



Northern Mariana Islands Retirement Fund DC Retirement Plan In-Service Plan Distribution Form

You are about to make a decision that could greatly affect your plans for retirement. Please read this page, as well as the Special Tax Notice very carefully before completing the attached distribution request form.

When withdrawing from your account, you really have four options for your retirement account balance:



- **Rollover to your new Employer** (If permitted by your new Employer's retirement plan.)
- **Rollover to an IRA**
- **Partial or Lump Sum Distribution** (If you are not 59 ½ years old, you will be subject to a 10% penalty for withdrawals from the tax-deferred portion of your account.)

If you are like most plan participants, you might think that there is little harm in taking the balance of your distribution in cash. **Think Again!**

Did you know for every **\$1,000** you take out of your plan on your 30th birthday, you could be costing yourself **\$16,000** of retirement income (assumes you earn 9.74% per year and retire at age 65). **That's right!**



For an idea on how much your current balance could grow to by the time you retire, please see the following chart:

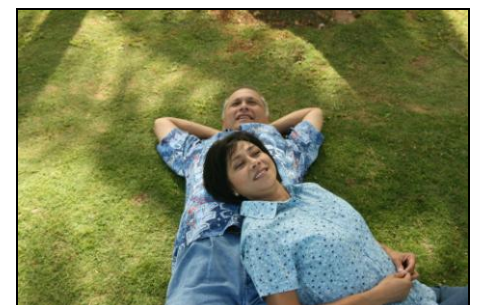
The Potential Growth of \$1,000

Years To Retirement	Conservative Investor 5.03%	Moderate Investor 7.44%	Aggressive Investor 9.74%
5	\$1,278	\$1,431	\$1,591
10	1,633	2,049	2,533
15	2,088	2,934	4,032
20	2,669	4,200	6,416
25	3,410	6,014	10,212
30	4,359	8,609	16,253
35	5,571	12,325	25,868
40	7,120	17,645	41,172

With this in mind, be very careful before you take your money in cash. If you are considering taking your balance in cash, ask yourself the following two questions:

- ▶ **Is the reason for taking this money in cash an emergency?**
- ▶ **In 10 years, can you look back and say it was important to take out the cash?**

If it is, take the money in cash. If not, roll your money over to your next employer or to an IRA and keep your retirement savings working for you.



Who can withdraw from the NMI DC Plan while employed with the NMI Government?

If you are still employed with the NMI Government, you are able to take an in-service withdrawal from your account if you opened the account at least 2 years ago. If you have less than 5 years of service with the NMI Government, you are only able to withdraw your vested portion of the Employer 4% Contributions. You may withdraw 100% of your Employee Mandatory and Voluntary Contributions and Rollovers.

For more information, see the Summary Plan Description or call the ASC Saipan Office.

Information contained herein has been obtained from sources believed reliable, but it is not necessarily complete and cannot be guaranteed. For specifics about the Plan, please refer to the governing Plan Document. Plan participants should seek advice based on the taxpayer's circumstances from a tax advisor.



A valid photo ID must be attached to this request.

Please read the attached "Special Tax Notice Regarding Plan Payments" before completing this form.

Government Agency Name _____

Your Name (Last Name, First Name) _____

Social Security Number _____

Mailing Address _____

City _____

State/Territory _____

ZIP _____

Contact Number(s) - Text Message Notifications: _____ Please initial here if this is a mobile number capable of receiving text message notifications. With your initials, you acknowledge that message and data rates may be charged to you by your carrier.

E-mail Address _____

Marital Status: Not Married Married - Spouse Name: _____

A. Request for a Rollover to Your Next Employer

(If withdrawing after-tax money, please confirm that your new Employer's plan will accept it.)

- I would like to rollover \$ _____ or _____ % of my vested balance to another qualified retirement plan¹.
- My new employer has a plan maintained by ASC, **please waive all fees associated with this distribution.**
 - My new employer's plan is not maintained by ASC, **please debit my account \$25.00 for processing.**

Check Payable: Trustee / Third Party Administrator / Plan Name _____

Plan Account Number _____

Check Mailed To: Mailing Address _____

City _____

State/Territory _____

ZIP _____

B. Request for a Rollover to an IRA (Roth or Traditional Individual Retirement Acct)

- I would like to rollover \$ _____ or _____ % of my vested balance to a Traditional IRA Roth IRA¹.
- Please waive all fees.** I would like to Rollover my Balance to the ASC Trust IRA Program. With this, please transfer my existing account balances into my own personalized account using the same or like investment options as I am currently invested in. ASC Trust will send me the appropriate paperwork on my account.
 - I would like to transfer my account balance to the following IRA Account, **please debit my account \$25.00 for processing.**

