

# NATIONAL EMPLOYERS RETIREMENT TRUST Employer/Plan Sponsor's Administration Manual

WELCOME TO NERT -- A GROUP RETIREMENT TRUST PROVIDING STATE-OF-THE-ART PLAN ADMINISTRATION

# **ENROLLMENTS AND CONTRIBUTIONS**

#### WEB ENROLLMENT

To enroll a new employee, log in as the plan sponsor, click Sponsor Information and choose Add New Employee. Once you enter the information, we'll add the new participant to the system. We will send the employee a brochure with Personal Identification Number (PIN) and login information for them to complete their web enrollment.

Participants who enroll online will submit this electronically to us so we can begin setting up accounts. However, they are also instructed to print out a copy for you, so that you can verify information and set up the appropriate withholdings with your payroll provider.

If you wish, you may email us at <u>info@nert.com</u> to request paper enrollment packets for new participants.

#### MANUAL/PAPER ENROLLMENTS

To manually enroll a new participant, we need the following items:

- Investment Election Form either the standard form or the Model Portfolio form (if we don't receive investment instructions, any funds received go automatically to the Provident Guaranteed Fund).
- Enrollment Form with basic employee census data.
- Beneficiary Election Form.

Please note that on both web and paper enrollments, the company administrator must sign authorizing the payroll elections.

#### REMITTING CONTRIBUTIONS

In order to process ongoing 401(k) contributions, we need the following items:

- A check made payable to *National Employers Retirement Trust (NERT)*, FBO your plan name.
- A payroll report or spreadsheet listing the dollar amount of the contribution attributable to each employee. If you are sending in matching contributions along with employee deferrals, we need to know the amount of each type of contribution for each participant.

- Participant loan payments must be noted separately from pre-tax deferral and matching contributions. Participant loan payments are NOT 401(k) contributions and need to be deducted from payroll on an after-tax basis.
- You can issue one check to cover deferrals, matching contributions and loan payments.
- For terminated employees, please provide their termination dates and the number of hours they worked during the current plan year.
- Mail these items to us at the following address:

National Employers Retirement Trust Office of the Administrator 4701 Sangamore Rd., Suite 205 South Bethesda, MD 20816

We'll send you a receipt confirming that we received your contribution check.

Under IRS regulations, employee contributions must be remitted to the trust as soon as possible, but no later than the 15<sup>th</sup> working day of the month after the month in which they were made. For example, contributions made for September 2003 payroll periods must be remitted to NERT by October 21st. After 5-7 business days to allow for mailing to us, bank deposit and clearance, processing to the accounts, and confirmation from the mutual funds of purchases made, the funds will then appear in participant accounts.

## VISITING THE WEBSITE

#### LOGGING ON

To access our website, go to http://www.nert.com. Hit the "Enter" key and you'll then be at our home page. To log in as the plan sponsor, click the Plan Sponsor tab on the right side of the page, and enter your Social Security number (without hyphens) and PIN. Plan sponsors use the same PIN and SSN for logging in as a participant and plan sponsor.

Plan sponsors/administrators will have five-digit PINs; participants use a four-digit PIN. To change a PIN to a number the employee selects or a random one, the employee needs to notify us in writing. Employees can request that their account balances not be available on the Internet.

#### ACCESSING ACCOUNT BALANCES

Account balance information is available by clicking the Account Information tab.

The online account balances reflect the closing price as of the previous day. Please note that account balances may not be accessible while we re-load the daily unit prices and the participant data base for each fund. Participants can print out their online account balances from the browser.

If a participant has an IRA and a 401(k) account with NERT, both accounts will show on the Account Inquiry screen and will be combined in the totals. This combination only applies to the website interface; on our pension database the two accounts are segregated. All other reports on the website will apply only to the plan the employee has selected.

## **PARTICIPANT FORMS**

Many of the forms your participants will need are available under the "For the Employee" icon. These can be printed from the screen. For security reasons, we ask that participants complete forms changing beneficiaries, investment elections or contribution amounts in writing and return them to you. Please keep a copy for your records and then forward the originals to us.

- ~ INVESTMENT OPTIONS a description of each fund with links to many of the funds' home pages
- Fund Performance This includes each fund's investment year-to-date performance as of the end of the preceding month, as well as calendar year one, three and five year returns. Updated figures are generally available online by the 15<sup>th</sup> of the month, once the mutual funds get the numbers to us.
- ~ PARTICIPANT FORMS THESE FORMS ARE CURRENTLY ONLINE:

**CONTRIBUTION ELECTION FORM** - complete to start, change or suspend payroll deductions under the plan

**INVESTMENT ELECTION FORM** - complete to tell us how to invest initial contributions **INVESTMENT TRANSFER FORM** - complete to change existing investment elections or to transfer between funds

**BENEFICIARY DESIGNATION** - select or change account beneficiaries **TAX SUMMARY** - explanation of tax effects of the various forms of distributions available **DISTRIBUTION REQUEST** - to be completed by terminated employees. Additional information may be required, depending on the participant's form of distribution and amount involved.

### WHEN AN EMPLOYEE TERMINATES

Participants can download and complete distribution forms from the NERT website. However, they must submit the completed forms to you for authorization/signature. If we receive a distribution form directly from the participant and it needs a signature, we'll fax it to you for completion. We will also need the following information:

- Termination date
- Number of hours worked in current plan year
- Confirmation that all contributions for this employee been remitted (final deferral/match/employer year-end contribution, if applicable)
- Spouse's written/notarized consent to the distribution, if:
  - employee is married
  - account balance is over \$5,000
  - employee is taking funds as a lump sum or transfer to IRA

As plan administrator, you are authorized to witness a spousal consent, or it can be performed by a notary. Once all paperwork is in good order, we will request the trade to make the distribution. Checks are issued within 7-10 business days. Please remind participants that pension funds are not instant cash and that these procedures are in place to protect the rights and benefits of all plan participants.

NERT will issue Form 1099-R reporting the distribution in January of the following year.

## PARTICIPANT LOANS

### CALL YOUR NERT ADMINISTRATOR FOR THESE FORMS:

Participant Loan Application (for those plans permitting loans)

Participant website directions

Personal Identification Number (PIN) Report

Investment Elections Report (to confirm percentage allocations to each fund)

Direct Rollover Request — to transfer funds from a former employer's plan into your plan

IRA Direct Rollover Request — to transfer funds into an IRA

IRA Applications and brochures

Annual Report plan information and census request

Fund prospectuses

IF YOU NEED A FORM NOT LISTED HERE, CALL US! WE MAY HAVE SOMETHING SIMILAR ON HAND THAT WE CAN CUSTOMIZE TO MEET YOUR NEEDS.

If you have any questions about your accounts, need additional information, or have suggestions on improving the reports, participant forms or website, you can e-mail us any time at info@nert.com.

THANK YOU FOR PARTICIPATING IN THE NATIONAL EMPLOYERS RETIREMENT TRUST!