which has assumed some or all of the assets and liabilities of this Plan pursuant to a merger, consolidation or spin-off.
- Section 4.3 **DIVIDENDS.** As of the last day of each Contract Year, the divisible surplus, if any, ascertained and apportioned to this Contract as a dividend will be paid to the Contractholder or to such other entity as the Contractholder may designate in writing. Dividends are not expected to arise under this Contract.
- Section 4.4 **PLAN CHANGES.** The Contractholder agrees to notify New York Life of any changes to the Plan that take effect after the Effective Date of this Contract and which New York Life could reasonably expect to have a potential financial, legal or administrative impact on the obligations of New York Life under this Contract. New York Life agrees to respond to the Contractholder within forty-five (45) days of receipt of such notice. If New York Life determines that the change will have an adverse financial, legal or administrative impact on the obligations of the New York Life under this Contract, then the Contractholder and New York Life shall negotiate in good faith a mutually acceptable alternative to avoid an adverse financial, legal or administrative impact. If the Contractholder and New York Life are unable to negotiate a mutually acceptable alternative within sixty (60) days then New York Life reserves the right to continue this Contract as it existed immediately prior to

such change or to deem this Contract terminated by the Contractholder pursuant to Section 2.1 as of the effective date of the amendment, which day will be the Termination Date.

Changes that could have an adverse financial, legal or administrative impact on the obligations of New York Life under this Contract include but are not limited to the following events:

1. a plan change that materially alters the amount of contributions or withdrawals to be directed in or out of this Contract;
2. a change in the Plan's investment options; or
3. a change in the investment philosophy for the Plan's stable value option (or comparable investment option).

Section 4.5 **CHANGE IN SERVICE PROVIDERS.** The Contractholder agrees to notify New York Life of a change in the Plan's trustee, record-keeper or any other service provider (including a provider of investment services) as soon as the Contractholder becomes aware of such change, and with respect to a change in the Plan's record-keeper, at least ninety (90) days before such change becomes effective.

Section 4.6 **PLAN QUALIFICATION.** This Contract is issued to the Contractholder with the understanding that the Plan is qualified under Section 401(a) of the Internal Revenue Code, as amended (a "Qualified Plan") or is a governmental plan under Section 818(a)(6) of the Internal Revenue Code as amended (a "Governmental Plan"). Any written direction by the Contractholder to New York Life to make payment to another entity will also specify that such payment will not impair the Plan's status as a Qualified Plan or a Governmental Plan.

Section 4.7 **RELIANCE BY NEW YORK LIFE.** New York Life may rely on any information received by the Contractholder for all purposes under the Contract. New York Life shall not be liable for any damages arising out of its use of, or reliance upon, such information in good faith.

Section 4.8 **CONSTRUCTION.** In the event of any inconsistency between the provisions of this Contract and the provisions of the Plan, the provisions of this Contract will control.

Section 4.9 **BUSINESS DAY.** Business Day means a day on which the United States banking system and New York Life are open for business. If a payment is due on any day



which is not a Business Day, such payment will be made on the next following Business Day.



TABLE OF LIFE ANNUITY PURCHASE RATES

THE FOLLOWING PURCHASE RATES REPRESENT THE AMOUNTS REQUIRED ON A NON-PARTICIPATING BASIS AT THE ILLUSTRATIVE APPLICABLE INTEREST RATES (“AIR”) INDICATED TO PURCHASE AN IMMEDIATE LIFE ANNUITY OF \$1.00 A MONTH BEGINNING ON THE DATE OF PURCHASE.

PURCHASE MADE PRIOR TO THE FIFTH ANNIVERSARY OF THE EFFECTIVE DATE OF THE CONTRACT OR RIDER TO WHICH THIS TABLE IS ATTACHED

AGE	AIR 1.00%	AIR 3.00%
50	\$367.78	\$265.14
51	358.91	260.59
52	349.98	255.93
53	341.01	251.15
54	332.01	246.26
55	322.97	241.27
56	313.92	236.19
57	304.87	231.01
58	295.83	225.76
59	286.82	220.45
60	277.85	215.07
61	268.91	209.63
62	260.01	204.13
63	251.20	198.60
64	242.45	193.03
65	233.83	187.47
66	225.30	181.89
67	216.89	176.32
68	208.62	170.77
69	200.46	165.21
70	192.34	159.60

NEW YORK LIFE MAY CHANGE THE PURCHASE RATES IN THIS TABLE FOR PURCHASES MADE ON OR AFTER THE FIFTH CONTRACT ANNIVERSARY, OF THE EFFECT DATE OF THE CONTRACT OR RIDER TO WHICH THIS TABLE IS ATTACHED, BUT NOT MORE OFTEN THAN ONCE EVERY FIVE YEARS



AGE FOR THE PURPOSE OF THIS TABLE IS AGE NEAREST BIRTHDAY AT ANNUITY PURCHASE DATE.

NEW YORK LIFE WILL CALCULATE ANNUITY PURCHASE RATES FOR OTHER AGES AND ANNUITY FORMS ON THE SAME ACTUARIAL BASIS, AND WILL FURNISH SUCH RATES ON REQUEST.

THE RATES IN THIS TABLE ARE EXCLUSIVE OF ANY STATE OR LOCAL PREMIUM TAX AND WILL BE INCREASED TO RECOGNIZE APPROPRIATELY ANY SUCH TAX PAID OR PAYABLE BY NEW YORK LIFE WITH RESPECT TO ANNUITY BENEFITS PURCHASED HEREUNDER.

PURCHASE RATE BASIS:

MORTALITY: UP 1994 FULL PROJECTION BY SCALE AA, YOP = 2016
AGES SET BACK: 1 YEAR MALE, 1 YEAR FEMALE

UNISEX BLEND: PRINCIPAL ANNUITANTS WEIGHTED 2/3 MALE, 1/3 FEMALE
JOINT ANNUITANTS WEIGHTED 1/3 MALE, 2/3 FEMALE

APPLICABLE INTEREST RATE ("AIR"):

THE APPLICABLE INTEREST RATE IS RESET BY NEW YORK LIFE EACH JANUARY 1 AND JULY 1 (EACH, A "RATE RESET DATE") AND WILL BE APPLICABLE FOR THE 6-CALENDAR MONTH PERIOD (EACH, A "RATE RESET PERIOD") BEGINNING ON SUCH RATE RESET DATE. THE AIR FOR A RATE RESET PERIOD WILL BE EQUAL TO THE LESSER OF (A) 3.00%; AND (B) A RATE THAT IS NOT LESS THAN 1.00% AND DETERMINED BY USING THE SIX-MONTH AVERAGE OF THE FIVE-YEAR CONSTANT MATURITY TREASURY RATE AS REPORTED BY THE FEDERAL RESERVE FOR JUNE THROUGH NOVEMBER (FOR EACH RATE RESET PERIOD BEGINNING ON JANUARY 1) AND DECEMBER THROUGH MAY (FOR EACH RATE RESET PERIOD BEGINNING ON JULY 1), ROUNDED TO THE NEAREST ONE-TWENTIETH OF ONE PERCENT (.05%), MINUS 1.25%.

EXPENSES: 2.50%

RATE TABLE CODE: 205100



Application

NORTH DAKOTA PUBLIC EMPLOYEES RETIREMENT SYSTEM as Contractholder whose Main Office Address is

1600 East Century Ave.
Suite 2
Bismarck, ND 58502-1657

hereby makes application to New York Life Insurance Company, 51 Madison Avenue, New York, NY 10010, for Group Annuity Contract No. GA-85248, the terms of which are hereby approved and accepted by the Contractholder to take effect on the Effective Date specified in the Contract.

It is agreed that this Application supersedes any application for this Contract previously signed by the Contractholder.

Executed at _____ CONTRACTHOLDER

On _____ by _____
(Signature and Title)

Agent: _____

Countersignature: _____
(Resident Licensed Agent Where Required)

This copy is part of the entire Contract and a duplicate original of this Application is to be returned to New York Life.



New York Life Insurance Company

A Mutual Company Founded in 1845

51 Madison Avenue, New York, NY 10010

Contractholder: NORTH DAKOTA PUBLIC EMPLOYEES RETIREMENT
SYSTEM

Date of Issue:

Contract Number: GA-32279

NEW YORK LIFE will pay the benefits provided by this “Contract”, subject to its terms and conditions.

This Contract is made in consideration of the payment of contributions in accordance with its terms and conditions.

The “Effective Date “of the Contract means the date of receipt of the initial contribution by New York Life pursuant to Section 1.1.

The first “Contract Year” begins on the Effective Date and ends on December 31, 2025. Subsequent Contract Years will be determined from January 1, 2026 and each such subsequent Contract Year is a period of 12 months.

“Plan” means The North Dakota Public Employees Retirement System Defined Contribution 401(a) Plan. New York Life is not a party to the Plan and its obligations are limited to those set forth in this Contract.

The benefits terms and conditions set forth on the following pages are a part of this Contract.

This Contract is delivered in the state of North Dakota and will be subject to the applicable North Dakota laws.

IN WITNESS WHEREOF, New York Life has caused this Contract to be executed as of its Date of Issue.

PARTICIPATING GROUP ANNUITY CONTRACT

STABLE VALUE ACCOUNT

ANNUITY BENEFITS PAYABLE IN FIXED DOLLAR AMOUNTS

POOLED SEPARATE ACCOUNT NO. 25

Chair, President and CEO

Secretary

Countersignature

SECTION 1. CONTRACTUAL ACCOUNT

- 1.1 CONTRIBUTIONS. Contributions from the Plan are amounts received by New York Life at its Home Office in New York City in immediately available funds, including amounts transferred from other contracts which will be treated as new contributions under this Contract and shall constitute 100% of monies becoming available for investment under the stable value (or comparable) investment option of the Plan.

A grace period of 31 days will be allowed to pay all contributions due under the term and conditions of this Contract.

- 1.2 STABLE VALUE ACCOUNT. Contributions will be credited to the Stable Value Account maintained under this Contract. The amount in the Stable Value Account at any time will be equal to the sum of all amounts credited to the account less the sum of all amounts withdrawn from that account.

Amounts credited to the Stable Value Account will be:

- (i) contributions made pursuant to Section 1.1;
- (ii) interest credited pursuant to Section 1.3;
- (iii) dividends, if any, pursuant to Section 5.3.

Amounts withdrawn from the Stable Value Account will be:

- (i) amounts withdrawn pursuant to the provisions of Sections 1.4, 1.5, 1.6, or 3.3; and
- (ii) amounts withdrawn in order to provide pension benefits pursuant to Section 4.

Amounts in the Stable Value Account will be invested in New York Life's Pooled Separate Account No. 25 pursuant to Section 2 of this Contract.

- 1.3 INTEREST. As of the end of each day, New York Life will accrue interest on the Stable Value Account based on the amount accrued in the account as of the end of the prior day. Such interest, which will be credited at the end of each month, or at Termination Date defined in Section 3, if earlier, will reflect the investment experience of Pooled Separate Account No. 25 and will be at rates declared by New York Life not less frequently than

annually nor more frequently than daily. In no event, however, will such interest rates be less than zero.

1.4 EXPENSES.

- (A) As of the end of each calendar day, New York Life will accrue an amount to be withdrawn from the Stable Value Account to cover expenses for investment management, risk and administration, which may include various recordkeeping and other services that affiliates of New York Life or unaffiliated third-party service providers provide to the Plan pursuant to a separate agreement with the Plan. The accrual will be withdrawn from the Stable Value Account in an amount determined by applying effective annual expense charge rate of 0.35% to the balance accrued in the Stable Value Account as of the end of the prior calendar day.

Such amount will accrue daily and be withdrawn at the end of each month, or at Termination Date, if earlier, unless other arrangements have been made pursuant to a written agreement between the Contractholder and New York Life. New York Life reserves the right to change the expense charge rate after the first anniversary of the Effective Date, upon 12 months' advance written notice to the Contractholder. If the Contractholder notifies New York Life of its intent to terminate this Contract prior to the date the new expense charge rate becomes effective, the expense charge in effect on the date New York Life receives written notice of such termination will apply until a final payment is made pursuant to Section 3.1.

For this Contract, no portion (0.0%) of the effective annual expense charge will be used to pay affiliates or unaffiliated third-party service providers to the Plan to offset recordkeeping/administration or other administrative or advisory expenses that are otherwise charged to the Plan.

- (B) Other Charges. As of the last day of each calendar month, or as of the Termination Date, if earlier, New York Life will bill the Contractholder for commissions or fees and expenses incurred with any optional services requested by the Contractholder.

1.5 PAYMENTS TO THE CONTRACTHOLDER. Provided that the Contract has not yet terminated, New York Life will make payments to the Contractholder as set forth below:

(A) the Contractholder, acting in accordance with the provisions of the Plan, may direct New York Life, by written notice, to pay an amount to the Contractholder, or to any other entity as directed by the Contractholder in writing, from the Stable Value Account. Any such amount will be for the purpose of providing benefits for the participants of the Plan upon death, retirement, disability or for termination of employment occurring in the normal course of business. Active participants may also elect hardship, in-service and loan withdrawals in accordance with the provisions of the Plan.

New York Life will withdraw from the Stable Value Account the amount to be paid to the Contractholder on the later of (a) the date of receipt of written notice or (b) the date specified in such notice provided that the following order of such withdrawal from the total assets of the Plan has been adhered to by the Contractholder:

- (i) first from current cash flow to the extent sufficient;
- (ii) second, from the Plan's stable value investment option on a last-in, first-out basis;

(B) Withdrawals pursuant to this Section 1.5 and transfers pursuant to Section 1.6 due to an event initiated by the Plan sponsor including, but not limited to, a total or partial plan termination, merger, spin-off, lay-off, early retirement incentive program, sale or closing of all or part of the Plan sponsor's operations, bankruptcy or receivership will be subject to the limitation as described below:

The amount to be withdrawn from the Stable Value Account without adjustment for such events, or other events initiated by the Plan sponsor, cannot be more than 5% of the amounts held under this Contract, as of the date of withdrawal. In the event that the Contractholder requests an amount to be paid more than once during a Contract Year, such amounts paid will be aggregated for the purpose of determining this limitation.

Any withdrawals requested for Plan sponsor-initiated events that exceed the applicable limitation will be subject to a market value adjustment as described in Section 3.3(a).

The amount will be withdrawn from the Stable Value Account, and New York Life will pay to the Contractholder the adjusted amount on the later of (a) the date of receipt of written notice, or (b) the date specified in such notice.

The Contractholder will furnish New York Life with such information as New York Life may reasonably require in connection with requests for withdrawals under this Section 1.5.

The amount withdrawn from the Stable Value Account on account of any payments pursuant to this Section 1.5 will not exceed the balance in the Stable Value Account as of the date of withdrawal, reduced by any amount necessary to recover charges applicable pursuant to Section 1.4.

- 1.6 TRANSFER TO OTHER FUNDING MEDIA. Provided that the Contract has not yet been terminated, the Contractholder may direct New York Life by written notice to transfer an amount to other investment options pursuant to elections made by participants under the Plan. Such transfers will be permitted daily. No direct transfers to competing investment options, such as fixed income funds including, but not limited to, guaranteed investment contracts, money market funds or bond funds with a target duration of three (3) years or less are permitted under this Contract. Any transfers out of the Stable Value Account must first go through a non-competing investment option and reside there for at least 90 days before transfer to a competing option.

New York Life will withdraw from the Stable Value Account the amount to be transferred on the later of (a) the date of receipt of written notice, or (b) the date specified in such notice provided that the following order of such transfer from the total assets of the Plan has been adhered to by the Contractholder:

- (a) first, from current cash flow to the extent sufficient;
- (b) second, from the Plan's stable value investment option on a last-in, first out basis;

The amount withdrawn from the Stable Value Account on account of any transfer pursuant to this Section 1.6 will not exceed the balance in the Stable Value Account as of the date of withdrawal, reduced by any amount necessary to recover charges applicable pursuant to Section 1.4.

The Contractholder will furnish New York Life with such information as New York Life may reasonably require in connection with requests for transfers under this Section 1.6.

SECTION 2. POOLED SEPARATE ACCOUNT NO. 25

- 2.1 MAINTENANCE OF POOLED SEPARATE ACCOUNT NO. 25. Pooled Separate Account No. 25 will be maintained by New York Life pursuant to Section 4240(a)(5)(ii) of the New York State Insurance Law.

All investment income and realized capital gains and losses from assets allocated to Pooled Separate Account No. 25 will be credited to or charged against Pooled Separate Account No. 25 without regard to the other income, gains, or losses of New York Life. The assets of Pooled Separate Account No. 25 derived from contributions from the Contractholder and any earnings thereon shall be chargeable only with liabilities arising from contracts participating in Pooled Separate Account No. 25, not with any other liabilities arising out of any other business of New York Life. New York Life will also charge against the separate account such amounts as it determines to be chargeable as expenses, taxes, or contingencies.

Assets allocated to Pooled Separate Account No. 25 will be invested by New York Life primarily in fixed income securities but, in the sole discretion of New York Life, such assets may also include other types of investments, such as instruments for hedging fixed income securities and collective investment trusts maintained by New York Life Trust Company, or be held in cash, as permitted by applicable law. New York Life may engage advisors, including any of its affiliates, to assist it in carrying out its duties in managing the assets of Pooled Separate Account No. 25.

Assets allocated to Pooled Separate Account No. 25 will be valued on an amortized cost basis in accordance with Section 4240(a)(10) of the New York Insurance Law.

SECTION 3. CONTRACT TERMINATION

3.1 CONTRACT TERMINATION. The Contract may be terminated as set forth below.

- (a) TERMINATION BY THE CONTRACTHOLDER. The Contractholder may terminate this Contract provided written notice of termination is received by New York Life at least 10 days prior to the intended Termination Date. The Termination Date shall be the date specified in the Contractholder's notice (provided such notice is given to New York Life at least ten (10) days prior to such date) or if no date is so specified, the date that is ten (10) days after the date on which New York Life receives such written notice.
- (b) TERMINATION BY NEW YORK LIFE. New York Life may terminate this Contract on any Business Day, which will be the Termination Date, for any reason on 12 months' advance written notice to the Contractholder.
- (c) TERMINATION DUE TO LOSS OF QUALIFIED STATUS. New York Life may terminate this Contract on any Business Day, which will be the Termination Date, immediately upon written notice to the Contractholder at the address of record if the Plan fails to maintain its status pursuant to Section 5.6 of the Contract.

3.2 EFFECT OF TERMINATION. In the event of notice of termination under Section 3.1 the following will take effect:

- (a) no further contributions to the Stable Value Account may be made to or accepted by New York Life;
- (b) interest will continue to be credited to the Stable Value Account pursuant to Section 1.3 through the date on which a final payment is made to the Contractholder pursuant to Section 3.3;
- (c) expenses will continue to be charged against the Stable Value Account pursuant to Section 1.4 through the date on which a final payment is made to the Contractholder pursuant to Section 3.3; and
- (d) withdrawals, in excess of any accelerated payments that may be made pursuant to Section 3.3, will continue to be made from the Stable Value Account for the

purposes of providing benefits to Plan participants pursuant to Sections 1.5 and 1.6.

3.3 PAYMENT UPON TERMINATION.

- (a) If termination of the Contract occurs at the election of the Contractholder pursuant to Section 3.1(a), New York Life will pay a single sum amount subject to a market value adjustment. The market value adjusted payment will be equal to the Stable Value Account balance as of the Termination Date projected for a two-year period at an interest rate equal to the effective annual rate applicable, as of the Termination Date, pursuant to Section 1.3, and discounted back to the Termination Date at a rate equal to the greater of (1) or (2), where

(1) is the effective annual interest rate, pursuant to Section 1.3, as of the Termination Date, and

(2) is the yield quoted or estimated by Citigroup Bond Market Roundup for New Issues - Industrials (long term) rated BBB as of the Friday preceding the Termination Date, or, if such yield is not quoted by Citigroup, such other recognized independent public source of interest rates as New York Life may reasonably select.

The Stable Value Account balance shall not be subject to the market value adjustment described above if the Contractholder gives at least twelve (12) months' advance written notice to New York Life. Subject to the Contractholder's written consent, a payment date prior to the end of the 12-month period may be chosen by New York Life.

- (b) If termination of the Contract occurs at the election of New York Life pursuant to Section 3.1(b), New York Life will pay the balance in the Stable Value Account as of the Termination Date. Subject to the Contractholder's written consent, a payment date prior to the termination date may be chosen by New York Life.
- (c) If termination of the Contract occurs due to a loss in the Plan's qualified status pursuant to Section 3.1(c), New York Life will pay the balance in the Stable Value Account, subject to the market value adjustment determined pursuant to Section 3.3(a), in a single sum as soon as practicable after the Termination Date.

New York Life will make any payments due pursuant to this Section 3.3 to the Contractholder or to such other entity as the Contractholder may designate in writing.