Check Payable: Trustee / Third Party Administrator / IRA Account Name _____

IRA Account Number _____

Check Mailed To: Mailing Address _____

City _____

State/Territory _____

ZIP _____

C. Request for a Direct Payment to You

- Please issue a distribution paid directly to me equal to \$ _____ or _____ % of my vested balance. **I understand that there is a \$25.00 processing fee for distributions.**
- I would like a check issued to me.
 - I would like an automatic deposit to my bank account (ACH). By electing payout by ACH, I understand and agree to all ACH rules. I have attached a **bank certification** or **voided check** that contains the valid ACH routing number and bank account number. My _____ bank account is a:
 - () Savings Account # _____ Routing # _____
 - () Checking Account # _____ Routing # _____

By electing a Direct Deposit (ACH) and by signing below, I hereby authorize ASC TRUST LLC 1.) to initiate credit entries to the depository financial institution named above 2.) to initiate debit entries to adjust for processing errors. I acknowledge that the origination of ACH transactions to my account must comply with the provisions of U.S. law.

Further, I understand that my distribution may be subject to 20% Mandatory Federal Income Tax Withholding. Read the Special Tax Notice for more details.

Certification: I have read this payment request and affirm that the above information and elections made are accurate and any payments made by the Trustee pursuant to the above (subject to terms of the plan of the above name employer) will relieve the Trustee of any liability. I have also read the "Special Tax Notice Regarding Plan Payments", and understand that Federal Tax will be withheld at 20% on the taxable portion unless I elect a Direct Rollover of my "eligible rollover distribution". I certify that the above information is true and correct to the best of my knowledge.

Signature of Participant or Beneficiary** _____

Date _____

Plan Administrator Signature _____

Date _____

Plan Representative/Notary as Witness to Participant Signature _____ Date _____

¹ If I have requested less than 100% of my vested balance to be rolled over, the remainder of my distribution will be issued as a separate check made payable to me with Federal Tax Withheld at 20% on the taxable portion.



Government Agency Name

Your Name (Last Name, First Name)

Social Security Number

_____/_____/_____
Date of Birth
(mm/dd/yy)

_____/_____/_____
Date of Hire
(mm/dd/yy)

Section 1

For Plan Administrator Use Only:

Date of first contribution
(PPE)

Reason for Distribution: In-Service Withdrawal – minimum 2 years participation
 From Rollover Account

Plan Administrator Signature and Title for Employer

_____/_____/_____
Date

Section 2

For ASC Use Only:

To Plan Administrator:

Based on the information above and prior census information provided to ASC, our records reflect that this participant is

VESTED at _____%.

Confirmation of Vesting Percentage

(for Plan Administrator to complete and return to ASC for processing):

Section 3

[____] As Plan Administrator or Authorized Signatory, I agree with the above vesting percentage and authorize ASC to process this distribution request at the indicated vested percentage rate above.

[____] As Plan Administrator or Authorized Signatory, I do not agree with the above vesting percentage and authorize ASC to process this distribution request at a **Vested Percentage Rate of _____% for Employer Match** and **Vested Percentage Rate of _____% for Employer Base Contribution.**

Plan Administrator Signature and Title for Employer

_____/_____/_____
Date

NMI Defined Contribution Plan Social Security Acknowledgement Form

There is a lot of misinformation going around regarding Social Security Retirement Benefits. Before you complete your distribution request, please make sure you understand all the facts as your decision is permanent and might have adverse effects on your ability to retire.

- Effective 2012, all employees of the NMI Government were enrolled in the U.S. Social Security System.
- However, just because you were enrolled into the Social Security System, **does NOT guarantee that you will receive retirement benefits.**
- In order to become eligible for Social Security Retirement Benefits, you need to accumulate 40 credits (10 Years) while being covered by Social Security.
- By working 10 years you become eligible. However, your eligible benefits are computed using your average pay over 35 years (Average Indexed Monthly Earnings - AIME).

An Example is as follows:

Employee A: Worked 35 Years, with average pay of \$21,511.93.

Total highest annual pay:	\$752,917.50
Average Indexed Monthly Earnings:	\$ 1,792.66

Employee B: Worked 10 Years, with average pay of \$21,511.93

Total highest annual pay:	\$215,119.29
Average Indexed Monthly Earnings:	\$ 512.19

If you will not have 35 years of eligible employment prior to retiring, you will need your DB and DC money to make up for the shortfall.

WE NEED TO STRESS, THIS FORM IS A SIMPLE SUMMARY. Please make sure you read the Social Security - Retirement Benefit handout prior to completing a distribution form or go online at: www.socialsecurity.gov/estimator.

Verification of Understanding

By signing this form, you confirm that you have received a copy of the Social Security-Retirement handout and that you understand that taking a distribution prior to retirement may have adverse effects on your ability to retire.

Employee Signature

Date

Administrators Signature

Date