{stdlongdate} Member ID: {stdMbrPERSLinkID}

{stdMbrFullName}

{stdMbrAdrCorStreet1}

{x stdMbrAdrCorStreet2}

{stdMbrAdrCorCity} {stdMbrAdrCorState} {stdMbrAdrCorZip}

**RE: RETIREMENT ACCOUNT**

Dear {stdMbrSalutation}:

The following are your options regarding your retirement account with NDPERS in the event you terminate your membership with NDPERS and become a member of TIAA through the ND Board of Higher Education. The information on your account is based on the last contribution received, which was for {LastContributionMonthYear}. Please keep in mind that in order to receive a lump sum distribution as, you must terminate your employment and be off payroll of all covered employers for 31 days.

**OPTION 1**

Upon obtaining 36 months of service credit between NDPERS & TIAA, you can transfer both the employer and employee contributions that were made on your behalf to NDPERS to TIAA, as long as you remain employed at the time of the transfer with the ND Board of Higher Education. Your current member account balance is ${AcctBalance} and the employer contributions made on your behalf are approximately ${EmployerContr}. Currently, you have {TVSC} months of service credit on file at NDPERS. If you elect this option, then the following forms must be completed:

Notice of Membership Transfer to TIAA SFN 50084

Verification of Present Employment SFN 18742

**OPTION 2**

You can defer your retirement benefit at NDPERS. Upon termination of employment, you can choose to have your member account balance directly rolled over into a traditional/ROTH IRA or another eligible employer plan. Your member account balance is ${AcctBalance} and the entire account balance is eligible to rollover. By doing this, your payment would not be taxed until such a time when you take it out of the IRA or other qualified plan. Under this option you forfeit the employer contributions that you have not become vested in through participation in PEP, approximately ${EmployerContr}.

**OPTION 3**

You can defer your retirement benefit at NDPERS. Upon termination of employment, you can choose to have your member account balance account paid directly to you. If you choose this option you will only receive 80% of the taxable portion of your account balance (all of your account is taxable), because we are required to withhold 20% of the payment and send it to the IRS as Federal income tax. Also if you are under age 59 1/2, you also may be subject to an additional 10% penalty for early withdrawal. Under this option you forfeit the employer contributions that you have not become vested in through participation in PEP.

**OPTION 4**

You can elect a Deferred Vested Benefit. This is designed for vested members who don't want to begin receiving a monthly benefit or who are not yet 55 years old and/or do not meet the Rule of 85.

{x when vested has “N”}

You are not currently vested. However, service credit that you accrue within the ND Board of Higher Education system can be credited at NDPERS for determining vesting and Rule eligibility as long as you are eligible for benefits from TIAA for those months.

{x endblock}

{x when vested has “Y”}

You are currently vested.

{x endblock}

To elect to defer your retirement benefit at NDPERS, a Notice of Deferred Retirement kit must be completed and submitted to NDPERS.

If a member takes a lump sum distribution from NDPERS, whether it is rolled over or paid directly to the member, the member is only entitled to the member’s account balance. The member’s account balance is made up of employee contributions, any portion of the employer contributions that the member became vested in through participation in PEP, plus interest. The portion of the employer contribution that the member is not vested in is automatically forfeited. The only time that all of the employer contributions can be distributed is when an eligible member is transferring their NDPERS account to ND Board of Higher Education with TIAA.

If you have any questions, please call NDPERS at {stdNDPERSPhoneNumber} or {stdNDPERSTollFreePhoneNumber}.

Sincerely,

NDPERS Benefits Division

Enclosures - Notice of Membership Transfer to TIAA SFN 50084

Verification of Present Employment SFN 18742

{tmp SFN-50084}

{tmp SFN-18742}