SECTION 4. PENSION BENEFITS

- 4.1 GENERAL. The Contractholder may elect to provide guaranteed pension benefits by directing New York Life, in writing, to withdraw from the Stable Value Account the amounts necessary to provide such pension benefits through the purchase of immediate annuities, subject to the provisions of this Section 4. Any annuity benefit purchased will not be less than that which would be provided by the application of such amount to purchase a single consideration immediate annuity offered by New York Life at that time for the same class of contract. In no event, however, will any annuity purchase rate be greater than the appropriate rate in the attached Table of Annuity Purchase Rates.
- 4.2 REQUIRED INFORMATION. For each person for whom an immediate annuity is to be purchased, the Contractholder will specify in writing to New York Life at its Home Office in New York City the amount and form of pension benefit, the date payment is to begin, proof of age and such other information as New York Life may require.
- 4.3 FORM AND AMOUNT OF BENEFIT PAYMENT. New York Life will provide a pension benefit in the form of a life annuity that provides monthly payments ending with the last payment due on or before the person's death or in any other form of benefit as specified pursuant to Section 4.2 and which is agreeable to New York Life. The amount of any annuity benefit may not be less than \$100.00 per month.
- 4.4 CERTIFICATES. New York Life will issue to the Contractholder for delivery to each person for whom an annuity has been purchased an individual retirement certificate setting forth the amount and terms of payment of such benefit.
- 4.5 MISSTATEMENTS. If any facts on which the purchase of an annuity was based have been misstated, the amount withdrawn from the Stable Value Account pursuant to Section 4.1, or the amount of such benefit payments, or both, will be adjusted. Overpayments by New York Life will be charged against and underpayments will be added to any such benefit payments thereafter.
- 4.6 LIABILITY OF NEW YORK LIFE. New York Life makes no representation and assumes no liability as to the sufficiency of Contributions or of the Stable Value Account for the benefits to be provided under the Plan. The liability of New York Life is for the payment of benefits as directed by the Contractholder and on the basis of the correct withdrawal from the Stable Value Account in accordance with the terms of this contract.

SECTION 5. GENERAL PROVISIONS

- 5.1 **CONTRACT.** This Contract and the Application for it constitute the entire Contract. No modification of this Contract, other than one resulting from the exercise of a right expressly reserved to New York Life will be valid unless evidenced by an amendment to the Contract signed by the Contractholder and by an Officer of New York Life. Without limiting the generality of the foregoing, it is expressly understood that no modification of the language in Sections 1.3, 1.5, 1.6, 3.2 or 3.3 shall be effected without the prior written consent of the Contractholder and New York Life.
- 5.2 **ASSIGNABILITY.** The Contractholder may not assign this Contract or any interest therein and any attempted assignment will be null and void. A transfer of ownership to a new Contractholder will not be deemed to be an assignment of the Contract provided the Contract is held as an asset of the same Plan or a successor plan which has assumed some or all of the assets and liabilities of this Plan pursuant to a merger, consolidation or spin-off.
- 5.3 **DIVIDENDS.** As of the last day of each Contract Year, the divisible surplus, if any, ascertained and apportioned to this Contract as a dividend will be paid to the Contractholder or to such other entity as the Contractholder may designate in writing. Dividends are not expected to arise under this Contract.
- 5.4 **PLAN CHANGES.** The Contractholder agrees to notify New York Life of any changes to the Plan that take effect after the Effective Date of this Contract and which New York Life could reasonably expect to have a potential financial, legal or administrative impact on the obligations of New York Life under this Contract. New York Life agrees to respond to the Contractholder within forty-five (45) days of receipt of such notice. If New York Life determines that the change will have an adverse financial, legal or administrative impact on the obligations of New York Life under this Contract, then the Contractholder and New York Life shall negotiate in good faith a mutually acceptable alternative to avoid an adverse financial, legal or administrative impact. If the Contractholder and New York Life are unable to negotiate a mutually acceptable alternative within sixty (60) days then New York Life reserves the right to ignore such change and continue the Contract as it existed immediately prior to the effective date of the change.

Changes that could have an adverse financial, legal or administrative impact on the obligations of New York Life under this Contract include but are not limited to the following events:

1. a Plan change that materially alters the amount of contributions or withdrawals to be directed in or out of this Contract;
 2. a change in the Plan's investment options; or.
 3. a change in the investment philosophy for the Plan's stable value (or comparable investment option).
- 5.5 **CHANGE IN SERVICE PROVIDERS.** The Contractholder agrees to notify New York Life of a change in the Plan's trustee, record-keeper or any other service provider (including a provider of investment services) as soon as the Contractholder becomes aware of such change, and with respect to a change in the Plan's record-keeper, at least ninety (90) days before such change becomes effective.
- 5.6 **PLAN QUALIFICATION.** This Contract is issued to the Contractholder with the understanding that the Plan is qualified under Section 401(a) of the Internal Revenue Code of 1986, as amended (the "Code"). Any written direction by the Contractholder to New York Life to make payment to another entity will not impair the Plan's status as a tax-exempt plan under Section 401(a) of the Code.
- 5.7 **RELIANCE BY NEW YORK LIFE.** New York Life may rely on any information received by the Contractholder for all purposes under the Contract. New York Life shall not be liable for any damages arising out of its use of, or reliance upon, such information in good faith.
- 5.8 **CONSTRUCTION.** In the event of any inconsistency between the provisions of this Contract and the provisions of the Plan, the provisions of this Contract will control.
- 5.9 **BUSINESS DAY.** Business Day means a day on which the United States banking system and New York Life are open for business. If a payment is due on any day which is not a Business Day, such payment will be made on the next following Business Day.

TABLE OF LIFE ANNUITY PURCHASE RATES

THE FOLLOWING PURCHASE RATES REPRESENT THE AMOUNTS REQUIRED ON A NON-PARTICIPATING BASIS AT THE ILLUSTRATIVE APPLICABLE INTEREST RATES (“AIR”) INDICATED TO PURCHASE AN IMMEDIATE LIFE ANNUITY OF \$1.00 A MONTH BEGINNING ON THE DATE OF PURCHASE.

PURCHASE MADE PRIOR TO THE FIFTH ANNIVERSARY OF THE EFFECTIVE DATE OF THE CONTRACT OR RIDER TO WHICH THIS TABLE IS ATTACHED

AGE	AIR 1.00%	AIR 3.00%
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56	313.92	236.19
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68	208.62	170.77
69	200.46	165.21
70	192.34	159.60

NEW YORK LIFE MAY CHANGE THE BASIS AND THE PURCHASE RATES IN THIS TABLE FOR PURCHASES MADE ON OR AFTER THE FIFTH ANNIVERSARY OF THE EFFECTIVE DATE OF THE CONTRACT OR RIDER TO WHICH THIS TABLE IS ATTACHED, BUT NOT MORE OFTEN THAN ONCE EVERY FIVE YEARS.

AGE FOR THE PURPOSE OF THIS TABLE IS AGE NEAREST BIRTHDAY AT THE DATE OF PURCHASE OF THE ANNUITY.

NEW YORK LIFE WILL CALCULATE ANNUITY PURCHASE RATES AT OTHER AIRs AND FOR OTHER AGES AND ANNUITY FORMS ON THE SAME ACTUARIAL BASIS, AND WILL FURNISH SUCH RATES ON REQUEST.

THE RATES IN THIS TABLE ARE EXCLUSIVE OF ANY STATE OR LOCAL PREMIUM TAX AND WILL BE INCREASED TO RECOGNIZE APPROPRIATELY ANY SUCH TAX PAID OR PAYABLE BY NEW YORK LIFE WITH RESPECT TO ANNUITY BENEFITS PURCHASED HEREUNDER.

PURCHASE RATE BASIS:

MORTALITY: UP 1994 FULL PROJECTION BY SCALE AA, YOP = 2016
AGES SET BACK: 1 YEAR MALE, 1 YEAR FEMALE

UNISEX BLEND: PRINCIPAL ANNUITANTS WEIGHTED 2/3 MALE, 1/3 FEMALE
JOINT ANNUITANTS WEIGHTED 1/3 MALE, 2/3 FEMALE

APPLICABLE INTEREST RATE ("AIR"):

THE APPLICABLE INTEREST RATE IS RESET BY NEW YORK LIFE EACH JANUARY 1 AND JULY 1 (EACH, A "RATE RESET DATE") AND WILL BE APPLICABLE FOR THE 6-CALENDAR MONTH PERIOD (EACH, A "RATE RESET PERIOD") BEGINNING ON SUCH RATE RESET DATE. THE AIR FOR A RATE RESET PERIOD WILL BE EQUAL TO THE LESSER OF (A) 3.00%; AND (B) A RATE THAT IS NOT LESS THAN 1.00% AND DETERMINED BY USING THE SIX-MONTH AVERAGE OF THE FIVE-YEAR CONSTANT MATURITY TREASURY RATE AS REPORTED BY THE FEDERAL RESERVE FOR JUNE THROUGH NOVEMBER (FOR EACH RATE RESET PERIOD BEGINNING ON JANUARY 1) AND DECEMBER THROUGH MAY (FOR EACH RATE RESET PERIOD BEGINNING ON JULY 1), ROUNDED TO THE NEAREST ONE-TWENTIETH OF ONE PERCENT (.05%), MINUS 1.25%.

EXPENSES: 2.50%

RATE TABLE CODE: 205100



APPLICATION

NORTH DAKOTA PUBLIC EMPLOYEES RETIREMENT SYSTEM as Contractholder whose Main Office Address is:

1200 West Century Ave.
Suite 2
Bismarck, ND 58502-1657

hereby makes application to New York Life Insurance Company, 51 Madison Avenue, New York, New York 10010, for Group Annuity Contract No. GA-32279, the terms of which are hereby approved and accepted by the Contractholder to take effect on the Effective Date specified in the Contract.

It is agreed that this application supersedes any application for this Contract previously signed by the Contractholder.

Executed at: _____ CONTRACTHOLDER

on _____ By: _____
(Signature and Title)

Agent: _____

Countersignature: _____

(Resident Licensed Agent where required)

This copy is part of the entire Contract and a duplicate original of this Application is to be returned to New York Life.



New York Life Insurance Company

A Mutual Company Founded in 1845

51 Madison Avenue, New York, NY 10010

Contractholder: NORTH DAKOTA PUBLIC EMPLOYEES RETIREMENT SYSTEM

Date of Issue:

Contract Number: GA-85248

NEW YORK LIFE WILL PAY the benefits provided by this “Contract”, subject to its terms and conditions.

This Contract is made in consideration of the payment of contributions in accordance with its terms and conditions.

The “Effective Date” of the Contract means the date of receipt of the initial contribution by New York Life pursuant to Section 1.1.

The first “Contract Year” begins on the Effective Date, as described above, and ends on December 31, 2025. Subsequent Contract Years will be determined from January 1, 2026 and each such subsequent Contract Year is a period of twelve (12) months.

“Plan” means The North Dakota Public Employees Retirement System Deferred Compensation 457(b) Companion Plan as amended to the Effective Date hereof. New York Life is not a party to the Plan and its obligations are limited to those set forth in this Contract.

The benefits, terms and conditions set forth on the following pages are a part of this Contract.

This Contract is delivered in the state of North Dakota and will be subject to the applicable North Dakota laws.

IN WITNESS WHEREOF, New York Life has caused this Contract to be executed as of its Date of Issue.

PARTICIPATING GROUP ANNUITY CONTRACT
GUARANTEED INTEREST ACCOUNT
ANNUITY BENEFITS PAYABLE IN FIXED DOLLAR AMOUNTS

Chair, President & CEO

Secretary

Countersignature



Section 1. Contractual Account

Section 1.1 **CONTRIBUTIONS.** Contributions from the Plan are amounts received by New York Life at its Home Office in New York City in immediately available funds, including amounts transferred from other contracts which will be treated as new contributions under this Contract and shall constitute 100% of monies becoming available for investment under the stable value (or comparable) investment option of the Plan.

A grace period of 31 days will be allowed to pay all contributions due under the terms and conditions of this Contract.

Section 1.2 **GUARANTEED INTEREST ACCOUNT.** Contributions when received will be credited to the Guaranteed Interest Account maintained under this Contract. The amount in the Guaranteed Interest Account at any time will be equal to the sum of all amounts credited to that account, less the sum of all amounts withdrawn from that account.

Amounts credited to the Guaranteed Interest Account will be:

- (a) contributions made pursuant to Section 1.1;
- (b) interest credited pursuant to Section 1.3; and
- (c) dividends, if any, credited pursuant to Section 4.3.

Amounts charged to the Guaranteed Interest Account will be:

- (a) amounts withdrawn as expense charges pursuant to Section 1.4;
- (b) amounts withdrawn or charged pursuant to the provisions of Sections 1.5, 1.6 or 2.4; and
- (c) amounts withdrawn in order to provide pension benefits pursuant to Section 3.

Section 1.3 **INTEREST.** The initial effective annual interest rate (the “initial rate”) applicable to the Guaranteed Interest Account is the rate as declared by New York Life on the Effective Date. The initial rate will apply from the Effective Date through December 31st of the first Contract Year. In subsequent Contract Years, New York Life will establish an effective



annual interest rate every January 1st and July 1st (each, a “Rate Reset Date”). On the 15th day of the calendar month preceding the Rate Reset Date, New York Life will declare an effective annual interest rate to be applicable to the Guaranteed Interest Account from and including the Rate Reset Date to but excluding the immediately succeeding Rate Reset Date (the “Rate Reset Period”). In no event will such declared effective annual interest rate, minus the deduction of expenses pursuant to Section 1.4(a), be less than the “Minimum Interest Rate”. The Minimum Interest Rate is equal to the lesser of (a) 3.00%; and (b) a rate that is not less than 1.00% and determined by using the six-month average of the five-year Constant Maturity Treasury Rate as reported by the Federal Reserve for June through November (for each Rate Reset Period beginning January 1st) and December through May (for each Rate Reset Period beginning July 1st), rounded to the nearest one-twentieth of one percent (.05%), minus 1.25%.

As of the last day of each calendar month, or as of any payment date provided for in Section 2.4, if earlier, New York Life will credit interest to the Guaranteed Interest Account. Such interest will accrue from and including the date of deposit up to, but excluding, the date of withdrawal from this Contract. Interest will accrue at the declared effective annual interest rate, compounded daily, based on the actual number of days in the Rate Reset Period, on the balance in the Guaranteed Interest Account at the beginning of the day, plus all contributions, if any, less amounts withdrawn, if any, on such day.

Such effective annual interest rate will be that which New York Life determines to be applicable to contracts in the investment year pool of contracts to which this Contract belongs. An investment year pool is established for each calendar year in which New York Life issues new group annuity contracts in this Class of Contracts. For purposes of this Contract, “this Class of Contracts” means all group annuity contracts with a Guaranteed Interest Account and effective annual interest rates declared semi-annually issued by New York Life in connection with employee benefit plans.



Section 1.4 RISK AND ADMINISTRATIVE FEES.

- (a) As of the end of each calendar day, New York Life will accrue an amount to be withdrawn from the Guaranteed Interest Account to cover expenses for risk and administration which may include various recordkeeping and other services that affiliates of New York Life or unaffiliated third-party service providers provide to the Plan pursuant to a separate agreement with the Plan. The accrual will be in an amount determined by applying an effective annual expense charge rate of 0.10% to the balance in the Guaranteed Interest Account at the beginning of the calendar day, plus all contributions, if any, less amounts withdrawn, if any, as of such calendar day.

Such amount will accrue daily and will be withdrawn on the last day of each month, or as of any payment date provided in Section 2.4, if earlier, unless other arrangements have been made pursuant to a written agreement between the Contractholder and New York Life.

For this Contract, no portion (0.00%) of the effective annual expense charge will be used to pay affiliates or unaffiliated third-party service providers to the Plan to offset recordkeeping/administration or other administrative or advisory expenses that are otherwise charged to the Plan.

New York Life reserves the right to change the expense charge rate after the first anniversary of the Effective Date, but not more frequently than once in any twelve-month period and only on a Rate Reset Date, upon sixty (60) days advance written notice to the Contractholder. If the Contractholder notifies New York Life of its intent to terminate this Contract prior to the date that the new expense charge rate becomes effective, the expense charge rate in effect on the date New York Life receives written notice of such termination will apply to Section 2.3(c) of this Contract.

- (b) Other Charges. The Contractholder may request that New York Life make a withdrawal from the Guaranteed Interest Account for commissions, fees or expenses incurred in connection with any services provided to the Contractholder



Section 1.5

PAYMENTS TO THE CONTRACTHOLDER. Provided that the Contract has not yet been terminated, the Contractholder, acting in accordance with the provisions of the Plan, will direct New York Life by written notice to pay an amount to the Contractholder, or to any other entity as directed by the Contractholder in writing, from the Guaranteed Interest Account. Any such amount will be for the purpose of providing benefits for Plan participants upon death, retirement, disability or termination of employment occurring in the normal course of business. Active participants may also elect hardship, in-service and loan withdrawals in accordance with the provisions of the Plan.

Withdrawals pursuant to this Section 1.5 and transfers pursuant to Section 1.6 due to events initiated by the Plan sponsor including, but not limited to, total or partial plan termination, mergers, spin-offs, lay-offs, early retirement incentive programs, sales or closings of all or part of the Plan sponsor's operations, bankruptcy or receivership will be subject to a 5% annual limitation as described in the next paragraph.

The amount to be paid for such events or other events initiated by the Plan sponsor cannot be more than 5% of the total amount held under this Contract, as of the first day of the Contract Year. In the event that the Contractholder requests an amount to be paid because of events initiated by the Plan sponsor, as described above, more than once during a Contract Year, such amounts paid during the Contract Year shall be aggregated for the purpose of determining this 5% annual limitation. If any withdrawals requested for the above-mentioned reasons exceed the 5% annual limitation then New York Life will pay the amount of the requested withdrawal from the Guaranteed Interest Account and will charge the Guaranteed Interest Account an additional amount equal to the excess of (1) over (2) where:

- (1) is the amount of all such withdrawals in excess of the 5% annual limitation, and
- (2) is an amount determined by multiplying the amount of all such withdrawals in excess of the 5% annual limitation described above by the lesser of (i) a factor of one and (ii) the market value adjustment factor described in Section 2.4(a)(i), determined as of the date of withdrawal. New York Life will withdraw from the Guaranteed Interest Account the amount to be

paid to the Contractholder on the later of (1) the date of receipt of written notice or (2) the date specified in such notice, provided that the following order of each withdrawal from the total assets of the Plan held in the Plan's stable value option has been adhered to by the Contractholder:

- (i) first, from current cash flow to the extent sufficient;
- (ii) second, from all guaranteed interest contracts or similar contracts on a last-in, first-out basis.

In the event of a merger, spin-off or sale of a portion of the Plan Sponsor's operations covered under this Contract, the Contractholder may direct New York Life by written notice to issue a contract for a successor plan sponsor provided an initial minimum contribution requirement of \$5,000,000.00 can be satisfied. Such contract will be substantially similar in all respects to the provisions of this Contract. New York Life will transfer, on a book value basis, and without regard to the provisions of Section 2.4, the assets attributable to such successor plan from this Contract to the newly issued contract, as directed by the Contractholder. Such a withdrawal will not be considered to be a withdrawal in the context of the 5% annual limitation specified above.

New York Life will bill the Contractholder, or plan sponsor as directed by the Contractholder, for an administrative charge, as negotiated with the Contractholder, for the issuance of any such contract. Such administrative charge will be due within sixty (60) days of the effective date of the newly issued contract and will be withdrawn from the Guaranteed Interest Account by New York Life in the event such amount is not paid by such due date.

The amount withdrawn from the Guaranteed Interest Account on account of such payment(s) pursuant to this Section 1.5 will not exceed the balance in the Guaranteed Interest Account as of the date of withdrawal, reduced by any amount necessary to recover charges applicable pursuant to Section 1.4 and this Section 1.5.

The Contractholder will furnish New York Life with such information as New York Life may reasonably require in connection with requests for withdrawals under this Section 1.5.



Section 1.6

TRANSFER TO OTHER FUNDING MEDIA. Provided that the Contract has not yet been terminated, the Contractholder may direct New York Life by written notice to transfer an amount to other funding media pursuant to elections made by participants under the Plan. Such transfers will be permitted daily. No direct transfers to competing investment options, such as fixed income funds including, but not limited to, guaranteed investment contracts, money market funds or bond funds with a target duration of three (3) years or less. Any transfers out of the Guaranteed Interest Account must first go through a non-competing investment option and reside there for at least ninety (90) days before transfer to a competing investment option.

New York Life will withdraw from the Guaranteed Interest Account the amount to be transferred on the later of (1) the date of receipt of written notice or (2) the date specified in such notice, provided that the following order of each withdrawal from the total assets of the Plan held in the Plan's stable value option has been adhered to by the Contractholder:

- (i) first, from current cash flow to the extent sufficient;
- (ii) second, from all guaranteed interest contracts or similar contracts on a last-in, first-out basis.

The amount withdrawn from the Guaranteed Interest Account on account of such payment pursuant to this Section 1.6 will not exceed the balance in the Guaranteed Interest Account as of the date of withdrawal, reduced by any amount necessary to recover charges applicable pursuant to Section 1.4.

The Contractholder will furnish New York Life with such information as New York Life may reasonably require in connection with requests for transfers under this Section 1.6.

Section 2. Contract Termination

- Section 2.1 **TERMINATION BY THE CONTRACTHOLDER.** The Contractholder may terminate this Contract as of any Business Day as defined in Section 4.9, which day will be the “Termination Date”, provided written notice of termination is received by New York Life at its Home Office in New York City at least thirty (30) but not more than sixty (60) days prior to the intended Termination Date.
- Section 2.2 (a) **TERMINATION BY NEW YORK LIFE.** New York Life may terminate this Contract as of any Business Day, which will be the Termination Date, provided written notice of termination is delivered to the Contractholder at the address of record at least sixty (60) days prior to the intended Termination Date.
- (b) **TERMINATION BY NEW YORK LIFE FOR CAUSE.** New York Life may terminate this Contract immediately upon written notice to the Contractholder at the address of record if the Plan fails to maintain its status as a Qualified Plan or a Governmental Plan as defined in Section 4.6.
- Section 2.3 **EFFECT OF TERMINATION.** In the event of termination under Section 2.1 or 2.2, the following will take effect:
- (a) no further contributions to the Guaranteed Interest Account may be made to or accepted by New York Life;
- (b) interest at the effective annual interest rate in effect as of the date written notice of termination is received by or delivered to New York Life, determined pursuant to Section 1.3, minus 1.00%, will be credited to the Guaranteed Interest Account from the Termination Date to either (1) the date on which a single sum payment is made pursuant to Section 2.4(a)(i), Section 2.4(b) or Section 2.4(c), or (2) the date on which the final installment payment is made under Section 2.4(a)(ii) below, whichever is applicable. In no event will interest credited pursuant to this paragraph, minus the deduction of expenses pursuant to Section 1.4, be less than the Minimum Interest Rate described in Section 1.3;
- (c) fees determined pursuant to Section 1.4 will be charged to the Guaranteed Interest Account from the Termination Date to either (1) the date on which a single sum payment is made pursuant to Section 2.4(a)(i), Section 2.4(b) or Section 2.4(c), or

- (2) the date on which the final installment payment is made under Section 2.4(a)(ii) below, whichever is applicable; and
- (d) withdrawals in excess of any installment payment made pursuant to Section 2.4(a)(ii) for the purpose of providing benefits to Plan participants will continue to be made from the Guaranteed Interest Account in accordance with the terms of Section 1.5 and 1.6

Section 2.4 PAYMENT UPON TERMINATION.

- (a) If Termination of the Contract occurs at the election of the Contractholder pursuant to Section 2.1, the Contractholder may elect a single sum payment equal to the amount determined in accordance with paragraph (i) below (the “Transfer Amount”) or in installment payments as described in paragraph (ii) below.
 - (i) New York Life will withdraw the balance in the Guaranteed Interest Account as of the Termination Date after adjustment pursuant to Section 2.3 and will make payment in a single sum to the Contractholder, or to such other entity as the Contractholder may designate in writing, of the Transfer Amount described below.

The Transfer Amount will be equal to the product of (A) the balance in the Guaranteed Interest Account as of the payment date and (B) the market value adjustment factor described below.

The “market value adjustment factor” equals 1.0 plus the product of (1) the Contract Earnings Rate minus the New Issue Rate, and (2) the Duration of the asset portfolio for contracts in this Class of Contracts.

“Contract Earnings Rate” means the interest crediting rate applicable to the balance in the Guaranteed Interest Account as of the date written notice of termination is received by New York Life for contracts in the investment year pool of contracts to which this Contract belongs.

“New Issue Rate” means the rate made available by New York Life to contracts in this Class of Contracts issued as of the date written notice of termination is received by New York Life.

“Duration” means the dollar weighted average of the effective duration of each security in the asset portfolio for contracts in this Class of Contracts where each security has a weight determined as the fair market value of the security divided by the fair market value of the asset portfolio for contracts in this Class of Contracts. The Duration will be determined as of the last Business Day of the third month prior to the Termination Date.

At the Contractholder’s request, New York Life will provide a calculation of the Transfer Amount determined by applying the market value adjustment factor described in this Section 2.4(a)(i). The calculation will show the specific factors (Contract Earnings Rate, New Issue Rate and Duration, each as described above) used to determine the Transfer Amount. The Contractholder may request such calculation on an annual basis.

Any contributions received by New York Life within the one hundred eighty (180) day period prior to the Termination Date will not be subject to the market value adjustment factor described in this Section 2.4(a)(i) but will be subject to the terms of Section 2.3.

- (ii) If the Contractholder elects installment payments, the balance in the Guaranteed Interest Account will be paid to the Contractholder, or to such other entity as the Contractholder may designate in writing, in six (6) annual installments with the first installment payable within ninety (90) days of the Termination Date and each subsequent installment payable on the anniversary of the first installment. The amount of each installment will be determined as a fraction of the Guaranteed Interest Account as of the installment payment date as follows:

<u>Installment Number</u>	<u>Amount of Payment</u>
1	1/6 of the balance in the Guaranteed Interest Account
2	1/5 of the balance in the Guaranteed Interest Account
3	1/4 of the balance in the Guaranteed Interest Account

4	1/3 of the balance in the Guaranteed Interest Account
5	1/2 of the balance in the Guaranteed Interest Account
6	the balance in the Guaranteed Interest Account

At the Termination Date or at any time during the installment payment period, New York Life may accelerate the payments which would otherwise be made under the above installment schedule, provided the Contractholder consents, in writing, to such accelerated payments.

- (b) If Termination of the Contract occurs at the election of New York Life pursuant to Section 2.2(a), the balance in the Guaranteed Interest Account will be paid in a single sum to the Contractholder or to such other entity as the Contractholder may designate in writing within ninety (90) days of the Termination Date.
- (c) If Termination of the Contract occurs pursuant to Section 2.2(b), an amount equal to the Transfer Amount, determined by New York Life pursuant to Section 2.4(a)(i), will be paid in a single sum to the Contractholder or to such other entity as the Contractholder may designate in writing on or as soon as practicable after the Termination Date.

Any payment or payments made pursuant to this Section 2.4 will fully discharge New York Life of its obligations under this Contract.



Section 3. Pension Benefits

- Section 3.1 **GENERAL.** The Contractholder may elect to provide guaranteed pension benefits by directing New York Life, in writing, to withdraw from the Guaranteed Interest Account the amounts necessary to provide such pension benefits through the purchase of immediate annuities, subject to the provisions of this Section 3. Any annuity benefit purchased will not be less than that which would be provided by the application of such amount to purchase a single consideration immediate annuity offered by New York Life at that time for the same class of contract. In no event, however, will any annuity purchase rate be greater than the appropriate rate in the attached Table of Annuity Purchase Rates.
- Section 3.2 **REQUIRED INFORMATION.** For each person for whom an immediate annuity is to be purchased, the Contractholder will specify in writing to New York Life at its Home Office in New York City the amount and form of pension benefit, the date payment is to begin, proof of age and such other information as New York Life may require.
- Section 3.3 **FORM AND AMOUNT OF BENEFIT PAYMENT.** New York Life will provide a pension benefit in the form of a life annuity that provides monthly payments ending with the last payment due on or before the person's death or in any other form of benefit as specified pursuant to Section 3.2 and which is agreeable to New York Life. The amount of any monthly annuity benefit may not be less than \$100.00 per month.
- Section 3.4 **CERTIFICATES.** New York Life will issue to the Contractholder for delivery to each person for whom an annuity has been purchased an individual retirement certificate setting forth the amount and terms of payment of such benefit.
- Section 3.5 **MISSTATEMENTS.** If any facts on which the purchase of an annuity was based have been misstated, the amount withdrawn from the Guaranteed Interest Account pursuant to Section 3.1, or the amount of such benefit payments, or both, will be adjusted. Overpayments by New York Life will be charged against and underpayments will be added to any such benefit payments payable thereafter.
- Section 3.6 **LIABILITY OF NEW YORK LIFE.** New York Life makes no representation and assumes no liability as to the sufficiency of contributions or of the Guaranteed



Interest Account for the benefits to be provided under the Plan. The liability of New York Life is for the payment of benefits as directed by the Contractholder and on the basis of the correct withdrawal from the Guaranteed Interest Account in accordance with the terms of this Contract.

Section 4 General Provisions

- Section 4.1 **CONTRACT.** This Contract, and the Application for it, constitute the entire Contract. No modification of this Contract, other than one resulting from the exercise of a right expressly reserved to New York Life will be valid unless evidenced by an amendment to the Contract signed by the Contractholder and by an Officer of New York Life. Without limiting the generality of the foregoing, it is expressly understood that no modification of the language in Sections 1.3, 1.5, 1.6, 2.3 or 2.4 shall be effected without the prior written consent of the Contractholder and New York Life.
- Section 4.2 **ASSIGNABILITY.** The Contractholder may not assign this Contract or any interest therein and any attempted assignment will be null and void. A transfer of ownership to a new Contractholder as set forth in Section 1.5 will not be deemed to be an assignment of the Contract provided the Contract is held as an asset of the same Plan or a successor plan which has assumed some or all of the assets and liabilities of this Plan pursuant to a merger, consolidation or spin-off.
- Section 4.3 **DIVIDENDS.** As of the last day of each Contract Year, the divisible surplus, if any, ascertained and apportioned to this Contract as a dividend will be paid to the Contractholder or to such other entity as the Contractholder may designate in writing. Dividends are not expected to arise under this Contract.
- Section 4.4 **PLAN CHANGES.** The Contractholder agrees to notify New York Life of any changes to the Plan that take effect after the Effective Date of this Contract and which New York Life could reasonably expect to have a potential financial, legal or administrative impact on the obligations of New York Life under this Contract. New York Life agrees to respond to the Contractholder within forty-five (45) days of receipt of such notice. If New York Life determines that the change will have an adverse financial, legal or administrative impact on the obligations of the New York Life under this Contract, then the Contractholder and New York Life shall negotiate in good faith a mutually acceptable alternative to avoid an adverse financial, legal or administrative impact. If the Contractholder and New York Life are unable to negotiate a mutually acceptable alternative within sixty (60) days then New York Life reserves the right to continue this Contract as it existed immediately prior to

such change or to deem this Contract terminated by the Contractholder pursuant to Section 2.1 as of the effective date of the amendment, which day will be the Termination Date.

Changes that could have an adverse financial, legal or administrative impact on the obligations of New York Life under this Contract include but are not limited to the following events:

1. a plan change that materially alters the amount of contributions or withdrawals to be directed in or out of this Contract;
2. a change in the Plan's investment options; or
3. a change in the investment philosophy for the Plan's stable value option (or comparable investment option).

Section 4.5 **CHANGE IN SERVICE PROVIDERS.** The Contractholder agrees to notify New York Life of a change in the Plan's trustee, record-keeper or any other service provider (including a provider of investment services) as soon as the Contractholder becomes aware of such change, and with respect to a change in the Plan's record-keeper, at least ninety (90) days before such change becomes effective.

Section 4.6 **PLAN QUALIFICATION.** This Contract is issued to the Contractholder with the understanding that the Plan is qualified under Section 401(a) of the Internal Revenue Code, as amended (a "Qualified Plan") or is a governmental plan under Section 818(a)(6) of the Internal Revenue Code as amended (a "Governmental Plan"). Any written direction by the Contractholder to New York Life to make payment to another entity will also specify that such payment will not impair the Plan's status as a Qualified Plan or a Governmental Plan.

Section 4.7 **RELIANCE BY NEW YORK LIFE.** New York Life may rely on any information received by the Contractholder for all purposes under the Contract. New York Life shall not be liable for any damages arising out of its use of, or reliance upon, such information in good faith.

Section 4.8 **CONSTRUCTION.** In the event of any inconsistency between the provisions of this Contract and the provisions of the Plan, the provisions of this Contract will control.

Section 4.9 **BUSINESS DAY.** Business Day means a day on which the United States banking system and New York Life are open for business. If a payment is due on any day



which is not a Business Day, such payment will be made on the next following Business Day.



TABLE OF LIFE ANNUITY PURCHASE RATES

THE FOLLOWING PURCHASE RATES REPRESENT THE AMOUNTS REQUIRED ON A NON-PARTICIPATING BASIS AT THE ILLUSTRATIVE APPLICABLE INTEREST RATES (“AIR”) INDICATED TO PURCHASE AN IMMEDIATE LIFE ANNUITY OF \$1.00 A MONTH BEGINNING ON THE DATE OF PURCHASE.

PURCHASE MADE PRIOR TO THE FIFTH ANNIVERSARY OF THE EFFECTIVE DATE OF THE CONTRACT OR RIDER TO WHICH THIS TABLE IS ATTACHED

AGE	AIR 1.00%	AIR 3.00%
50	\$367.78	\$265.14
51	358.91	260.59
52	349.98	255.93
53	341.01	251.15
54	332.01	246.26
55	322.97	241.27
56	313.92	236.19
57	304.87	231.01
58	295.83	225.76
59	286.82	220.45
60	277.85	215.07
61	268.91	209.63
62	260.01	204.13
63	251.20	198.60
64	242.45	193.03
65	233.83	187.47
66	225.30	181.89
67	216.89	176.32
68	208.62	170.77
69	200.46	165.21
70	192.34	159.60

NEW YORK LIFE MAY CHANGE THE PURCHASE RATES IN THIS TABLE FOR PURCHASES MADE ON OR AFTER THE FIFTH CONTRACT ANNIVERSARY, OF THE EFFECT DATE OF THE CONTRACT OR RIDER TO WHICH THIS TABLE IS ATTACHED, BUT NOT MORE OFTEN THAN ONCE EVERY FIVE YEARS



AGE FOR THE PURPOSE OF THIS TABLE IS AGE NEAREST BIRTHDAY AT ANNUITY PURCHASE DATE.

NEW YORK LIFE WILL CALCULATE ANNUITY PURCHASE RATES FOR OTHER AGES AND ANNUITY FORMS ON THE SAME ACTUARIAL BASIS, AND WILL FURNISH SUCH RATES ON REQUEST.

THE RATES IN THIS TABLE ARE EXCLUSIVE OF ANY STATE OR LOCAL PREMIUM TAX AND WILL BE INCREASED TO RECOGNIZE APPROPRIATELY ANY SUCH TAX PAID OR PAYABLE BY NEW YORK LIFE WITH RESPECT TO ANNUITY BENEFITS PURCHASED HEREUNDER.

PURCHASE RATE BASIS:

MORTALITY: UP 1994 FULL PROJECTION BY SCALE AA, YOP = 2016
AGES SET BACK: 1 YEAR MALE, 1 YEAR FEMALE

UNISEX BLEND: PRINCIPAL ANNUITANTS WEIGHTED 2/3 MALE, 1/3 FEMALE
JOINT ANNUITANTS WEIGHTED 1/3 MALE, 2/3 FEMALE

APPLICABLE INTEREST RATE ("AIR"):

THE APPLICABLE INTEREST RATE IS RESET BY NEW YORK LIFE EACH JANUARY 1 AND JULY 1 (EACH, A "RATE RESET DATE") AND WILL BE APPLICABLE FOR THE 6-CALENDAR MONTH PERIOD (EACH, A "RATE RESET PERIOD") BEGINNING ON SUCH RATE RESET DATE. THE AIR FOR A RATE RESET PERIOD WILL BE EQUAL TO THE LESSER OF (A) 3.00%; AND (B) A RATE THAT IS NOT LESS THAN 1.00% AND DETERMINED BY USING THE SIX-MONTH AVERAGE OF THE FIVE-YEAR CONSTANT MATURITY TREASURY RATE AS REPORTED BY THE FEDERAL RESERVE FOR JUNE THROUGH NOVEMBER (FOR EACH RATE RESET PERIOD BEGINNING ON JANUARY 1) AND DECEMBER THROUGH MAY (FOR EACH RATE RESET PERIOD BEGINNING ON JULY 1), ROUNDED TO THE NEAREST ONE-TWENTIETH OF ONE PERCENT (.05%), MINUS 1.25%.

EXPENSES: 2.50%

RATE TABLE CODE: 205100



Application

NORTH DAKOTA PUBLIC EMPLOYEES RETIREMENT SYSTEM as Contractholder whose Main Office Address is

1600 East Century Ave.
Suite 2
Bismarck, ND 58502-1657

hereby makes application to New York Life Insurance Company, 51 Madison Avenue, New York, NY 10010, for Group Annuity Contract No. GA-85248, the terms of which are hereby approved and accepted by the Contractholder to take effect on the Effective Date specified in the Contract.

It is agreed that this Application supersedes any application for this Contract previously signed by the Contractholder.

Executed at _____ CONTRACTHOLDER

On _____ by _____
(Signature and Title)

Agent: _____

Countersignature: _____
(Resident Licensed Agent Where Required)

This copy is part of the entire Contract and a duplicate original of this Application is to be returned to New York Life.

NOTICE OF PROTECTION PROVIDED BY THE

NORTH DAKOTA LIFE AND HEALTH INSURANCE GUARANTY ASSOCIATION

This notice provides a brief summary of the North Dakota Life and Health Insurance Guaranty Association ("the Association") and the protection it provides for policyholders. This safety net was created under North Dakota law, which determines who and what is covered and the amounts of coverage.

The Association was established to provide protection in the unlikely event that your life, annuity or health insurance company becomes financially unable to meet its obligations and is taken over by its Insurance Department. If this should happen, the Association will typically arrange to continue coverage and pay claims, in accordance with North Dakota law, with funding from assessments paid by other insurance companies. (For purposes of this notice, the terms "insurance company" and "insurer" include health maintenance organizations (HMOs).)

The protections provided by the Association are based on contract obligations up to the following amounts:

1. Life Insurance
 - a. \$300,000 in death benefits
 - b. \$100,000 in cash surrender or withdrawal values
2. Health Insurance
 - a. \$500,000 for health benefit plans (see definition below)
 - b. \$300,000 in disability income insurance benefits
 - c. \$300,000 in long-term care insurance benefits
 - d. \$100,000 in other types of health insurance benefits
3. Annuities
 - a. \$250,000 in the present value of annuity benefits, including net cash surrender and net cash withdrawal values

The maximum amount of protection for each individual, regardless of type of coverage is \$300,000; however, may be up to \$500,000 with regard to health benefit plans.

"Health benefit plan" is defined in North Dakota Century Code Section 26.1-38.1-02(10) and generally includes hospital or medical expense policies, contracts or certificates, or HMO subscriber contracts that provide comprehensive forms of coverage for hospitalization or medical services, but excludes policies that provide coverages for limited benefits (such as dental-only or vision-only insurance), Medicare Supplement insurance, disability income insurance, and long-term care insurance (LTCI). Benefits provided by a long-term care (LTC) rider to a life insurance policy or annuity contract shall be considered the same type of benefits as the base life insurance policy or annuity contract to which it relates.

Note: Certain policies and contracts may not be covered or fully covered. For example, coverage does not extend to any portion(s) of a policy or contract that the insurer does not guarantee, such as certain investment additions to the account value of a variable life insurance policy or a variable annuity contract. If coverage is available, it will be subject to substantial limitations. There are also various residency requirements and other limitations under North Dakota law. To learn more about the above protections, as well as protections relating to group contracts or retirement plans, please visit the Association's website at www.ndlifega.org or contact:

North Dakota Life and Health Insurance Guaranty
Association

North Dakota Insurance Department

P.O. Box 2422

600 East Boulevard Avenue, Dept. 401

Fargo, ND 58108

Bismarck, ND 58505

COMPLAINTS AND COMPANY FINANCIAL INFORMATION

A written complaint to allege a violation of any provision of the Life and Health Insurance Guaranty Association Act must be filed with the North Dakota Insurance Department, 600 East Boulevard Avenue, Dept. 401, Bismarck, North Dakota 58505; telephone (701) 328-2440. Financial information for an insurance company, if the information is not proprietary, is available at the same address and telephone number and on the Insurance Department website at www.nd.gov/ndins.

Insurance companies and agents are not allowed by North Dakota law to use the existence of the Association or its coverage to sell, solicit, or induce you to purchase any form of insurance or HMO coverage. When selecting an insurance company, you should not rely on Association coverage. If there is any inconsistency between this notice and North Dakota law, then North Dakota law will control.



Important changes to your North Dakota Public Employees Retirement System Plan(s)

Your North Dakota Public Employees Retirement System Plan(s) is an important part of your long-term financial strategy. That is why The North Dakota Public Employees Retirement System Board regularly reviews and sometimes changes the plan’s investment options so you may continue to select from a competitive range of investment options. As a result of a recent review, we are announcing the following plan changes:

- The addition of four new investment options

Important information about additions

The below investment options will become available on **December xx, 2024**. If you would like to learn more about these funds you can do so either online at **empowermyretirement.com** or by calling the Empower Care Center **866-816-4400**.

New fund	Ticker/ CUSIP	Net expense ratio
EI Fixed Account – Series Class VI		
Guaranteed Income Fund		
NYL Guaranteed Interest Account		
NYL Anchor Account		

Questions?

There is nothing you need to do. The new investment options will be available on December xx, 2024.



Visiting your plan’s website at **empowermyretirement.com**.



Contacting a representative at **866-816-4400** Monday through Friday from 7 a.m. to 9 p.m. Central time or Saturdays from 8 a.m. to 4:30 p.m. Central time. The TTY number for those with a hearing impairment is 800-345-1833.

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.

Fund changes may alter the risk exposure of an investment account. Some cash-alternative options (other than money market funds), such as guaranteed interest funds or stable value funds, may have withdrawal and transfer restrictions. Carefully consider the importance of a well-balanced and diversified investment portfolio, while considering all your assets, income and investments. Adjustments may be needed to realign the account with its desired investment strategy.

Asset allocation, diversification, dollar-cost averaging and/or rebalancing do not ensure a profit or protect against loss.

Asset allocation and balanced investment options and models are subject to the risks of their underlying investments.

Bond prices generally fall when interest rates rise (and vice versa) and are subject to risks, including changes in credit quality, market valuations, inflation, liquidity and default. High-yield bonds have a greater risk of default.

There is no guarantee that companies will continue to pay dividends.

Foreign securities involve risks, such as currency fluctuations, economic changes and political developments. These risks may be heightened in emerging markets, which may also experience liquidity risk.

Real estate securities and trusts involve risks, including declining property values, changes in zoning laws or losses from casualty. Real estate securities that invest in foreign real estate involve additional risks, including currency fluctuations and political developments.

Securities of small and mid-size companies may be more volatile than those of larger, more established companies.

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Empower looks forward to working with you on implementing the requested enhancements to the Plan(s).
This letter details the requested plan enhancements and must be returned by **DUE DATE HERE** in order to implement these by the effective date(s) listed below.

Redemption Fees	
# of holding days	
N/A	

Fund Name*	Ticker/CUSIP	Effective Date (1st Trade Date for participant activity)	Redemption Fees		Equity Wash		Gross Expense Ratio
			%	# of holding days	Competing Fund	Requirement Days (typically 90 days)	
Great Returns Small Cap Fund	CCSFF	11/4/2019	N/A	N/A	N/A	N/A	0.20%
Great Returns Int Fund	AABBC	11/4/2019	1%	60	N/A	N/A	0.10%

* The New Fund Name may be changed by Empower to reflect standard naming conventions.

** This expense ratio is not an indication of the performance of the fund. The expense ratio is subject to change and will be reflected in the investment options' current prospectus or other governing documentation.

Fund(s) Eliminated				Assets and Allocations Mapping To:			
Fund Name	Ticker/CUSIP	Forfeiture or ERISA Spending Account Default? (Yes/No)	Underlying Model Portfolio Investment Mapping? (Yes/No)	Fund Name	Ticker/CUSIP	Effective Date (date the funds/allocations transfer)	Mapping allocations only (freezing a fund)? (Yes/No)
Acme Small Company Fund	VVCD	No	No	Great Returns Small Cap Fund	CCSF	11/1/2019	No

Profile Changes Effective:	11/22/3333
Rebalance Frequency:	(INSERT REBAL HERE)
Next Rebalance Date:	11/22/3333
Rebalance at time of event:	Yes/No
New underlying funds:	Yes/No
New Profiles:	Yes/No

[illegible]

Please sign where indicated below, scan and e-mail to your service team at Empower. Please retain a copy of this letter for your files. Should you have any questions regarding any of the above, please do not hesitate to contact your service team.

I, on behalf of [client name], direct Empower Life and Annuity, Empower Trust Company and their affiliates, as applicable ("Empower"), to implement the plan changes described above. I certify that I am authorized to execute this direction and have reviewed the content of this letter for accuracy and completeness.	
Name (please print):	
Title:	
Signature:	
Date	

The Plan Sponsor's signature above indicates that the Plan Sponsor agrees with the following statements:

Plan Sponsor certifies that the Plan's fiduciaries have received and reviewed the prospectuses and/or offering statements for each investment to be added to the Plan.

Plan Sponsor authorizes and directs Empower, as administrative service provider to the plan, to modify the plan's recordkeeping and operational systems, reports, procedures, forms, and participant communications, and to administer the plan, as indicated above. This document supersedes any previous direction from the company that is inconsistent with the above.

Plan Sponsor acknowledges that no work is to be initiated (and therefore the Effective Date is not reserved) until such time as this form has been duly signed and returned to Empower. Additionally, late responses will result in the dates being rescheduled to the next available dates, based on the work being performed. Rescheduled dates will be communicated to the Plan Sponsor via a revised form.

Plan Sponsor also acknowledges that new or modified requirements introduced beyond the requirements phase of any project may result in a scheduling delay which could impact the Effective Date. Additionally, all requirements must be duly analyzed by Empower to determine whether there has been an addition to the scope that will result in a cost increase.

Disclosure:

As part of providing products and services to retirement plans, Empower personnel may provide information to plan representatives about available investment or pricing options. In providing this information, Empower is not undertaking to provide impartial investment advice, or to give advice in a fiduciary capacity regarding any transactions. Plan fiduciaries are responsible for the selection and monitoring of the Plan's investment options and for determining the reasonableness of all Plan fees and expenses.

Information concerning investment or pricing options we may provide is intended to provide you with resources for your consideration as a convenience and is not intended to be exhaustive or prescriptive for your Plan and its specific circumstances. Plan fiduciaries are not required to utilize any of the investment options referenced in any of our communications to you.

Empower may benefit from advisory and other fees paid to it or its affiliates for managing, selling, or settling of the Empower products or third-party investment products or securities offered by Empower or its affiliates. Investment vehicles sponsored or managed by an Empower affiliate generate more revenue for Empower enterprise than non-proprietary investment vehicles. Empower sales personnel may receive greater compensation if plan assets are invested in proprietary investment vehicles.

TASK	COMPLETION DUE DATE	ACTUAL COMPLETION DATE	STATUS / COMPLETE	COMMENTS
NDPERS Board approves annuity products	11/12/2024			
Signature ready (non-watermarked) annuity contracts delivered to NDPERS	11/14/2024			
Participant Fund Communication Finalized	11/15/2024			
Participant Fund Communication Distributed	11/29/2024			Participants with an email address on file will receive the notice electronically. All others will receive a notice in the mail.
Annuity Contracts Executed by NDPERS	11/29/2024			
Fund Change Agreement (FCA) executed by NDPERS	11/29/2024			
Empower and/or NYL to communicate 1/1/25 crediting rates to NDPERS	12/20/2024			
Annuity Products added to 457 Companion Plan & 401(a) Plan	12/31/2024			



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Memorandum

TO: NDPERS Board

FROM: Rebecca

DATE: November 12, 2024

SUBJECT: House Bill 1040 Implementation Update

The following activities have occurred for House Bill 1040 implementation since our last Board discussion:

- Received notice from the Treasurer's Office that the full \$65M filled in October with the Oil & Gas distribution. Therefore, these funds have been transferred as of October 28 to the Retirement Trust managed by RIO.
- Ice Miller has prepared the required documents for submission to the IRS to request the Defined Contribution Plan Letter of Determination and Deferred Compensation Plan Private Letter Ruling.
- Weekly meetings are continuing with both the Enrollment and Accounting Divisions to test the modifications made to our business system relating to HB 1040. On a weekly basis, updates continue to be submitted to Sagitec, our business system vendor, for additional modifications that need to be made based on user acceptance testing.
- Have discussions with Sagitec as vendor has questions.
- Distributed third "short clip". Topics included:
 - Years of Service and Tier
 - Special Election and Transfer Incentive
- Programmatic updates and testing continued within the State's Central Payroll reporting platform (PeopleSoft). The payroll files for both retirement and deferred compensation have been successfully tested. The deposit files still remain.
- Planning meetings held focused on special election window for eligible state employees, including updating the packet being sent to eligible state employees. A sample of the final packet will be shared with the Board at the next meeting.

- Bi-weekly meetings held with Empower to discuss collaboration for special election window education, fund transfer files and ongoing member education for new hires as of 1/1/2025 and after.
- Member handbooks for the Defined Contribution and Deferred Compensation Plans have been finalized for 1/1/2025. Other outward facing communication pieces being reviewed and updated include new hire and termination guides, employer guide, as well as, website updates.
- Presented to the Association of Counties on October 22.
- Presented to the School Business Managers Conference on October 25.
- Presented to the OMB Essentials (Managers) group on November 6 at the invitation of HRMS.
- Finalizing presentation to be given on November 20 to the Team ND Human Resources (HR) group at the invitation of HRMS.
- Finalizing presentation to be given on November 21 to the political subdivisions participating in the retirement plan regarding HR issues.
- Preparing presentation to be given on December 11 for state employees eligible for special election window.
- Preparing presentation to be given on December 12 to all participating employers in the retirement plan regarding payroll reporting and plan highlights.
- Planning a 2nd presentation to be held in January for state employees eligible for special election window.

Attachment 1 and Attachment 2 are included as an overview of work efforts and timelines identified.

House Bill 1040 Administrative Implementation

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
HB 1040 Administrative Implementation												
Marketing intern recruitment	★											
1% employer contribution increase launched	★											
Inventory the PERSLink correspondence updates			★									
Targeted communications to subs in main but not public safety				★								
Targeted communications to subs in main but not deferred comp				★								
Recordkeeper transition						★						★
PERSLink correspondence updates						★				★		
PERSLink correspondence testing						★				★		
Form updates						★				★		
Plan document updates										★		
Plan handbook updates										★		
Special election window education for eligible employees											★	
Administrative rule making promulgation												★
Employer training												★
Website updates												★
Revise new hire, transfer, termination guides												★
Staff training												★
Biweekly internal administrative implementation meetings												★
Communication team biweekly meetings												★
Education on new plan provision to members					★			★			★	★
Education on new plan provision to employers			★			★			★			★

KEY

★ Deadline

Task Completed

Work Effort

Deadline Missed

House Bill 1040 Programming Implementation Timeline

		Jul	Aug	Sep	Oct	Nov	Dec		Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
HB 1040 Programming Implementation																				
Funding for development effective	★																			
HB 1040 section-by-section analysis to determine system enhancements		★																		
Meet with GRS to discuss the incentive, and get programming parameters		★																		
NDPERS updates file layout documentation for employers												★								
NDPERS develops sample file layouts for employers												★								
Biweekly meetings to discuss section-by-section coding																		★		
NDPERS user acceptance testing of enhancements																		★		
State PeopleSoft development																			★	
Higher Ed PeopleSoft development																			★	
Political sub development																			★	
Employer file testing																			★	

KEY

★ Deadline

Task Completed

Work Effort

Deadline Missed



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Memorandum

TO: NDPERS Board

FROM: Shawna Piatz

DATE: November 12, 2024

SUBJECT: Special Election Window Eligible Members with a Defined Benefit Qualified Domestic Relations Order On File

HB 1040 does not disqualify a member who is otherwise eligible for the special election transfer and has a Qualified Domestic Relations Order (QDRO) on file from making the special election. The current QDRO model language also does not prohibit the member from transferring; however, because the QDRO is a valid court order which requires the alternate payee to receive the specified defined benefit, it cannot be modified without court intervention.

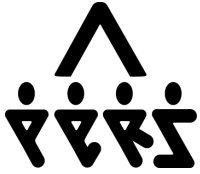
There is currently one QDRO on file for a member who is eligible for the special election window. Current NDPERS system configuration is to maintain one account in the defined benefit plan under only the member for monthly interest accrual and account adjustments until either one or both parties are setup for payment at which time the account is split and a record is set up for the alternate payee. In order to permit a defined benefit plan member with QDRO or other court order on their account to be eligible for the special election window, and if a transfer were elected, the member account balance would need to be divided at the time of the transfer and NDPERS would need to setup a process to maintain one account only in the alternate payee's name in the defined benefit plan and another account in the member's name in the defined contribution plan. Reconfiguring PERSLink to accommodate this one account would take extensive system programming with a large cost and time commitment for the currently one eligible member.

Given this, legal counsel has advised that while an election to transfer could be made, in order for the PERS staff to actually effectuate the election, the eligible employee would need to provide staff with an amended divorce Judgment and a completed new QDRO under the DC plan. If the eligible employee is unable to provide the new QDRO prior to

March 31, 2025, then, because the QDRO is a valid court order which requires the alternate payee to receive the specified defined benefit, the election would be ineffective and the eligible employee would remain in the Defined Benefit plan.

Given there is only one individual impacted by having a QDRO on file, staff will provide additional outreach to the member to notify them of their eligibility for the special election window, but will also explain what is necessary related to the QDRO if they wish to move forward with a transfer to the defined contribution plan.

This is for information only and does not require any action of the Board.



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Memorandum

TO: NDPERS Board

FROM: MaryJo

DATE: November 12, 2024

SUBJECT: Public Safety Plans Employer Contribution Rates

Most of the retirement plan contribution rates are set in statute by the Legislative Assembly. The exceptions to that general rule are the Political Subdivision Public Safety Plans (which is split into two plans, one for members with prior PERS service and one for members without), State Public Safety Plan, Bureau of Criminal Investigation, and National Guard Public Safety plan. The employer contribution amounts for those plans is set by the Board at “an amount determined by the board to be actuarially required to support the level of benefits specified in section 54-52-17.” NDCC sections 54-52-06.3 (Political Subdivision Public Safety) and 54-52-06.4 (State Public Safety Plan/BCI/National Guard Public Safety).

The current Public Safety Plan employer contribution amounts were either set by the Board in October 2022 with a January 1, 2024 effective date after our last actuarial valuation review or through 2023 legislative session changes. Based on previous cost impact analyses and the Actuarially Determined Employer Contribution (ADEC) calculation in the most recent July 1, 2024 valuation, our actuary, Gabriel, Roeder, Smith & Company (GRS), recommends the following employer contribution rates:

Plan	Current	Proposed	Change
Public Safety With Prior Service	11.40%	12.63%	+ 1.23%
National Guard	11.40%	12.63%	+ 1.23%
Public Safety Without Prior Service	9.16%	8.81%	- 0.35%
BCI	22.26%	23.49%	+ 1.23%
State Public Safety	14.34%	15.57%	+ 1.23%

In summary, GRS is proposing the employer contribution for each of the Public Safety Plans that include Prior Service to be increased by 1.23%. The current statutory employer contribution rate of 9.16% for the Public Safety Plan without prior service has a recommended ADEC of 8.81%, which allows for a surplus of 0.35%.

Section 71-02-06-07 of the North Dakota Administrative Code provides guidance on the timeline for the Board to set these contributions: "The board shall set the employer's contribution rate on a biennial basis, but may adjust that rate if it is actuarially necessary to maintain appropriate funding levels." The Attorney General's office and other impacted State agencies will need to obtain the budgetary authority to pay these increased contributions for BCI agents, National Guard, and State Public Safety participants. As such, the earliest we could make the increase effective is July 1, 2025. However, because of Federal restrictions on contributions, it would be preferable to have any increase effective on January 1, 2026.

Board Action Requested: Affirm or deny the proposed increases for the Public Safety Plans that include Prior Service effective January 1, 2026.



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Memorandum

TO: NDPERS Board

FROM: Rebecca

DATE: November 12, 2024

SUBJECT: Revised Health Insurance Plan Rates Due to House Bill (HB) 1095 Implementation

During the 68th Legislative Session, HB 1095 was passed requiring insurers to have a medication management program in place as of January 1, 2025. Attachment 1 is the bill. As you can see, there was not an appropriation for the bill and therefore, the expense of the program, if any, will be required to be paid from reserves as it applies to the NDPERS health plans.

At the time the current biennium premiums were developed and approved by the Board, the Board was informed that there may be a future rate change necessary due to the implementation of HB 1095 and that staff would bring forward the rates, if needed, prior to January 1, 2025.

Sanford Health Plan (SHP) has been working on implementing the required program and has determined that in order to meet the bill requirements, an outside vendor would need to be retained. Given this need, there will be an additional cost to the NDPERS health plans. Please see Attachment 2, which is a memorandum from SHP regarding this implementation that indicates the additional expense results in an increase of .36% above current premium.

Attachment 3 provides the rate structure table that has been updated to include the new premiums that will apply to NDPERS due to HB 1095 and will be effective January 1, 2025.

Board Action Requested:

Approve the additional .36% premium, reflected on the updated rate structure table, due to the implementation of HB 1095 effective January 1, 2025. In addition, approve the use of reserves to pay for the enhanced services required by HB 1095.

Sixty-eighth Legislative Assembly of North Dakota In Regular Session Commencing Tuesday, January 3, 2023

HOUSE BILL NO. 1095
(Representative Weisz)

AN ACT to create and enact chapter 26.1-36.11 of the North Dakota Century Code, relating to the inclusion of comprehensive medication management services in health benefit plans.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. Chapter 26.1-36.11 of the North Dakota Century Code is created and enacted as follows:

26.1-36.11-01. Definitions.

For the purposes of this chapter, unless the context otherwise requires:

1. a. "Comprehensive medication management" means medication management pursuant to a standard of care that ensures each enrollee's medications, both prescription and nonprescription, are individually assessed to determine each medication is appropriate for the enrollee, effective for the medical condition, and safe, given the comorbidities and other medications being taken and able to be taken by the enrollee as intended. Services provided in comprehensive medication management are, as follows:
 - (1) Performing or obtaining necessary assessments of the enrollee's health status;
 - (2) Formulating a medication treatment plan;
 - (3) Monitoring and evaluating the enrollee's response to therapy, including safety and effectiveness;
 - (4) Performing a comprehensive medication review to identify, resolve, and prevent medication-related problems, including adverse drug events;
 - (5) Providing verbal or written, or both, counseling, education, and training designed to enhance enrollee understanding and appropriate use of the enrollee's medications;
 - (6) Providing information, support services, and resources designed to enhance enrollee adherence with the enrollee's therapeutic regimens;
 - (7) Coordinating and integrating medication therapy management services within the broader health care management services being provided to the enrollee;
 - (8) Initiating or modifying drug therapy under a collaborative agreement with a practitioner in accordance with section 43-15-31.4;
 - (9) Prescribing medications pursuant to protocols approved by the state board of pharmacy in accordance with subsection 24 of section 43-15-10;
 - (10) Administering medications in accordance with requirements in section 43-15-31.5; and
 - (11) Ordering, performing, and interpreting laboratory tests authorized by section 43-15-25.3 and North Dakota Administrative Code section 61-04-10-06.
- b. This subsection may not be construed to expand or modify pharmacist scope of practice.

2. "Enrollee" means an individual covered under a health benefit plan.
3. "Health benefit plan" has the same meaning as provided in section 26.1-36.3-01, whether offered on a group or individual basis.
4. "Health carrier" or "carrier" has the same meaning as provided in section 26.1-36.3-01.

26.1-36.11-02. Required coverage for comprehensive medication management services.

1. A health carrier shall provide coverage for licensed pharmacists to provide comprehensive medication management to eligible enrollees who elect to participate in a comprehensive medication management program.
2. At least annually, the health carrier shall provide, in print, or electronically under the provisions of section 26.1-02-32, notice of an enrollee's eligibility to receive comprehensive medication management services from a pharmacist, delivered to the eligible enrollee and the enrollee's designated primary care provider, if applicable, and if at least one of the following criteria are met:
 - a. The enrollee is taking five or more chronic medications;
 - b. The enrollee was admitted to a hospital with one of the following diagnoses:
 - (1) Heart failure;
 - (2) Pneumonia;
 - (3) Myocardial infarction;
 - (4) Mood disorder; or
 - (5) Chronic obstructive pulmonary disorder; or
 - c. The enrollee has active diagnosis of comorbid diabetes and:
 - (1) Hypertension; or
 - (2) Hyperlipemia.
3. Comprehensive medication management services may be provided via telehealth as defined in section 26.1-36-09.15 and may be delivered into an enrollee's residence.
4. The health carrier shall include an adequate number of pharmacists in the carrier's network of participating pharmacy providers.
 - a. The participation of pharmacists and pharmacies in the health carrier network's or health carrier's affiliate network's drug benefit does not satisfy the requirement that health benefit plans include pharmacists in the health benefit plan's networks of participating pharmacy providers.
 - b. For health benefit plans issued or renewed after December 31, 2024, health carriers that delegate credentialing agreements to contracted health care facilities shall accept credentialing for pharmacists employed or contracted by those facilities. Health carriers shall reimburse facilities for covered services provided by network pharmacists within the pharmacists' scope of practice per negotiations with the facility.
5. The health carrier shall post electronically a current and accurate directory of pharmacists who are participating pharmacy providers and eligible to provide comprehensive medication management.

- a. In making the directory available electronically, the health carrier shall ensure the general public is able to view all of the current providers for a plan through a clearly identifiable link or tab and without creating or accessing an account or entering a policy or contract.
 - b. The health carrier shall ensure that one hundred percent of provider directory entries are audited annually for accuracy and retain documentation of the audit to be made available to the commissioner upon request.
 - c. The health carrier shall provide a print copy of current electronic directory information upon request of an enrollee or a prospective enrollee.
 - d. The electronically posted directory must include search functionality that enables electronic searches by each of the following:
 - (1) Name;
 - (2) Participating location;
 - (3) Participating facility affiliations, if applicable;
 - (4) Languages spoken other than English, if applicable; and
 - (5) Whether accepting new enrollees.
6. The requirements of this section apply to all health benefit plans issued or renewed after December 31, 2024.

26.1-36.11-03. Comprehensive medication management advisory committee.

1. The commissioner shall establish and facilitate an advisory committee to implement the provisions of this chapter. The advisory committee shall develop best practice recommendations for the implementation of comprehensive medication management and on standards to ensure pharmacists are adequately included and appropriately utilized in participating provider networks of health benefit plans. In developing these standards, the committee also shall discuss topics as they relate to implementation, including program quality measures, pharmacist training and credentialing, provider directories, care coordination, health benefit plan data reporting requirements, billing standards, and potential cost-savings and cost increases to consumers.
2. The commissioner or the commissioner's designee shall create an advisory committee, including representatives of the following stakeholders:
 - a. The commissioner or designee;
 - b. The state health officer or designee;
 - c. An organization representing pharmacists;
 - d. An organization representing physicians;
 - e. An organization representing hospitals;
 - f. A community pharmacy with pharmacists providing medical services;
 - g. The two largest health carriers in the state based upon enrollment;
 - h. The North Dakota state university school of pharmacy;
 - i. An employer as a health benefit plan sponsor;

- j. An enrollee;
 - k. An organization representing advanced practice registered nurses; and
 - l. Other representatives appointed by the insurance commissioner.
3. No later than June 30, 2024, the advisory committee shall present initial best practice recommendations to the insurance commissioner and the department of health and human services. The commissioner or department of health and human services may adopt rules to implement the standards developed by the advisory committee. The advisory committee shall remain intact to assist the insurance commissioner or department of health and human services in rulemaking. Upon completion of the rulemaking process, the committee is dissolved.

26.1-36.11-04. Rulemaking authority.

The commissioner may adopt reasonable rules for the implementation and administration of the provisions of this chapter.

Speaker of the House

President of the Senate

Chief Clerk of the House

Secretary of the Senate

This certifies that the within bill originated in the House of Representatives of the Sixty-eighth Legislative Assembly of North Dakota and is known on the records of that body as House Bill No. 1095.

House Vote: Yeas 90 Nays 0 Absent 4

Senate Vote: Yeas 39 Nays 7 Absent 1

Chief Clerk of the House

Received by the Governor at _____ M. on _____, 2023.

Approved at _____ M. on _____, 2023.

Governor

Filed in this office this _____ day of _____, 2023,

at _____ o'clock _____ M.

Secretary of State

Memo

To: Rebecca Fricke

From: Kim Haug

Date: Nov 12, 2024

Re: HB 1095 Comprehensive Medication Management eff 1/1/2025

House Bill 1095 passed during the 2023 ND Legislative session requiring coverage for Comprehensive Medication Management Services by health carriers. As some may recall during the 2023 legislative session, the premise of HB1095 was to empower local pharmacists to perform existing medication management reviews and to equip patients/members with additional information on their medications. The NDPERS plans will start covering these mandated services on 1/1/2025 pursuant the legislation. Sanford Health Plan has contracted with a vendor, OutcomesMTM, to help implement this new benefit. There are approximately 4,700 NDPERS members that would currently qualify for this new service which will cost the plan \$90.10 per medication review. The prescribed requirements of coverage, eligibility, and additional plan requirements can be found in HB1095 – a copy of which is attached to this memo. OutcomesMTM will provide the following services to NDPERS eligible members based on the criteria of the ND legislation:

- **Comprehensive Medication Review (CMR):** The Medication Therapy Management (MTM) provider conducts a real-time, interactive discussion with the member or member representative to review the entire medication profile–inclusive of prescription and non-prescription drugs, herbal products and nutritional supplements–to detect any conflicts, duplications or cost-saving opportunities. In follow-up, the MTM provider delivers a Patient Takeaway, which includes a current Medication List and Action Plan.
- **Medication Assessment:** The MTM provider consults with the member to assess potential adverse events from the use of a medication with a heightened risk of causing significant harm. The pharmacist determines if the member is experiencing adverse events, assesses if the relevant disease state is controlled and educates on options to address any concerns identified.
- **Prescriber Consultation:** A consultation between an Approved Provider and a Member's Prescriber to identify, resolve, and/or prevent the occurrence of one or more Medication-related Problem(s) in which the Prescriber agrees to change the Member's pharmaceutical regimen as a direct result of the consultation. Such consultation must be provided and documented in accordance with the Outcomes System. Subject to Rx Validation, in accordance with the Outcomes System.

Sanford Health Plan estimates a premium increase of 0.36% as a result of the new Comprehensive Medication Management benefit. Attached you will find the updated Rate tables effective 1/1/2025 reflecting the enhanced benefit.

As this is a new mandated covered benefit in the North Dakota market, utilization, eligibility, and claims experience may fluctuate throughout the first plan year. The provided estimate reflects existing membership but will remain to be seen as to how eligible members will participate and what subsequent uptake looks like for participating pharmacists.

Attachment 3

January 2025 NDPERS Health Rates
Rate Structure A
For Anyone Enrolled Prior to July 1, 2023
Rates for January 1, 2025 - June 30, 2025

			(1)	(2)	(3)	(4)	(7)	(8)	(9)		
				Less	(1)-(2)		(3)+(5)+(6)		(7)+(8)		
			Total	NDPERS	Jul 23 Prem	Total Prem	Total		NDPERS		
			Health	Retention	Paid to	Paid to	Paid to	NDPERS	Billing		
Code	Struct	Description	Premiums	Premiums	Premiums	SHP	Humana	SHP	Retention	Rate	
Medicare Retiree											
41	11	1 Medicare only	\$217.36	\$69.72	\$287.08	\$2.80	\$214.56	\$69.72	\$214.56	\$2.80	\$287.08
42	11	2 Medicare only	\$431.86	\$139.44	\$571.30	\$2.80	\$429.06	\$139.44	\$429.06	\$2.80	\$571.30
50	11	3 Medicare only	\$646.08	\$209.16	\$855.24	\$2.80	\$643.28	\$209.16	\$643.28	\$2.80	\$855.24
51	11	4 Medicare only	\$860.60	\$278.88	\$1,139.48	\$2.80	\$857.80	\$278.88	\$857.80	\$2.80	\$1,139.48
43	11	1 Medicare+Others	\$792.44	\$69.72	\$862.16	\$2.80	\$789.64	\$69.72	\$789.64	\$2.80	\$862.16
49	11	2 Medicare+Others	\$1,007.04	\$139.44	\$1,146.48	\$2.80	\$1,004.24	\$139.44	\$1,004.24	\$2.80	\$1,146.48
55	11	3 Medicare+Others	\$1,221.24	\$209.16	\$1,430.40	\$2.80	\$1,218.44	\$209.16	\$1,218.44	\$2.80	\$1,430.40
58	11	4 Medicare+Others	\$1,435.76	\$278.88	\$1,714.64	\$2.80	\$1,432.96	\$278.88	\$1,432.96	\$2.80	\$1,714.64
44	11	Part A Single	\$546.04	\$69.72	\$615.76	\$2.80	\$543.24	\$69.72	\$543.24	\$2.80	\$615.76

Grandfathered Rates											
42	14	2 Medicare only	\$431.56	\$139.44	\$571.00	\$2.80	\$428.76	\$139.44	\$428.76	\$2.80	\$571.00
50	14	3 Medicare only	\$457.90	\$209.16	\$667.06	\$2.80	\$455.10	\$209.16	\$455.10	\$2.80	\$667.06
51	14	4 Medicare only	\$280.04	\$278.88	\$558.92	\$2.80	\$277.24	\$278.88	\$277.24	\$2.80	\$558.92
Medicare Retirees COBRA (for Non-Medicare dependents of Medicare Retirees)											
30	11	Single	\$580.04		\$580.04	\$2.80	\$577.24		\$577.24	\$11.54	\$588.78
31	11	Family	\$818.47		\$818.47	\$2.80	\$815.67		\$815.67	\$16.11	\$831.78
Non-Medicare Retiree											
21	11	Single			\$1,194.24	\$2.80	\$1,191.44		\$1,191.44	\$2.80	\$1,194.24
22	11	Family			\$2,385.22	\$2.80	\$2,382.42		\$2,382.42	\$2.80	\$2,385.22
23	11	Family (3+)			\$2,980.72	\$2.80	\$2,977.92		\$2,977.92	\$2.80	\$2,980.72
COBRA											
24	11	Single			\$1,194.24	\$2.80	\$1,191.44		\$1,191.44	\$26.70	\$1,218.14
25	11	Family			\$2,385.22	\$2.80	\$2,382.42		\$2,382.42	\$50.50	\$2,432.92
26	11	Family (3+)			\$2,980.72	\$2.80	\$2,977.92		\$2,977.92	\$62.42	\$3,040.34
State Contracts with Wellness Program											
Active			(Flat Single/Family Rate)								
1-3	2	S/F/Dual			\$1,656.42	\$2.80	\$1,653.62		\$1,653.62	\$2.80	\$1,656.42
COBRA											
4	2	Single			\$797.24	\$2.80	\$794.44		\$794.44	\$18.74	\$813.18
5	2	Family			\$1,922.62	\$2.80	\$1,919.82		\$1,919.82	\$41.24	\$1,961.06
Part-Time/Temporary/LOA											
6	2	Single			\$797.24	\$2.80	\$794.44		\$794.44	\$2.80	\$797.24
7	2	Family			\$1,922.62	\$2.80	\$1,919.82		\$1,919.82	\$2.80	\$1,922.62
Active HDHP											
1-3	17	S/F/Dual			\$1,446.02	\$2.80	\$1,443.22		\$1,443.22	\$208.24	\$1,651.46
COBRA HDHP											
4	17	Single			\$692.60	\$2.80	\$689.80		\$689.80	\$16.66	\$706.46
5	17	Family			\$1,669.46	\$2.80	\$1,666.66		\$1,666.66	\$36.16	\$1,702.82
LOA HDHP											
6	17	Single			\$692.60	\$2.80	\$689.80		\$689.80	\$2.80	\$692.60
7	17	Family			\$1,669.46	\$2.80	\$1,666.66		\$1,666.66	\$2.80	\$1,669.46

State Contracts w/o Wellness Program

Active			(Flat Single/Family Rate)					
1-3	1	S/F/Dual	\$1,656.42	\$2.80	\$1,653.62	\$1,653.62	\$19.36	\$1,672.98
COBRA								
4	1	Single	\$797.24	\$2.80	\$794.44	\$794.44	\$18.74	\$813.18
5	1	Family	\$1,922.62	\$2.80	\$1,919.82	\$1,919.82	\$41.24	\$1,961.06
Part-Time/Temporary/LOA								
6	1	Single	\$797.24	\$2.80	\$794.44	\$794.44	\$10.78	\$805.22
7	1	Family	\$1,922.62	\$2.80	\$1,919.82	\$1,919.82	\$22.02	\$1,941.84
Active HDHP								
1-3	16	S/F/Dual	\$1,446.02	\$2.80	\$1,443.22	\$1,443.22	\$224.76	\$1,667.98
COBRA HDHP								
4	16	Single	\$692.60	\$2.80	\$689.80	\$689.80	\$16.66	\$706.46
5	16	Family	\$1,669.46	\$2.80	\$1,666.66	\$1,666.66	\$36.16	\$1,702.82
LOA HDHP								
6	16	Single	\$692.60	\$2.80	\$689.80	\$689.80	\$9.72	\$699.52
7	16	Family	\$1,669.46	\$2.80	\$1,666.66	\$1,666.66	\$19.48	\$1,686.14

Political Subdivision Rates with Wellness Program

Active								
1	4	Single	\$851.82	\$2.80	\$849.02	\$849.02	\$2.80	\$851.82
2	4	Family	\$2,059.12	\$2.80	\$2,056.32	\$2,056.32	\$2.80	\$2,059.12
COBRA								
4	4	Single	\$851.82	\$2.80	\$849.02	\$849.02	\$19.80	\$868.82
5	4	Family	\$2,059.12	\$2.80	\$2,056.32	\$2,056.32	\$43.96	\$2,100.28
Temps								
6	4	Single	\$851.82	\$2.80	\$849.02	\$849.02	\$2.80	\$851.82
7	4	Family	\$2,059.12	\$2.80	\$2,056.32	\$2,056.32	\$2.80	\$2,059.12

Political Subdivision Rates w/o Wellness Program

Active								
1	3	Single	\$851.82	\$2.80	\$849.02	\$849.02	\$11.30	\$860.32
2	3	Family	\$2,059.12	\$2.80	\$2,056.32	\$2,056.32	\$23.38	\$2,079.70
COBRA								
4	3	Single	\$851.82	\$2.80	\$849.02	\$849.02	\$19.80	\$868.82
5	3	Family	\$2,059.12	\$2.80	\$2,056.32	\$2,056.32	\$43.96	\$2,100.28
Temps								
6	3	Single	\$851.82	\$2.80	\$849.02	\$849.02	\$11.30	\$860.32
7	3	Family	\$2,059.12	\$2.80	\$2,056.32	\$2,056.32	\$23.38	\$2,079.70

NGF Political Subdivision Rates with Wellness Program

Active								
1	24	Single	\$862.16	\$2.80	\$859.36	\$859.36	\$2.80	\$862.16
2	24	Family	\$2,084.20	\$2.80	\$2,081.40	\$2,081.40	\$2.80	\$2,084.20
COBRA								
4	24	Single	\$862.16	\$2.80	\$859.36	\$859.36	\$20.04	\$879.40
5	24	Family	\$2,084.20	\$2.80	\$2,081.40	\$2,081.40	\$44.48	\$2,125.88
Temps								
6	24	Single	\$862.16	\$2.80	\$859.36	\$859.36	\$2.80	\$862.16
7	24	Family	\$2,084.20	\$2.80	\$2,081.40	\$2,081.40	\$2.80	\$2,084.20
Active HDHP								
1	26	Single	\$760.98	\$2.80	\$758.18	\$758.18	\$2.80	\$760.98
2	26	Family	\$1,839.70	\$2.80	\$1,836.90	\$1,836.90	\$2.80	\$1,839.70
COBRA HDHP								
4	26	Single	\$760.98	\$2.80	\$758.18	\$758.18	\$18.00	\$776.18
5	26	Family	\$1,839.70	\$2.80	\$1,836.90	\$1,836.90	\$39.58	\$1,876.48
Temps HDHP								
6	26	Single	\$760.98	\$2.80	\$758.18	\$758.18	\$2.80	\$760.98
7	26	Family	\$1,839.70	\$2.80	\$1,836.90	\$1,836.90	\$2.80	\$1,839.70

NGF Political Subdivision Rates w/o Wellness Program

Active								
1	23	Single	\$862.16	\$2.80	\$859.36	\$859.36	\$11.40	\$870.76
2	23	Family	\$2,084.20	\$2.80	\$2,081.40	\$2,081.40	\$23.62	\$2,105.02
COBRA								
4	23	Single	\$862.16	\$2.80	\$859.36	\$859.36	\$20.04	\$879.40
5	23	Family	\$2,084.20	\$2.80	\$2,081.40	\$2,081.40	\$44.48	\$2,125.88
Temps								
6	23	Single	\$862.16	\$2.80	\$859.36	\$859.36	\$11.40	\$870.76
7	23	Family	\$2,084.20	\$2.80	\$2,081.40	\$2,081.40	\$23.62	\$2,105.02
Active HDHP								
1	25	Single	\$760.98	\$2.80	\$758.18	\$758.18	\$10.40	\$768.58
2	25	Family	\$1,839.70	\$2.80	\$1,836.90	\$1,836.90	\$21.22	\$1,858.12
COBRA HDHP								
4	25	Single	\$760.98	\$2.80	\$758.18	\$758.18	\$18.00	\$776.18
5	25	Family	\$1,839.70	\$2.80	\$1,836.90	\$1,836.90	\$39.58	\$1,876.48
Temps HDHP								
6	25	Single	\$760.98	\$2.80	\$758.18	\$758.18	\$10.40	\$768.58
7	25	Family	\$1,839.70	\$2.80	\$1,836.90	\$1,836.90	\$21.22	\$1,858.12

Health, RX & HMO Insurance Plans:

Medicare Retiree (NonMedicare Split Rate)

98	11	Single NM Dependents with GF Status	\$577.24
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99	11	Family NM Dependents with GF Status	\$577.24
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[illegible]

98	14	Single NM Dependents with GF Status	\$246.84
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99	14	Family NM Dependents with GF Status	\$246.84
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GAP Coverage	
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61	11 GAP Single	\$1,194.24	\$2.80	\$1,191.44	\$1,191.44	\$2.80	\$1,194.24
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62	11 GAP Family	\$2,385.22	\$2.80	\$2,382.42	\$2,382.42	\$2.80	\$2,385.22
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63	11 GAP Family (3+)	\$2,980.72	\$2.80	\$2,977.92	\$2,977.92	\$2.80	\$2,980.72
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64	11 GAP 1 Medicare + Others	\$792.44	\$69.72	\$862.16	\$2.80	\$789.64	\$69.72	\$789.64	\$2.80	\$862.16
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65	11 GAP 2 Medicare + Others	\$1,007.04	\$139.44	\$1,146.48	\$2.80	\$1,004.24	\$139.44	\$1,004.24	\$2.80	\$1,146.48
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66	11 GAP 3 Medicare + Others	\$1,221.24	\$209.16	\$1,430.40	\$2.80	\$1,218.44	\$209.16	\$1,218.44	\$2.80	\$1,430.40
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67	11 GAP 4 Medicare + Others	\$1,435.76	\$278.88	\$1,714.64	\$2.80	\$1,432.96	\$278.88	\$1,432.96	\$2.80	\$1,714.64
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January 2025 NDPERS Health Rates												
Rate Structure B												
New Subscribers or Groups as of July 1, 2023 and After												
Rates for January 1, 2025 - June 30, 2025												
*Not used in first year			(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)		
					(1)-(2)			(3)+(5)			(6)+(7)+(4)	
			Total Health Premiums	Medicare Part D Premiums	Less Total NDPRS Retention	Total Prem Paid to SHP In Struct A	Total Prem Paid to Humana	Change From Structure A	Total Paid to SHP	NDPRS Retention	NDPRS Billing Rate	
Code	Struct	Description	Premiums	Premiums	Premiums	Retention						
Medicare Retiree												
41	12	1 Medicare only	\$220.14	\$69.72	\$289.86	\$2.80	\$214.56	\$69.72	\$2.78	\$217.34	\$2.80	\$289.86
42	12	2 Medicare only	\$437.44	\$139.44	\$576.88	\$2.80	\$429.06	\$139.44	\$5.58	\$434.64	\$2.80	\$576.88
50	12	3 Medicare only	\$654.44	\$209.16	\$863.60	\$2.80	\$643.28	\$209.16	\$8.36	\$651.64	\$2.80	\$863.60
51	12	4 Medicare only	\$871.74	\$278.88	\$1,150.62	\$2.80	\$857.80	\$278.88	\$11.14	\$868.94	\$2.80	\$1,150.62
43	12	1 Medicare+Others	\$810.22	\$69.72	\$879.94	\$2.80	\$789.64	\$69.72	\$17.78	\$807.42	\$2.80	\$879.94
49	12	2 Medicare+Others	\$1,027.62	\$139.44	\$1,167.06	\$2.80	\$1,004.24	\$139.44	\$20.58	\$1,024.82	\$2.80	\$1,167.06
55	12	3 Medicare+Others	\$1,244.60	\$209.16	\$1,453.76	\$2.80	\$1,218.44	\$209.16	\$23.36	\$1,241.80	\$2.80	\$1,453.76
58	12	4 Medicare+Others	\$1,461.90	\$278.88	\$1,740.78	\$2.80	\$1,432.96	\$278.88	\$26.14	\$1,459.10	\$2.80	\$1,740.78
Medicare Retirees COBRA (for Non-Medicare dependents of Medicare Retirees)												
30	12	Single			\$595.04	\$2.80	\$577.24		\$15.00	\$592.24	\$11.54	\$603.78
31	12	Family			\$839.67	\$2.80	\$815.67		\$21.20	\$836.87	\$16.11	\$852.98
21	12	Single			\$1,194.24	\$2.80	\$1,191.44			\$1,191.44	\$2.80	\$1,194.24
22	12	Family			\$2,385.22	\$2.80	\$2,382.42			\$2,382.42	\$2.80	\$2,385.22
23	12	Family (3+)			\$2,980.72	\$2.80	\$2,977.92			\$2,977.92	\$2.80	\$2,980.72
COBRA												
24	12	Single			\$1,194.24	\$2.80	\$1,191.44			\$1,191.44	\$26.70	\$1,218.14
25	12	Family			\$2,385.22	\$2.80	\$2,382.42			\$2,382.42	\$50.50	\$2,432.92
26	12	Family (3+)			\$2,980.72	\$2.80	\$2,977.92			\$2,977.92	\$62.42	\$3,040.34

			Total	Less	Total Prem	Total Prem	Change	Total		NDPERS
			Premiums	NDPERS	Paid to SHP	Paid to	From	Paid to	NDPERS	NDPERS
				Retention	In Struct A	Humana	Structure A	SHP	Retention	Billing
										Rate
Political Subdivision Rates with Wellness Program										
Active										
1	8	Single	\$873.88	\$2.80	\$849.02		\$22.06	\$871.08	\$2.80	\$873.88
2	8	Family	\$2,113.58	\$3.80	\$2,056.32		\$53.46	\$2,109.78	\$2.80	\$2,112.58
COBRA										
4	8	Single	\$873.88	\$2.80	\$849.02		\$22.06	\$871.08	\$20.24	\$891.32
5	8	Family	\$2,112.58	\$2.80	\$2,056.32		\$53.46	\$2,109.78	\$45.02	\$2,154.80
Temps										
6	8	Single	\$873.88	\$2.80	\$849.02		\$22.06	\$871.08	\$2.80	\$873.88
7	8	Family	\$2,112.58	\$2.80	\$2,056.32		\$53.46	\$2,109.78	\$2.80	\$2,112.58
Political Subdivision Rates w/o Wellness Program										
Active										
1	7	Single	\$873.88	\$2.80	\$849.02		\$22.06	\$871.08	\$11.50	\$882.58
2	7	Family	\$2,112.58	\$2.80	\$2,056.32		\$53.46	\$2,109.78	\$23.90	\$2,133.68
COBRA										
4	7	Single	\$873.88	\$2.80	\$849.02		\$22.06	\$871.08	\$20.24	\$891.32
5	7	Family	\$2,112.58	\$2.80	\$2,056.32		\$53.46	\$2,109.78	\$45.02	\$2,154.80
Temps										
6	7	Single	\$873.88	\$2.80	\$849.02		\$22.06	\$871.08	\$11.50	\$882.58
7	7	Family	\$2,112.58	\$2.80	\$2,056.32		\$53.46	\$2,109.78	\$23.90	\$2,133.68

NGF Political Subdivision Rates with Wellness Program

Active									
1	28	Single	\$884.50	\$2.80	\$859.36	\$22.34	\$881.70	\$2.80	\$884.50
2	28	Family	\$2,138.32	\$2.80	\$2,081.40	\$54.12	\$2,135.52	\$2.80	\$2,138.32
COBRA									
4	28	Single	\$884.50	\$2.80	\$859.36	\$22.34	\$881.70	\$20.50	\$902.20
5	28	Family	\$2,138.32	\$2.80	\$2,081.40	\$54.12	\$2,135.52	\$45.54	\$2,181.06
Temps									
6	28	Single	\$884.50	\$2.80	\$859.36	\$22.34	\$881.70	\$2.80	\$884.50
7	28	Family	\$2,138.32	\$2.80	\$2,081.40	\$54.12	\$2,135.52	\$2.80	\$2,138.32
Active HDHP									
1	30	Single	\$780.68	\$2.80	\$758.18	\$19.70	\$777.88	\$2.80	\$780.68
2	30	Family	\$1,887.42	\$2.80	\$1,836.90	\$47.72	\$1,884.62	\$2.80	\$1,887.42
COBRA HDHP									
4	30	Single	\$780.68	\$2.80	\$758.18	\$19.70	\$777.88	\$18.42	\$796.30
5	30	Family	\$1,887.42	\$2.80	\$1,836.90	\$47.72	\$1,884.62	\$40.54	\$1,925.16
Temps HDHP									
6	30	Single	\$780.68	\$2.80	\$758.18	\$19.70	\$777.88	\$2.80	\$780.68
7	30	Family	\$1,887.42	\$2.80	\$1,836.90	\$47.72	\$1,884.62	\$2.80	\$1,887.42

NGF Political Subdivision Rates w/o Wellness Program

Active									
1	27	Single	\$884.50	\$2.80	\$859.36	\$22.34	\$881.70	\$11.62	\$893.32
2	27	Family	\$2,138.32	\$2.80	\$2,081.40	\$54.12	\$2,135.52	\$24.16	\$2,159.68
COBRA									
4	27	Single	\$884.50	\$2.80	\$859.36	\$22.34	\$881.70	\$20.50	\$902.20
5	27	Family	\$2,138.32	\$2.80	\$2,081.40	\$54.12	\$2,135.52	\$45.54	\$2,181.06
Temps									
6	27	Single	\$884.50	\$2.80	\$859.36	\$22.34	\$881.70	\$11.62	\$893.32
7	27	Family	\$2,138.32	\$2.80	\$2,081.40	\$54.12	\$2,135.52	\$24.16	\$2,159.68
Active HDHP									
1	29	Single	\$780.68	\$2.80	\$758.18	\$19.70	\$777.88	\$10.60	\$788.48
2	29	Family	\$1,887.42	\$2.80	\$1,836.90	\$47.72	\$1,884.62	\$21.70	\$1,906.32
COBRA HDHP									
4	29	Single	\$780.68	\$2.80	\$758.18	\$19.70	\$777.88	\$18.42	\$796.30
5	29	Family	\$1,887.42	\$2.80	\$1,836.90	\$47.72	\$1,884.62	\$40.56	\$1,925.18
Temps HDHP									
6	29	Single	\$780.68	\$2.80	\$758.18	\$19.70	\$777.88	\$10.60	\$788.48
7	29	Family	\$1,887.42	\$2.80	\$1,836.90	\$47.72	\$1,884.62	\$21.70	\$1,906.32

Medicare Retiree (NonMedicare Split Rate)										
98	12	Single NM Dependents with GF Status								\$592.24
99	12	Family NM Dependents with GF Status								\$592.24

GAP Coverage														
61	12	GAP Single				\$1,225.18	\$2.80	\$1,191.44		\$30.94	\$1,222.38	\$2.80	\$1,225.18	
62	12	GAP Family				\$2,447.16	\$2.80	\$2,382.42		\$61.94	\$2,444.36	\$2.80	\$2,447.16	
63	12	GAP Family (3+)				\$3,058.14	\$2.80	\$2,977.92		\$77.42	\$3,055.34	\$2.80	\$3,058.14	
64	12	GAP 1 Medicare + Others	\$810.18	\$69.72	\$879.90		\$2.80	\$789.64	\$69.72	\$17.74	\$807.38	\$2.80	\$879.90	
65	12	GAP 2 Medicare + Others	\$1,027.58		\$139.44	\$1,167.02		\$2.80	\$1,004.24	\$139.44	\$20.54	\$1,024.78	\$2.80	\$1,167.02
66	12	GAP 3 Medicare + Others	\$1,244.56		\$209.16	\$1,453.72		\$2.80	\$1,218.44	\$209.16	\$23.32	\$1,241.76	\$2.80	\$1,453.72
67	12	GAP 4 Medicare + Others	\$1,461.86		\$278.88	\$1,740.74		\$2.80	\$1,432.96	\$278.88	\$26.10	\$1,459.06	\$2.80	\$1,740.74



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Memorandum

TO: NDPERS Board

FROM: Rebecca

DATE: November 12, 2024

SUBJECT: Wellness Benefit and Medicare Retirees

You may recall that as part of the renewal offered by Sanford Health Plan (SHP) for the upcoming 2025-2027 biennium, a new product will be offered to our Medicare retiree population called Silver & Fit. Sanford has provided the attached information regarding the product, along with information regarding the current wellness offerings under the Dakota Wellness Program.

SHP needs direction from the Board regarding whether this population of members who will now be eligible for this program will continue to be eligible for the Fitness Center Reimbursement that is currently part of the \$250 Dakota Wellness Program. SHP has indicated they do not have the ability to exclude members enrolled in Silver & Fit from receiving Fitness Center Reimbursements. Therefore, there is the possibility members may collect \$20/month for a Silver & Fit membership that costs the member \$0.

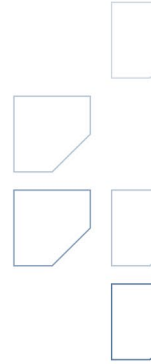
Representatives from SHP will be available to answer any questions you may have.

Board Action Requested:

Provide direction regarding whether the Medicare retiree population on the Dakota Retiree Plan will continue to be eligible for the Fitness Center Reimbursement after Silver & Fit is launched.

Memo

To: Rebecca Fricke
From: Kim Haug
Date: Nov 12, 2024
Re: Medicare Supplement Fitness Center Benefit Options



As a result of the 2024 Member Survey, Sanford Health Plan will be adding a no cost Silver & Fit wellness membership option to the NDPERS Medicare Supplement Plan.

Current Wellness Opportunities:

Since July 1, 2015, Medicare Supplement members have had access to wellness benefits similar to those available to the NDPERS Active population, including:

- **Fitness Center Membership Reimbursement:**
 - Up to \$20 per month
 - Approximate 3% of the Medicare Supplement members have utilized this reimbursement
- **Dakota Wellness Program Points:**
 - Eligible for up to \$250/year in combined fitness center reimbursement &/or gift cards by accumulating wellness portal points

New Offerings Starting July 1, 2025:

Beginning July 1, 2025, Medicare Supplement members will have the opportunity to join a Silver & Fit participating standard fitness center at no cost and have access to digital and virtual programming. Additional options for premium fitness centers and 1:1 training will be available at discounted rates.

Action Required*:

SHP is requesting the NDPERS Board make a decision regarding the availability of both fitness center options for Medicare Supplement members starting July 1, 2025. The options are:

1. Continue both the Silver & Fit program and the Fitness Center Reimbursement program.
 - ✓ There is a possibility a member could enroll in both programs so NDPERS would be reimbursing more than anticipated for that member causing increased wellness costs.
2. Eliminate the Fitness Center Reimbursement program in favor of the Silver & Fit option.
 - ✓ Not all the fitness centers participating with Fitness Center Reimbursement network are also in the Silver & Fit Network.

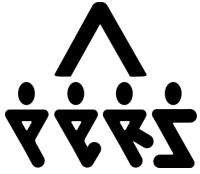
*Additional considerations are on page 2

We appreciate your attention to this matter and look forward to your guidance on the next steps.

Considerations:

Silver & Fit network varies from Fitness Center Reimbursement (NICA) network based on the location:

- **Silver & Fit Network:** Approximately **70** gyms in North Dakota
 - Silver & Fit provides a national network of gyms along with a range of digital and virtual offerings at no-cost.
 - All YMCA's are included in Silver & Fit standard network
 - There are **53** participating gyms in Fargo, Bismarck, Grand Forks & Minot area
 - Additional gyms can be nominated to Silver & Fit for contract negotiations
 - Additional wellness opportunities are available to members:
 - These include personalized workout plans, on-demand workout videos, access to The Well-Being Club featuring exclusive articles and virtual classes, and one-on-one Well-Being coaching sessions via phone, video, or chat to support members in achieving their fitness, nutrition, and lifestyle goals.
 - They can get up to 8 live virtual personal training sessions per benefit year with a participating certified FitnessCoach™ personal trainer for a \$30 per session fee
- **NICA Network used for Fitness Center Reimbursement:** Approximately **100** gyms
 - NICA network provides a national network of gyms
 - There are **55** participating gyms in Fargo, Bismarck, Grand Forks & Minot area
 - Additional gyms can be nominated to NICA for contract negotiations
- Sanford Health Plan will pay a per-member-per-month fee to Silver & Fit for the NDPERS Medicare Supplement membership. However, member-level reporting is not available through Silver & Fit, which means SHP will be unable to track whether members are utilizing both the Fitness Center Reimbursement and attending a Silver & Fit participating fitness center.
- Members will have the flexibility to change their enrollment monthly within the Silver & Fit network.
- Dakota Wellness Program Points will continue to be available to earn up to \$250 in gift cards.
- Marketing materials will need to be updated for Medicare Supplement population.



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Memorandum

TO: NDPERS Board

FROM: Rebecca

DATE: November 12, 2024

SUBJECT: Continuation of Coverage for Confined Members

Sanford Health Plan (SHP) has notified NDPERS that they are making changes to their 2025 commercial lines of business related to continuation of coverage for confined members. Specifically, they are changing to only cover services during active coverage. Therefore, coverage will be ended upon a termination of active coverage regardless of whether the individual continues to be confined.

Currently, the NDPERS health plan provides coverage for inpatient hospital stays through discharge if the covered individual was admitted prior to their termination of coverage, regardless of their length of stay. The NDPERS Certificate of Insurance (COI) indicates:

“Any Member who is an inpatient in a Hospital or other Facility on the date of coverage termination under this Benefit Plan will be covered in accordance with the terms of this Certificate until they are discharged from such Hospital or other Facility. Applicable charges for coverage that was in effect prior to termination of this Certificate will apply.”

SHP is seeking direction from the Board regarding if the Board would like to have the NDPERS plan change this coverage for the upcoming 2025-2027 biennium to align with the changes they are making to their commercial lines of business. Please see the attached memorandum provided by SHP for additional details.

Representatives from SHP will be available to answer any questions you may have.

Board Action Requested:

Provide direction regarding modifying the NDPERS health insurance plans to indicate that benefits end upon termination of coverage, regardless of whether the individual continues to be confined effective for the 2025-2027 biennium.

Memo

To: Rebecca Fricke

From: Kim Haug

Date: Nov 12, 2024

Re: COI changes for consideration by NDPERS Board of Directors

Sanford Health Plan (SHP) is updating the Commercial Fully Insured (non-NDPERS) Certificates of Insurance (COI) on 1/1/2025 to align with industry standards and increase processing efficiencies. The updates will clarify that benefits are not available after coverage terminates during inpatient hospital stays. SHP is recommending that NDPERS consider making similar changes in their COIs for the biennium starting 7/1/2025. The tentative wording changes are on page 2 in red.

In the past 12 months, there were 5 members that were inpatient when their coverage with NDPERS termed. Processing the claims was manual and created challenges since the member's coverage was inactive at the end of the hospital stay. The termed member typically has new insurance coverage when discharged which should be billed for their portion of the hospital stay. The health insurance industry generally does not allow for benefits after the termination of coverage so this COI change would align NDPERS with SHP's Commercial block of business and the industry norm.

If the NDPERS Board agrees to changing the COIs, SHP will work with NDPERS legal team to finalize the documents for 7/1/2025.

Current Commercial & NDPERS Certificate Of Insurance (COI) Policy language
With tentative 1/1/2025 Commercial COI changes in red

- **2.14 ONGOING (CONCURRENT) PREAUTHORIZATION REQUESTS (CERTIFICATION) OF HEALTH CARE SERVICES**
 - Prior Authorization (Certification) of Inpatient health care stays will terminate on the date the Member is to be discharged from the Hospital or Facility (as ordered by the attending Physician), *or when the Member's coverage is terminated*. Hospital/Facility days accumulated beyond ordered discharge date will not be certified unless the continued stay criteria continue to be met. Charges by Practitioner and/or Providers associated with these non-certified days will be considered non-covered.
- **3.1 HEALTH CARE SERVICES PROVIDED BY PRACTITIONERS AND PROVIDERS**
 - **Here are some important things you should keep in mind about these benefits:**
 - *All benefits for authorized services are subject to the definitions, limitations, and exclusions in this Certificate of Insurance and are payable only when we determine they are Medically Necessary.*
 - *Benefits will be denied if the Member is not eligible for coverage under this benefit plan on the date services are provided.*
 - *Be sure to read Section 2, How you get care, for valuable information about conditions for coverage.*
 - *For a list of Limited and Non-Covered Services, see Section 4; Limited and Non-Covered Services*
 - *Your Practitioner and/or Provider must get Certification of some services in this Section. Receipt of Certification (Prior Authorization) does not guarantee payment of benefits. The benefit description will say "Certification is required for certain services. Failure to get Certification will result in a reduction or denial of benefits (See Services requiring Certification in Section 2.)."*
- **8.6 CONTINUATION OF COVERAGE FOR CONFINED MEMBERS**
 - Any Member who is an inpatient in a Hospital or other Facility on the date of coverage termination under this Benefit Plan will be covered in accordance with the terms of this Certificate until they are discharged from such Hospital or other Facility. Applicable charges for coverage that was in effect prior to termination of this Certificate will apply.
 - *Commercial COI will be removing this language effective 1/1/2025*



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Memorandum

TO: NDPERS Board

FROM: Rebecca

DATE: November 12, 2024

SUBJECT: Legislation

During the October 29th Board meeting, the Board asked staff to request from GRS updated cost information related to bill draft 120, the Highway Patrol Cash Infusion bill draft, based upon the July 1, 2024 valuation. GRS has indicated that the cash infusion amount needed based upon the updated valuation is \$36.9 million if the cash infusion is received on January 1, 2026 and \$35.7 million if the cash infusion is received on July 1, 2025.

As a reminder, the deadline for executive branch agencies to pre-file bills is December 5, 2024. Therefore, staff request direction on submitting bill draft 120 and the amount to request.

In addition, staff request that the Board advise of the position to take on those bills that were considered by the Employee Benefits Programs Committee (EBPC) during the interim that were not submitted by NDPERS. The following is the list of bill drafts:

Bill #	Link to Bill Draft	Summary/Description of Bill	Sponsor	EBPC Recommendation
40	Interim Committee Bill Draft - LC Number 25.0040.01000	Public Safety – expands participation to include correctional officers of governmental unit	Representative Porter	Favorable
41	Interim Committee Bill Draft - LC Number 25.0041.01000	Public Safety – revises correctional officer definition and expands eligibility to include dispatchers and medical services personnel	Representative Porter	Unfavorable

45	Interim Committee Bill Draft - LC Number 25.0045.01000	Public Safety – expands participation to include correctional officers of governmental unit	Representative Porter	No Recommendation
68	Interim Committee Bill Draft - LC Number 25.0068.01000	Out-of-pocket maximums – Prescription Drugs	Representative Karls	Favorable
69	Interim Committee Bill Draft - LC Number 25.0069.02000	Fertility Treatment	Representative Brandenburg	Favorable
70	Interim Committee Bill Draft - LC Number 25.0070.03000	Fertility Preservation Services	Representative Brandenburg	Favorable
75	Interim Committee Bill Draft - LC Number 25.0075.02000	Coverage for Diagnostic or Supplemental Breast Exams	Representative Karls	Favorable
115	Interim Committee Bill Draft - LC Number 25.0115.01000	Public Safety – revises definition of firefighter	ND State Forester	Favorable
124	Interim Committee Bill Draft - LC Number 25.0124.01000	Step Therapy for Metastatic Cancer	Representative Mock	Favorable
134	Interim Committee Bill Draft - LC Number 25.0134.01000	Public Safety – revises definition of correctional officer (not completed course)	Representative Porter	Favorable
138	Interim Committee Bill Draft - LC Number 25.0138.01000	Step Therapy Exceptions	Senator Barta	Favorable
142	nd1.lc bd 47	PERS Health – ACA large employer group coverage mandated for state and pre-Medicare groups	Senator Davison	Favorable

439	nd1.lc bd 47	Public Safety – Enhanced Benefits for Political Subdivisions	Representative Stemen	
454	nd1.lc bd 47	Public Safety – Enhanced Benefits for State (not BCI)	Representative Stemen	

Bill drafts 439 and 454 do not have recommendations of the committee as the EBPC took jurisdiction of them at their October 31 meeting.

The attached provides the presentations given to the EBPC during the interim regarding the consultant's cost and technical analysis for each bill.

Board Action Requested:

Staff request the following board action:

- 1) Approve the pre-filing of bill draft 120, including direction on the amount to request within the bill.
- 2) Advise staff of the position to take on each of the bills.

Proposed Legislation Consultant Analysis

June 17, 2024

Rebecca Fricke, Executive Director



Bill 40 – Expands participation in Public Safety Plan to include correctional officers employed by a governmental unit

- Expands definition for eligibility to participate in the Public Safety Plan to include correctional officers employed by a governmental unit
 - Political subdivision correctional officers already eligible
 - Therefore, expands eligibility to include state correctional officers
- Possible correction:
 - Page 1, line 16, should refer to subsection 14 instead of subsection 13
- Sets contribution rates, normal/early retirement dates and benefit calculation to mirror state (non-BCI) public safety participation
- Impacts same section of Century Code as other draft bills



Bill 40 - Continued

- Consultant notes (GRS):
 - Actuarial impact will depend specifically on the number and age of new members who enter the Public Safety Plan, and the amount of liabilities and assets (if any) that would transfer from Main to Public Safety
 - Transfers result in an actuarial gain to the Main Plan of approximately \$12.2M and an actuarial loss to the Public Safety Plan of approximately \$17.4M
 - Based upon July 1, 2023 actuarial valuation and data provided by NDPERS:
 - Membership would increase from 181 to 515 in the Public Safety Plan, reducing Main Plan by 334 members
 - Did not include potential employees provided by NDPERS that were not in the July 1, 2023 actuarial valuation data
 - Assumed all service credit would transfer with an asset transfer
 - Estimated impact on the Public Safety with Prior Service Plan is an increase of .12% of pay
 - More favorable retirement provisions than Main Plan
 - Increases benefits competitiveness for correction officers
- Consultant notes (Ice Miller):
 - Does not disqualify the plan
 - Adds complexity on administration of plan due to tax reporting implications for distributions

Bill 40 - Continued

<u>Bill No.</u>	<u>Code § 72(t)</u>	<u>NRA</u>	<u>Code § 415(b) Reduction</u>	<u>Code § 101(h)</u>
25.0040.01000 Amends the Public Safety Plan to State Correctional Officers.	<ul style="list-style-type: none">• Satisfies the definition of a “qualified public safety officer”• No 10% early distribution penalty for monthly benefits commenced after age 50 and separation from service	<ul style="list-style-type: none">• Satisfies the definition of a “qualified public safety officer”• Satisfies the NRA Safe Harbor for Qualified Public Safety Officer	<ul style="list-style-type: none">• Do not satisfy the definition of “qualified participant” and will not be eligible for the unreduced Code section 415(b) limit.	<ul style="list-style-type: none">• Do not satisfy the definition “public safety officer” and the survivor will not be eligible for the tax-free annuity under Code Section 101(h).

Bill 134 – Revises the definition of correctional officer for Public Safety Plan

- Allows correctional officers to be enrolled in the Public Safety Plan upon employment regardless of completion of training
- Employers would be responsible for notifying NDPERS of employee's eligibility and ineligibility if the employee does not obtain required certification within 12-month window
 - After 1/1/2025, ineligible employee will be a member of the new Defined Contribution Plan tier unless they had deferred Main account
- Consultant notes (GRS):
 - Neutral impact on benefits for most members
 - May result in a small minority of members enrolled in the Public Safety Plan that do not complete required training or certification. Eligibility should be monitored with a process on how to handle
 - Small, but likely immaterial financial impact on the Systems and the actuarial valuation results
- Consultant notes (Ice Miller):
 - Does not disqualify the plan
 - Adds complexity on administration of plan due to tax reporting implications for distributions

Bill 134 - Continued

<u>Bill No.</u>	<u>Code § 72(t)</u>	<u>NRA</u>	<u>Code § 415(b) Reduction</u>	<u>Code § 101(h)</u>
25.0134.01000 Amending definition of a “correctional officer” to include an individual employed by a correctional facility who is enrolled in but not yet completed a correctional officer course.	<ul style="list-style-type: none"> If the individuals are in a correctional officer role and performing as a correctional officer, then we think the members would satisfy the definition of a “Qualified Public Safety Officer.” However, if the individuals are employed with a correctional facility but not serving as a correctional officer until the individual has completed the correctional officer course, then the individual would not qualify as a “Qualified Public Safety Officer.” 	<ul style="list-style-type: none"> Same 	<ul style="list-style-type: none"> Do not satisfy the definition of “qualified participant” and will not be eligible for the unreduced Code section 415(b) limit. 	<ul style="list-style-type: none"> Do not satisfy the definition “public safety officer” and the survivor will not be eligible for the tax-free annuity under Code Section 101(h).

Bill 68 – Out-of-pocket maximums for prescription drugs

- Requires when calculating an enrollee's overall contribution to any out-of-pocket maximum or any cost-sharing requirement for a prescription drug under a health benefit plan, that it must include any amount paid by the enrollee on behalf of the enrollee or another person
- The plan may not vary the out-of-pocket maximum or cost-sharing requirement, or otherwise design benefits in a manner that considers the availability of a cost-sharing assistance program for a prescription drug
- Stipulates that high-deductible health plans that qualify for health savings account are exempt from this cost-share limit until a member reaches their minimum deductible
- Note that to the extent this creates a mandate, the bill does not comply with the statutory requirement in NDCC section 54-03-28(3) that health insurance plan mandates first apply to NDPERS
- Consider excluding Medicare Part D plan



Bill 68 - Continued

- Consultant notes (Deloitte):
 - Estimated to have a financial impact on the NDPERS Plan
 - 1.1% increase in premium or \$8,697,000 in the 2025-2027 biennium
 - Current GF PPO/Basic - Copayments do not go towards meeting out-of-pocket maximum
 - This bill would require copayments to apply towards meeting out-of-pocket maximum

Bill 75 – Diagnostic or supplemental breast exam services

- Adds new section under NDCC 54-52.1 related to diagnostic and supplemental breast exam coverage, including a cost-share restriction
- Restricts imposing a deductible, copayment or any other cost-sharing requirement that forces a member to pay an out-of-pocket cost for diagnostic breast exams or supplemental breast exams
- Stipulates that high-deductible health plans that qualify for health savings account are exempt from this cost-share limit until a member reaches their minimum deductible
- Applies to NDPERS health insurance plan for pilot program per NDCC 54-03-28
- Consultant notes (Deloitte):
 - Estimated to have a financial impact on the NDPERS Plan
 - .5% increase in premium or \$4,070,000 in the 2025-2027 biennium based upon current utilization
 - Currently:
 - Initial mammogram is covered as preventative benefit
 - Cost-sharing applies on supplemental breast exams



Bill 84 – Medical assistance benefits

- Requires medical assistance coverage must include payment for “applied behavioral analysis to provide coverage to both assess and treat common behavioral problems across the lifespan of individuals with a variety of psychological and medical diagnoses”
- Legal analysis:
 - This bill modifies Chapter 50, which is a Department of Health and Human Services chapter
 - Does not apply to NDPERS and therefore, does not impact NDPERS health insurance or retiree health insurance coverage; therefore, further analysis is not needed.



Bill 69- Fertility treatment

- Adds definitions for fertility health care
- Requires coverage for diagnosis of infertility and fertility treatment services if recommended and medically necessary
- Requires the NDPERS health plan to expand its coverage of fertility treatment, removing the current lifetime maximum of \$20,000 and lifetime deductible of \$500, replacing these maximums with required coverage for specific services
- Requires coverage of third-party reproductive services, which may include gestational carriers
 - Currently only enrolled members or eligible dependents of the health plan are eligible for coverage
- Cannot apply exclusions on coverage of fertility medication different from those imposed on other prescriptions



Bill 69- Continued

- Coverage cannot be limited on certain areas, such as benefit maximums; may contradict other provisions of the bill that place limitations on coverage
 - Example of certain number of intrauterine insemination or completed oocyte retrievals
 - Does not clarify if limitations are per plan year or lifetime
- Coverage must be available to those who obtain coverage during special enrollment windows or open enrollment
 - Effective date of coverage varies for special enrollment windows and open enrollment
 - Example – Open enrollment window in fall with coverage effective January 1
- Applies to NDPERS health insurance plan for pilot program per NDCC 54-03-28
- Consider excluding Medicare Part D plan
- Consultant notes (Deloitte):
 - Estimated to have a financial impact on the NDPERS Plan
 - .05% increase in premium or \$385,000 in the 2025-2027 biennium based upon current utilization
 - Transitions coverage from a dollar limit to a service limit
 - Cover a fixed number of medically necessary infertility services
 - Includes medical and pharmacy benefit designs
 - May reduce predictability of cost estimation for fertility services, but may allow greater flexibility in coverage

Bill 70 – Fertility preservation services

- Adds definitions for “medically necessary” and “standard fertility preservation services”
- Board required to provide coverage for standard fertility preservation services, if recommended and medically necessary, for covered individual that has a diagnosed medical condition or genetic condition that may cause impairment of fertility affecting the reproductive organs or processes
- Sets specific coverage requirements
- Currently, NDPERS health insurance plan does not provide cryopreservation services, so this would be an enhancement in coverage
- Restricts benefits for fertility preservation from having a separate copayment, deductible, coinsurance or other benefit maximum that is separate from other benefits provided in the plan
- Coverage cannot be limited on certain areas, such as benefit maximums; may contradict other provisions of the bill that place limitations on coverage
 - May contradict other provisions of the bill that place limitations on coverage
 - Example of certain number of intrauterine insemination or completed oocyte retrievals
 - Does not clarify if limitations are per plan year or lifetime



Bill 70 – Continued

- Coverage must be available to those who obtain coverage during special enrollment windows or open enrollment
 - Effective date of coverage varies for special enrollment windows and open enrollment
 - Example – Open enrollment window in fall with coverage effective January 1
- Applies to NDPERS health insurance plan for pilot program per NDCC 54-03-28
- Consider excluding Medicare Part D plan
- Consultant notes (Deloitte):
 - Estimated to have a financial impact on the NDPERS Plan
 - .04% increase in premium or \$345,000 in the 2025-2027 biennium
 - Assumes cost of four cycles of cryopreservation per utilizer

Bill 115 – Revises definition of firefighter

- Expands definition of “firefighter” for Public Safety Plan eligibility to include “state” firefighters
- Possible corrections:
 - Page 1, row 8 should refer to subsection 14 instead of subsection 13
 - Page 7, could remove 54-52-17(4)d as incorporated under “all retirees” in subsection (4)a
- Requires same contribution rates, normal/early retirement eligibility, and benefit calculations for state firefighters as currently applies for state peace officers
- Not certain how retroactive component (8/1/2023) would be administered
- Impacts same section of Century Code as other draft bills



Bill 115 - Continued

- Consultant notes (GRS):
 - Transfers result in an actuarial gain to the Main Plan of approximately \$39,000 and an actuarial loss to the Public Safety Plan of approximately \$71,000
 - Based upon July 1, 2023 actuarial valuation and data provided by NDPERS:
 - Membership would increase from 181 to 185 in the Public Safety Plan, reducing Main Plan by 4 members
 - Did not include potential employee(s) provided by NDPERS that were not in the July 1, 2023 actuarial valuation data
 - Assumed all service credit would transfer with an asset transfer
 - Immaterial impact to the ADEC contribution rate being charged to employers
- Consultant notes (Ice Miller):
 - Does not disqualify the plan
 - Adds complexity on administration of plan due to tax reporting implications for distributions

Bill 115 - Continued

<u>Bill No.</u>	<u>Code § 72(t)</u>	<u>NRA</u>	<u>Code § 415(b) Reduction</u>	<u>Code § 101(h)</u>
25.0115.01000 Adding Firefighters employed by the State	<ul style="list-style-type: none"> • Satisfies the definition of a “qualified public safety officer” • No 10% early distribution penalty for monthly benefits commenced after age 50 and separation from service” 	<ul style="list-style-type: none"> • Satisfies the definition of a “qualified public safety officer” • Satisfies the NRA Safe Harbor for Qualified Public Safety Officer” 	<ul style="list-style-type: none"> • Satisfies the definition of “qualified participants” and eligible for the unreduced Code section 415(b) limit. 	<ul style="list-style-type: none"> • Satisfies the definition of “public safety officers” and the survivor will be eligible for the tax-free annuity under Code Section 101(h).

Bill 116 – Deferred compensation plan administrative fees

- Gives the Board the authority to charge reasonable administrative expenses for Deferred Compensation Plan and deduct them from participant accounts, like it does now with the Defined Contribution Plan
- Similar statutory language used in bill draft as currently in DC Plan section of code
- This becomes even more important given administrative expenses are currently being pulled from the Defined Benefit Plan, which is a closed plan
- Consultant notes (GRS):
 - No impact

Bill 117 – Final average salary calculation

- Removes the previous Final Average Salary (FAS) calculation, which leaves the updated FAS calculation approved during 2019 Session going forward
- Consultant notes (GRS):
 - Immaterial financial impact on the Systems
 - No impact to the actuarial valuation results

Bill 118 – Insulin drugs & diabetic supplies

- SB 2140 passed during the 68th Legislative Session requires NDPERS to submit a bill for consideration to roll the coverage out to the commercial insurance market
- Defines insulin drug, medical supplies for insulin dosing and administration and pharmacy or distributor
- Provides a \$25/month cap on insulin drugs and medical supplies for dosing and administration
 - Note: Stand-alone GLP-1s are not covered under provision of bill
- Stipulates that high-deductible health plans that qualify for health savings account are exempt from this cost-share limit until a member reaches their minimum deductible
- NDPERS Board required to bring forward a report on cost and benefit analysis for the Committee's consideration, along with a recommendation on this draft bill
 - Board will be reviewing throughout summer once 1 year of data available
 - Anticipate bringing report and recommendation forward at fall EBPC meeting
- Consultant notes (Deloitte):
 - Estimated to have a financial impact on the NDPERS Plan
 - .12% increase in premium or \$1,000,000 in the 2025-2027 biennium

Bill 119 – Disability benefits

- Clarifies that a member cannot apply for a disability retirement benefit if they have reached their normal retirement age or date
- Per federal tax consultant, this change makes NDPERS consistent with industry standards, including many other public pension plans across nation
- Consultant notes (GRS):
 - Immaterial financial impact on the Systems
 - Immaterial impact to the actuarial valuation results
 - Expected to have a neutral or positive impact for benefits for PERS members who have reached normal retirement age or date. However, for a small minority of members, benefits could potentially be reduced since the disability benefit formula could produce a larger benefit.

Bill 120 – Highway Patrol Plan cash infusion

- Provides for a cash infusion for the Highway Patrol (HP) Retirement Plan
- Consultant notes (GRS):
 - Assumptions:
 - Includes January 2024 and January 2025 employee/employer contribution increases
 - Assumes a \$34.3 million cash infusion on July 1, 2025
 - No changes to benefit provisions
 - No gains or losses and all actuarial assumptions from the 2023 valuation are realized
 - Positive financial impact on the System
 - Positive impact to the actuarial valuation results

= 90% funding ratio of HP Retirement Plan as of January 1, 2026

=100% funding ratio of HP Retirement Plan in 2055

Bill 121 – Technical corrections

- Section 1: Clarifies temporary employee participation
- Section 2: Updates early retirement eligibility for BCI due to vesting schedule change (HB 1309)
- Section 3: Clarifies that judge's disability retirement benefits are reduced by any social security and workforce safety & insurance benefit
- Section 4: Adopts language related to Required Minimum Distributions due to federal law changes
- Section 5: Clarifies eligibility for district health units to participate in the health plan due to ACA compliance
- Section 6: Adds language specific to ROTH contributions in 457 plan due to federal law changes
- Section 7: Clarifies that bonuses do not need to be annualized in the defined contribution plan
- Section 8: Corrects an erroneous section of code passed in HB 1040
- Consultant notes (GRS):
 - Changes in Sections 1, 2, 4, 7 & 8 are minor with no actuarial impact
 - Change in Section 6 related to 457 plan has no actuarial impact
 - Change in Section 3 has no actuarial impact
- Consultant notes (Deloitte):
 - Change in Section 5 has no financial impact

Bill 124 – Step therapy protocol limitations for metastatic cancer

- Adds definition of “associated condition” for step therapy protocols, along with limitations
- May not require a step therapy protocol for coverage of a recommended prescription drug if approved by the US FDA if prescribed to treat the individual’s diagnosis of metastatic cancer or an associated condition
 - Expands previous language which prohibited step therapy solely to the treatment of metastatic cancer
- Note that to the extent this creates a mandate, the bill does not comply with the statutory requirement in NDCC section 54-03-28(3) that health insurance plan mandates first apply to NDPERS
- Consider exception for Medicare Part D plan
- Consultant notes (Deloitte):
 - Estimated to have no impact on the NDPERS plan
 - Currently the plan does not have any step therapy protocols in place that require members to use a certain formulary before moving to a provider’s recommendation

Bill 138 – Step therapy protocol exceptions

- Adds new section to NDCC 19-02.1 for “step therapy protocol” and “step therapy protocol exceptions”
- Sets criteria & timeframe for review/approval of a request for a step therapy protocol exception
- Note that to the extent this creates a mandate, the bill does not comply with the statutory requirement in NDCC section 54-03-28(3) that health insurance plan mandates first apply to NDPERS
- Consider excluding Medicare Part D plan
- Consultant notes (Deloitte):
 - Estimated to have no financial impact on the NDPERS plan

Questions?



Email rfricke@nd.gov
Call (701) 328-3978



Proposed Legislation Consultant Analysis

September 12, 2024

Rebecca Fricke, Executive Director



Bill 41 – Revises definition of correctional officer and expands eligibility for the Public Safety Plan to include dispatchers and medical services professionals

- Defines “Dispatcher” and “Emergency medical services personnel”
- Allows state radio dispatchers to be included in the State Public Safety Plan
- Allows political subdivisions to offer the Public Safety Plan to dispatchers and emergency personnel
- Sets contribution rates, normal/early retirement dates and benefit calculation to mirror political subdivision and state (non-BCI) public safety participation
- Impacts same section of Century Code as other draft bills

Bill 41 - Continued

- Consultant notes (GRS):
 - Actuarial impact will depend specifically on the number and age of new members who enter the Public Safety Plan, and the amount of liabilities and assets (if any) that would transfer from Main to Public Safety
 - Transfers result in an actuarial gain to the Main Plan of approximately \$577K and an actuarial loss to the Public Safety Plan of approximately \$891K
 - Based upon July 1, 2023 actuarial valuation and data provided by NDPERS:
 - There were 460 members identified by the various political subdivisions as potentially eligible, but individual information was not provided for valuation purposes as political subdivisions in Public Safety may opt to offer plan to expanded group
 - There were 22 members identified within the State. Therefore, membership would increase from 181 to 203 in the State Public Safety Plan, reducing the Main Plan by these 22 members
 - Did not include potential employees provided by NDPERS that were not in the July 1, 2023 actuarial valuation data
 - Assumed all service credit would transfer with an asset transfer
 - Estimated impact on the State Public Safety Plan is a decrease of .07% of pay
 - Impact on Public Safety with Prior Service Plan would be determined based upon political subdivisions opting to offer to newly eligible group and identifying eligible population

Bill 41 - Continued

- Consultant notes (GRS) continued:
 - More favorable retirement provisions than Main Plan
 - May increase benefits competitiveness for dispatchers and emergency medical services personnel who become members of Public Safety Plan
- Consultant notes (Ice Miller):
 - Does not disqualify the plan
 - Tax reporting implications upon taking a distribution

Bill 41 - Continued

<u>Bill No.</u>	<u>Code § 72(t)</u>	<u>NRA</u>	<u>Code § 415(b) Reduction</u>	<u>Code § 101(h)</u>
25.0045.01000 and 25.0041.01000 Amends the Public Safety Plan to include Dispatchers, Medical Service Personnel and State Correctional Officers.	<u>Correctional Officers and Medical Service Personnel</u> <ul style="list-style-type: none"> Satisfies the definition of a “qualified public safety officer” No 10% early distribution penalty for monthly benefits commenced after age 50 and separation from service <u>Dispatchers</u> <ul style="list-style-type: none"> Does not satisfy the definition of a “qualified public safety officer” Will be subject to a 10% early distribution penalty for monthly benefits commenced before age 55 	<u>Correctional Officers and Medical Service Personnel</u> <ul style="list-style-type: none"> Satisfies the definition of a “qualified public safety officer” Satisfies the NRA Safe Harbor for Qualified Public Safety Officer <u>Dispatchers</u> <ul style="list-style-type: none"> Do not satisfy the definition of a “qualified public safety officer” Will need to demonstrate that the NRA represents the age at which employees customarily retire in the industry. 	<u>Correctional Officers and Medical Services Personnel</u> <ul style="list-style-type: none"> Do not satisfy the definition of “qualified participant” and will not be eligible for the unreduced Code section 415(b) limit. <u>Dispatchers</u> <ul style="list-style-type: none"> Will be considered “qualified participants” only if they are employees of a police or fire department. 	<u>Correctional Officers</u> <ul style="list-style-type: none"> Do not satisfy the definition “public safety officer” and the survivor will not be eligible for the tax-free annuity under Code Section 101(h). <u>Medical Services Personnel</u> <ul style="list-style-type: none"> Satisfies the definition of “public safety officers” and the survivor will be eligible for the tax-free annuity under Code Section 101(h). <u>Dispatchers</u> <ul style="list-style-type: none"> Do not satisfy the definition “public safety officer” and the survivor will not be eligible for the tax-free annuity under Code Section 101(h), unless they are considered law enforcement officers, firefighters, part of a rescue squad or part of an ambulance crew.

Bill 45 – Expands eligibility for the Public Safety Plan to include correctional officers, dispatchers and medical services personnel

- Combines Bill 40 and Bill 41 for expanded eligibility related to state correctional officers, state and political subdivision dispatchers and political subdivision medical services personnel for participation in the Public Safety Plan
- Sets contribution rates, normal/early retirement dates and benefit calculation to mirror political subdivision and state (non-BCI) public safety participation
- Page 16, line 6 should also list correctional officers for clarification
- Only applies to new hires first enrolled on or after the effective date of the Act and would not allow individuals currently working in these positions ability to transfer to the Public Safety Plan
- Impacts same section of Century Code as other draft bills

Bill 45 - Continued

- Consultant notes (GRS):

- Actuarial impact will depend specifically on the number and age of new members who enter the Public Safety Plan
- Eligible employees would otherwise have participated in the Defined Contribution Plan
 - No past service liability
 - No transfers occurring between plans
- May be more competitive benefits for new members

- Consultant notes (Ice Miller):

- Does not disqualify the plan
- Tax reporting implications upon taking a distribution

Bill 45 - Continued

<u>Bill No.</u>	<u>Code § 72(t)</u>	<u>NRA</u>	<u>Code § 415(b) Reduction</u>	<u>Code § 101(h)</u>
<p>25.0045.01000 and 25.0041.01000</p> <p>Amends the Public Safety Plan to include Dispatchers, Medical Service Personnel and State Correctional Officers.</p>	<p><u>Correctional Officers and Medical Service Personnel</u></p> <ul style="list-style-type: none"> Satisfies the definition of a “qualified public safety officer” No 10% early distribution penalty for monthly benefits commenced after age 50 and separation from service <p><u>Dispatchers</u></p> <ul style="list-style-type: none"> Does not satisfy the definition of a “qualified public safety officer” Will be subject to a 10% early distribution penalty for monthly benefits commenced before age 55 	<p><u>Correctional Officers and Medical Service Personnel</u></p> <ul style="list-style-type: none"> Satisfies the definition of a “qualified public safety officer” Satisfies the NRA Safe Harbor for Qualified Public Safety Officer” <p><u>Dispatchers</u></p> <ul style="list-style-type: none"> Do not satisfy the definition of a “qualified public safety officer” Will need to demonstrate that the NRA represents the age at which employees customarily retire in the industry. 	<p><u>Correctional Officers and Medical Services Personnel</u></p> <ul style="list-style-type: none"> Do not satisfy the definition of “qualified participant” and will not be eligible for the unreduced Code section 415(b) limit. <p><u>Dispatchers</u></p> <ul style="list-style-type: none"> Will be considered “qualified participants” only if they are employees of a police or fire department. 	<p><u>Correctional Officers</u></p> <ul style="list-style-type: none"> Do not satisfy the definition “public safety officer” and the survivor will not be eligible for the tax-free annuity under Code Section 101(h). <p><u>Medical Services Personnel</u></p> <ul style="list-style-type: none"> Satisfies the definition of “public safety officers” and the survivor will be eligible for the tax-free annuity under Code Section 101(h). <p><u>Dispatchers</u></p> <ul style="list-style-type: none"> Do not satisfy the definition “public safety officer” and the survivor will not be eligible for the tax-free annuity under Code Section 101(h), unless they are considered law enforcement officers, firefighters, part of a rescue squad or part of an ambulance crew.

Bill 118 – Insulin drugs & diabetic supplies

- SB 2140 passed during the 68th Legislative Session requires NDPERS to submit a bill for consideration to roll the coverage out to the commercial insurance market
- Defines insulin drug, medical supplies for insulin dosing and administration, as well as pharmacy or distributor
- Provides a \$25/month cap on insulin drugs and medical supplies for dosing and administration
 - Note: Stand-alone GLP-1s are not covered under provision of bill
- Stipulates that high-deductible health plans that qualify for health savings account are exempt from this cost-share limit until a member reaches their minimum deductible

Bill 118 - Continued

- Consultant notes (Deloitte):
 - Estimated to have a financial impact on the NDPERS Plan
 - .12% increase in premium or \$1,000,000 in the 2025-2027 biennium
- Section 4 of SB 2140 requires the NDPERS Board to bring forward a report on cost and benefit analysis to append to the bill, along with a recommendation on whether the coverage should be continued

Bill 118 - Continued

- Report Observations:

- For the 2023-2025 biennium, the cost in premium to provide the enhanced coverage of the cap was .14% of premium. There was not funding provided for this cost during the pilot program and therefore, reserves are being used to cover this expense.
- Sanford Health Plan found that the majority of diabetic supplies filled by NDPERS members cost less than the \$25/month cap so there was minimal impact to member cost share after the cap was implemented related to diabetic supplies.
- There are a number of states that have some form of cap on insulin and diabetic supplies. Specific details regarding these states is provided in Attachment 9 and Attachment 12.
- Sanford Health Plan found that even though NDPERS members were paying a lower portion of the charge for insulin at the pharmacy, the health plan's total reimbursements were lower after the cap. This is due to a change that two pharmaceutical companies (Eli Lilly and Novo Nordisk) made effective January 1, 2024, to reduce their prices on insulin (Attachment 10). Those reduced prices resulted in less reimbursement by the plan (Attachment 4) for the final 6 months that data was provided for.
- Estimated member savings per month was \$80.15 due to the cap based upon comparison with prior year claims data (Attachment 3).
- The insulin rate cap eliminated coinsurance on insulin claims between 7/1/2023-6/30/2024. Therefore, none of claims for insulin contributed to the \$1,200 coinsurance maximum on the grandfathered plan. However, coinsurance continued to apply to other pharmacy claims so the \$1,200 coinsurance expense may have been paid by the member on other pharmacy claims during the calendar year.
- Utilization for insulin and diabetic supplies did not change significantly after the inclusion of the insulin/diabetic supplies cap.
- Note that the information provided by Sanford Health Plan are as of the date the data was generated. It is anticipated that there are still claims pending that have not been submitted to SHP for processing that may result in changes.

Bill 118 - Continued

Recommendation:

Recommendation of the NDPERS Board is that this coverage should be continued within the NDPERS active health insurance plans beyond the 2023-2025 biennium.

Bill 138 – Step therapy protocol exceptions

- Adds new section to NDCC 19-02.1 for “step therapy protocol” and “step therapy protocol exceptions”
- Sets criteria & timeframe for review/approval of a request for a step therapy protocol exception
- Note that to the extent this creates a mandate, the bill does not comply with the statutory requirement in NDCC section 54-03-28(3) that health insurance plan mandates first apply to NDPERS
- Consider excluding Medicare Part D plan
- Consultant notes (Deloitte):
 - Estimated to have no financial impact on the NDPERS plan

Bill 142 – PERS health benefit must be ACA compliant

- Requires essential health benefits coverage for eligible state employees and pre-Medicare retirees under NDPERS large employer group plan effective January 1, 2026
 - Moves NDPERS PPO/Basic Grandfathered Plan to be a Non-grandfathered plan
 - Essential health benefits (EHB) adopted by State of ND for individual and small group plan markets
 - NDPERS as a large employer group plan has been excluded from coverage of EHBs requirement
 - Significant differences between ACA requirements for large employer plans vs the individual and small group plan market
 - [Information on Essential Health Benefits \(EHB\) Benchmark Plans | CMS](#)
- Excludes political subdivisions, so NDPERS would maintain Grandfathered PPO/Basic Plan for this population
 - Could impact premium for political subdivisions based upon claims experience without State population
- Removes language regarding district health units and Garrison Diversion participating in same manner as state agencies:
 - Premiums – would change to single/family rather than flat state rate for health insurance plan
 - Could result in loss of grandfathered status and eligibility to be on NDPERS plan
 - Eligibility for other plans within 54-52.1 uniform group would be removed, thus resulting in current district health units losing coverage in other plans:
 - HDHP
 - Dental
 - Vision
 - EAP
 - Life (eligible to participate but would be required to complete administrative agreement)

Bill 142 - Continued

- ACA mandated coverage for **large employer Non-grandfathered plans**:
 - Copayments apply towards Out-of-Pocket Maximums
 - Colonoscopies covered at 100%
 - Additional well child-care coverage
 - Preventative screening for adults covered at 100%
 - Tobacco cessation services
 - Contraception covered at 100%
 - Breast pumps
 - Routine prenatal and postnatal care
 - Lactation counseling
 - List is not all inclusive
- NDPERS already administers a Non-grandfathered PPO/Basic Plan with these mandated benefits for Political Subdivisions. Currently 2 political subdivisions participate.
- More specific language indicating if intent of law is to require ACA mandated large group coverage would be beneficial

Bill 142 - Continued

- Essential health benefits in ND for individual and small group markets:
 - Ambulatory patient services
 - Emergency services
 - Maternity and newborn care
 - Mental health and substance abuse disorders, including behavioral health treatment
 - Prescription drugs
 - Rehabilitative and habilitative services and devices
 - Laboratory services
 - Preventive and wellness services including chronic disease management
 - Pediatric services, including oral and vision care
 - Currently covered under the dental and vision plan if member carries coverage
- All these essential health benefits are covered under the NDPERS Uniform Group Insurance Program (NDCC 54-52.1).
 - Pediatric services for oral and vision would be required to be within health plan, not separate dental and vision plan

Bill 142 - Continued

- Additional enhancements to State's Essential Health Benefits for PY 2025 for individual and small group market:

Additional EHBs now subject to being included into an ACA compliant plan would be:

- **Insulin/insulin supplies** – Limited out-of-pocket costs for diabetes, providing a limited cost-sharing for a 30-day supply of covered insulin drugs, not to exceed \$25, regardless of the quantity or type of insulin, and of covered medical supplies for insulin dosing and administration, not to exceed \$25, regardless of the quantity or manufacturer of supplies.
- **Hearing aids** - Coverage for one hearing aid per hearing-impaired ear every 36 months or more often if there is a significant change in the insured's hearing status as determined by the licensed physician or audiologist.
- **Nutritional counseling*** - Coverage for dietary or nutritional screening, counseling, and therapy for obesity, diabetes-related diagnosis, or a chronic illness or condition that could be managed through nutritional or weight loss programs, up to 12 sessions every policy year, if prescribed by the insured's physician. This would also include coverage for the use of GLP1 and GIP drugs as therapy for prevention of diabetes and treatment of insulin resistance, metabolic syndrome or morbid obesity.
- **Periodontal disease** - Coverage for diagnosis and treatment of periodontal disease in acute or chronic disease state if recommended by a board-certified medical practitioner based on health-related impacts or on further deterioration in disease state due to gum disease.
- **PET scans** - Coverage for position emission tomography scans for an insured who has a prostate cancer diagnosis, including an insured who is in remission or who is cured, which would include at least two different types of position emission tomography scans upon initial diagnosis if requested by a physician, and one position emission tomography scan every 6 months for the life of the insured.
- **Opioid benefits** - Plan steps to address the opioid epidemic, including limiting opioid prescriptions to 7 days, removing barriers such as prior authorization for drugs used in the treatment of opioid use disorder or opioid replacement drugs; and requiring a prescription for an easy-to-use overdose antidote when prescribing high-dose opioids
- *It is notable to highlight coverage of GLP1s for insulin resistance, metabolic syndrome or morbid obesity as a new EHB that would be within the scope of this bill.

Bill 142 - Continued

- Consultant notes (Deloitte):
 - Moving the State from NDPERS Grandfathered PPO/Basic Plan to Non-grandfathered PPO/Basic Plan as a large employer group is estimated to cost \$21,040,000 or approximately 3% of premium
 - If intent of bill is to require enhanced ACA coverage required of a large group, language could be modified to clarify this intent. This coverage would include:
 - copayments applying to out-of-pocket maximums
 - colonoscopy coverage at 100%
 - contraception coverage at 100%
 - additional adult preventative screenings
 - Additional well-child coverage
 - Additional coverages as provided on slide 15
 - Requiring current essential health benefits adds minimal cost given NDPERS health plan currently covers these benefits

Bill 142 - Continued

Consultant notes (Deloitte) continued:

- However, enhancements being made for PY 2025 to the list of essential health benefits coverage could add significant cost
- Specifically, the coverage of glucagon-like peptide-1 (GLP-1s) and gastric inhibitory polypeptide (GIP) drugs for morbid obesity (currently not covered) and diabetes (currently covered):
 - Cost range varies depending upon eligibility criteria for coverage, which will drive size of insured population eligible for drugs:
 - BMI over 40, estimated NDPERS health plan population = @ 8.3% with estimated cost to plan of .45% to .9% of premium, or \$3,500,000
 - BMI over 30, estimated NDPERS health plan population = @ 35% with estimated cost to plan of 2% of premium, or \$16,000,000
 - BMI over 27, estimated NDPERS health plan population = @ 55% with estimated cost to plan of 3.1% of premium, or \$25,000,000
 - Other factors that could influence financial impact of GLP-1 and GIP coverage:
 - Gender breakdown of eligible members
 - Type of GLP-1 drug being used
 - Weight lost that will be sustained by members using GLP-1 drugs
 - Dosage for weight loss can be different than dosage for diabetes
 - Adherence rate for weight loss may fluctuate
 - GLP-1s for weight loss may lower the impact of other comorbidities for members, therefore, other medical costs may be avoided
 - Helpful if language were provided in bill draft to give direction on intent of coverage, specify terms for criteria
 - May result in premium estimate changes
 - Additional reporting requirements of ACA include Transparency in Coverage reporting, RxDC reporting and the No Surprises Act attestations
 - Could result in more frequent updates in plan administration if federal government adjusts rules impacting the section of federal code referenced in bill

Bill 142 - Continued

- Consultant notes (Ice Miller):
 - Restrictions removed due to loss of grandfathered status:
 - Coverage can be modified without regard to limits placed on a grandfathered plan (deductible, copayments, coinsurance, elimination of benefits)
 - Share of premium paid by employees could be modified without regard to limits placed on a grandfathered plan
 - Remaining restrictions:
 - Non-grandfathered plans have cost-sharing limitations (self-only coverage may not exceed \$9,450 in 2024)
 - Amount charged to an employee towards single coverage must be affordable under ACA regulations to avoid tax penalties
 - Coverage must provide “minimum value” to avoid tax penalties
 - Transparency in coverage requirements at federal level for non-grandfathered employer plans and health insurers

Questions?



Email rfricke@nd.gov
Call (701) 328-3978



Proposed Legislation Consultant Analysis

October 31, 2024

Rebecca Fricke, Executive Director



Bill 142 – PERS health benefit must be ACA large employer group compliant

- Requires non-grandfathered large employer group coverage, in addition to existing grandfathered plan coverage, for eligible state employees and pre-Medicare retirees
- Excludes political subdivisions participating in NDPERS grandfathered plan
 - NDPERS would maintain Grandfathered PPO/Basic Plan for this population
 - Majority of participating political subdivisions are small and therefore, if they lose grandfathered status, they lose eligibility to participate in NDPERS health insurance
- Removes language regarding district health units and Garrison Diversion participating in same manner as state agencies:
 - Requires same premium structure, thus could charge similar flat rate as currently done, rather than single/family rate

Bill 142 - Continued

- ACA mandated coverage for **large employer Non-grandfathered plans**:
 - Copayments apply towards Out-of-Pocket Maximums
 - Preventive colonoscopies covered at 100%
 - Contraception covered at 100%
 - Additional well child-care coverage
 - Preventative screening for adults covered at 100%
 - Tobacco cessation services
 - Breast pumps
 - Routine prenatal and postnatal care
 - Lactation counseling

- List is not all inclusive
- NDPERS already administers a large employer non-grandfathered PPO/Basic Plan with these mandated benefits
 - Includes existing grandfathered PPO/Basic Plan coverage
 - Such as infertility benefit, prosthetic repair & replacement with prior authorization
 - Member cost share for existing coverage may change
 - Currently 2 political subdivisions participate

Bill 142 - Continued

- Consultant notes (Deloitte):
 - Moving the State from NDPERS grandfathered PPO/Basic Plan to non-grandfathered PPO/Basic Plan as a large employer group is estimated to cost the State and pre-Medicare groups \$26,353,000 or approximately 3.9% of premium
 - Anticipated utilization increase once benefits available result in @ 1% additional cost (included)
 - Could result in higher (or lower) premiums for political subdivisions that remain in grandfathered plan
 - Pool of employees will be separate for state and political subdivisions
 - Claims experience of new groups will determine premiums for each group separately rather than as part of one larger pool
 - Additional reporting requirements of ACA include Transparency in Coverage reporting, RxDC reporting and the No Surprises Act attestations

Bill 142 - Continued

- Consultant notes (Ice Miller):
 - May want to consider following changes:
 - Page 2, line 21 add “group” so it reads “A non-grandfathered group health plan...”
 - Page 3, line 14, modify to indicate “Non-grandfathered health plan” means:
 - “a plan that is not a grandfathered health plan as that term is defined by 42 U.S.C. 18011(e)”
 - remove “does not qualify as amended by the Health Care and Education Reconciliation Act of 2010 [Pub. L. 111-152]”
 - Providing clarification on benefits to be preserved as of the date of the amendment’s enactment
 - Consider defining grandfathered plan available for political subdivisions
 - Restrictions removed due to loss of grandfathered status:
 - Coverage can be modified without regard to limits placed on a grandfathered plan (deductible, copayments, coinsurance, elimination of benefits, as long as, not ACA mandated for large employer group)
 - Share of premium paid by employees could be modified without regard to limits placed on a grandfathered plan
 - Remaining restrictions:
 - Non-grandfathered plans have cost-sharing limitations (self-only coverage may not exceed \$9,450, family coverage may not exceed \$18,900 in 2024)
 - Amount charged to an employee towards single coverage must be affordable under ACA regulations to avoid tax penalties
 - Coverage must provide “minimum value” to avoid tax penalties
 - Transparency in coverage requirements at federal level for non-grandfathered employer plans and health insurers

Questions?



Email rfricke@nd.gov
Call (701) 328-3978





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Memorandum

TO: NDPERS Board

FROM: Rebecca

DATE: November 12, 2024

SUBJECT: 2025 Regular Board Meeting Dates

Below are proposed regular meeting dates and times for calendar year 2025. The dates and times include those discussed at the October meeting for scheduling Legislative Session. Historically, the meetings are on the second Tuesday of each month, other than August and October.

The second date in October is necessary because of the time it takes our actuary to complete the valuations of our retirement plans. In reviewing schedules and the availability of the WSI Board Room, staff recommend having the meeting either on October 29th at 8:30 a.m., October 30th at 1:00 p.m., or October 31st at 8:30 a.m. Staff ask the Board for direction on which date they prefer.

Also, given November 11th is the 2nd Tuesday in November but is a state holiday (Veteran's Day), staff propose holding the November regular meeting on November 12th.

Please review the following dates and check your availability. As a reminder, virtual attendance continues to be an option for attendance.

NDPERS Board 2025 Proposed Regular Meeting Dates:

January 6 th	1 st Monday 8:30 AM	WSI Board Room
February 7 th	1 st Friday 2:00 PM	WSI Board Room
March 4 th	1 st Tuesday 8:30 AM	WSI Board Room
April 4 th	1 st Friday 2:00 PM	WSI Board Room
May 13 th	1 st Tuesday 8:30 AM	WSI Board Room
June 10 th	2 nd Tuesday 8:30 AM	WSI Board Room
July 8 th	2 nd Tuesday 8:30 AM	WSI Board Room
August 19 th	3 rd Tuesday 8:30 AM	WSI Board Room
September 9 th	2 nd Tuesday 8:30 AM	WSI Board Room

October 14 th	2 nd Tuesday 8:30 AM	WSI Board Room
October 29 th	5 th Wednesday 8:30 AM	WSI Board Room
<i>or</i>		
October 30 th	5 th Thursday 1:00 PM	WSI Board Room
<i>or</i>		
October 31 st	5 th Friday 8:30 AM	WSI Board Room
November 12 th	2 nd Wednesday 8:30 AM	WSI Board Room
December 9 th	2 nd Tuesday 8:30 AM	WSI Board Room

Board Action Requested: A motion to approve or modify the 2025 proposed regular meeting dates.



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Memorandum

TO: NDPERS Board

FROM: Rebecca

DATE: November 12, 2024

SUBJECT: Contracts under \$10,000

Attached is a document that shows the contracts under \$10,000 that have been signed since the last update. Please let me know if you have any questions on any of these contracts.

This topic is informational only.

All Contracts Signed During 2024:

Vendor	Amount	Notes
CliftonLarsonAllen	\$ -	GASB 68 & 75 Representation Lettess
TIAA	\$ -	Termination notice due to recordkeeper award
BND	\$ 909.00	Staff Years of Service Awards (Gift Cards)
City of Berthold	\$ -	Joined Life Insurance Plan 3/1/2024
Mandaree Public Schools	\$ -	Joined Deferred Compensation Plan 3/1/2024
Interoffice	\$ 1,179.44	Office Chair
Emmons County	\$ -	Joined Public Safety Plan 4/1/2024
City of Leeds	\$ -	Joined Defined Benefit Plan 4/1/2024
City of Leeds	\$ -	Joined Deferred Compensation Plan 4/1/2024
City of Emerado	\$ -	Joined Public Safety Plan 2/1/2024
City of Riverdale	\$ -	Joined Defined Benefit Plan 4/1/2024
City of Riverdale	\$ -	Joined Deferred Compensatoin Plan 4/1/2024
Fireside	\$ 3,079.80	5 year total lease on multi-function printer
Advanced Business Methods	\$ 5,713.20	5 year total lease on document scanner
Eddy County	\$ -	Joined Life Insurance Plan 5/1/2024
Galliard Fund Agreements	\$ -	Lowering the share class in the Galliard investments in the 401(a) & 457 Plans
Larimore Public School	\$ -	Joined Deferred Compensation Plan 1/1/2025
TIAA Deconversion Guide	\$ -	Strategy guide with TIAA for deconvertig to Empower
TIAA Letter of Direction	\$ -	Direction to pay out RMDs & scheduled installments early with TIAA prior to blackout
Empower Letter of Instruction	\$ -	Letter of instruction on brokerage account in 457 and 401(a) plans
Empower Brokerage Application	\$ -	Application on brokerage account in 457 and 401(a) plans
TIAA Custodial Agreement Terminations	\$ -	Termination of Custodial Agreements with TIAA for both the 457 and 401(a) Plans
TIAA Record Keeper Amendment	\$ -	Authorization for TIAA to pull recordkeeper fees through June 2024
Beulah Public School # 27	\$ -	Joined Deferred Compensation Plan 7/1/2024
TIAA Brokerage Re-Registration Letter	\$ -	Authorizes the transfer of brokerage acocunts on both the 457 and 401(a) Plans
Empower Brokerage Transfer Request Form	\$ -	Authorizes the transfer of brokerage acocunts on both the 457 and 401(a) Plans
Empower Plan Asset Transfer & Investment Direction	\$ -	Directs the investments of brokerage acocunts on both the 457 and 401(a) Plans
Inter Office	\$ 824.76	Rising legs for standing desk
Advanced Business Methods	\$ 3,930.00	5 year total lease on multi-function printer
Steele County	\$ -	Joined Public Safety Plan 7/1/2024
City of Grand Forks	\$ -	Joined Deferred Compensation Plan 9/1/2024
Fargo Public Schools	\$ -	Joined Deferred Compensation Plan 1/1/2025
Garrison Public Schools	\$ -	Joined Deferred Compensation Plan 7/1/2024
Empower	\$ -	Staff setup on plan sponsor website
Oliver Mercer Special Education	\$ -	Joined Deferred Compensation Plan 7/1/2024
Central Cass School District	\$ -	Joined Deferred Compensation Plan 7/1/2024
Grand Forks Public Library	\$ -	Joined Deferred Compensation Plan 9/1/2024
Tri-County Water District	\$ -	Joined Defined Benefit Plan and Deferred Compensation Plan 8/1/2024
Inter-office	\$ 1,206.66	Office Chair
Northern Cass School District	\$ -	Joined Deferred Compensation Plan 1/1/2025
Empower	\$ -	401(a) NDPERS Admin Fee Agreement
Oakes Public School District	\$ -	Joined Deferred Compensation Plan 1/1/2025
Western Education Regional Cooperative	\$ -	Joined Defined Benefit Plan, Deferred Compensation Plan and Life Plan 10/1/2024
Parshall School District	\$ -	Joined Defined Benefit Plan 9/1/2024
City of Jamestown	\$ -	Joined Public Safety Plan 11/1/2024
City of Rugby	\$ -	Joined Public Safety Plan 11/1/2024
Lake Metigoshe Recreation Service District	\$ -	Joined Deferred Compensation Plan 10/1/2024
IRS	\$ -	Power of Attorney & Penalty of Perjury Statement for 401(a) IRS Determination Letter
Jamestown Parks & Recreation District	\$ -	Joined Deferred Compensation Plan 1/1/2025
Tri-County Water District	\$ -	Terminated election to join Defined Benefit 8/1/2024

Contracts Signed Since Last Reported:

Jamestown Public Schools	\$ -	Joined Deferred Compensation Plan 1/1/2025
Eddy County	\$ -	Joined Public Safety Plan 11/1/2024
Divide County	\$ -	Joined Public Safety Plan 1/1/2025
IRS	\$ -	Power of Attorney & Penalty of Perjury Statement for 457(b) IRS Private Letter Ruling
Ramsey County	\$ -	Joined Public Safety Plan 1/1/2025
Empower	\$ -	Acceptance of Mass Transfer Balances (Letter of Direction - Special Election Trasfers)
Grand Forks County	\$ -	Joined Deferred Compensation Plan 1/1/2025
City of Fairmount	\$ -	Joined Defined Benefit Plan and Deferred Compensation Plan 12/1/2024
Kulm Public School	\$ -	Joined Deferred Compensation Plan effective 11/1/2024
Devils Lake Public Schools	\$ -	Joined Deferred Compensation Plan 1/1/2025
James River Multi-District Specal Eduation Unit	\$ -	Joined Deferred Compensation Plan effective 1/1/2025