{stdlongdate} Member ID: {stdMbrPERSLinkID}

{stdMbrFullName}

{stdMbrAdrCorStreet1}

{x stdMbrAdrCorStreet2}

{stdMbrAdrCorCity} {stdMbrAdrCorState} {stdMbrAdrCorZip}

**RE: Defined Contribution Retirement Program Election SFN 52170**

Dear {stdMbrSalutation}:

{x when LetterNo has “1”}

As an eligible employee of the State of North Dakota you are automatically enrolled in the Defined Benefit Hybrid Retirement Plan. During the first six (6) months of your employment, you have the option to choose whether you wish to remain in the Defined Benefit Hybrid Retirement Plan or enroll in the Defined Contribution Retirement Plan. Following is a brief description that highlights some of the key differences between the two plans:

* **Defined Benefit Hybrid Retirement Plan.** An account is established on your behalf and contributions are made to the account by you and your employer. Once vested, you are guaranteed a monthly benefit at retirement based on your final average salary, the benefit multiplier, and your years of service credit. You will receive the benefit determined under the plan for life, regardless of the performance of the plan’s investments.
* **Defined Contribution Retirement Plan.** An account is established on your behalf and contributions are made to the account by you and your employer. The amount of your benefit will be affected by the investment allocation you select, the length of time you have to invest, your vesting status, and the performance of your investments. At retirement you will determine the income stream and distribution option and will continue to receive distributions from the account until the funds are depleted. TIAA provides the recordkeeping services and investment options for this plan.

For an outline of the key difference between the two plans, please refer to the enclosed Plan Highlights publication.

You have a six (6) month window from your date of hire or change in status or until {DCEligibleDate} to make an election. Your election to transfer to the Defined Contribution Retirement Plan is irrevocable.

To assist you with your decision, we have enclosed a personalized, hypothetical pension illustration. This illustration provides you with a comparison of the potential retirement benefits you might receive under each plan based on the following assumptions:

* You will remain employed with the State until you reach Normal Retirement Date (age 65 or the “Rule of 85” for Main, Law Enforcement, and Judges Retirement systems and age 55 for National Guard Retirement System).
* You will participate in the supplemental Section 457 Deferred Compensation Program offered by the State and that you will defer 4% of your monthly salary and, therefore, earn a PEP contribution of 4% of your monthly salary.

Changing any of the assumptions will change the result of the illustration. Also, separating from eligible service prior to your Normal Retirement Date will impact the benefit you can anticipate from either plan.

If you were employed prior to October 1, 2010, this estimated transfer amount may not include all the employer interest that is eligible to actually be transferred. Upon request, NDPERS staff can provide you with alternate illustrations to assist you in making a decision.

Also enclosed are informational brochures on topics such as investment basics, creating a portfolio asset mix, investment fund options, and historical rates of return. Please read these materials and be sure you understand the information and your options before you make your decision. You may access information on the NDPERS website at www.ndpers.nd.gov or the TIAA web site at [www.tiaa-cref.org/ndpers](http://www.tiaa-cref.org/ndpers).

You must complete the enclosed Defined Contribution Retirement Program Election SFN 52170 and return it to NDPERS by {DCEligibleDate} to make an election whether you wish to transfer to the Defined Contribution Retirement Plan or remain in the Defined Benefit Retirement Plan. Upon NDPERS receipt of your election form, you may not amend your election. If NDPERS does not receive a completed election form from you by this date, you will have elected to remain in the Defined Benefit Retirement Plan.

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

{x endblock}

{x when LetterNo has “2”}

We previously sent you information on {DateofFirstNotice} regarding your eligibility to choose whether you wish to transfer to the Defined Contribution Retirement Plan or remain in the Defined Benefit Retirement Plan. This follow-up letter is to remind you that your election opportunity will expire six (6) months from your date of hire.

To date, we have not received a completed election form. This is the final notice you will receive providing you with this election opportunity. This form must be completed regardless of whether you want to remain in the Defined Benefit Retirement Plan or transfer to the Defined Contribution Retirement Plan. If you have recently sent your election form, please disregard this letter.

You must complete the enclosed Defined Contribution Retirement Program Election SFN 52170 and return it to NDPERS by 5:00 p.m. on {DCEligibleDate}. To make an election whether you wish to transfer to the Defined Contribution Retirement Plan or remain in the Defined Benefit Retirement Plan. If NDPERS does not receive a completed election form from you by this date, you will have irrevocably elected to remain in the Defined Benefit Retirement Plan.

If you did not receive the aforementioned information, or if you have any questions, please call NDPERS at {stdNDPERSPhoneNumber} or {stdNDPERSTollFreePhoneNumber}.

{x endblock}

Sincerely,

NDPERS Benefits Division

{x when LetterNo has “1”}

Enclosures Defined Contribution Retirement Program Election SFN 52170

Plan Highlights

Hypothetical Pension Illustration

Choosing Your Investments

Investment Performance

{x endblock}

{if LetterNo is 1}

{tmp SFN-52170}

{endif}

{stdMbrFullName}

{stdMbrAdrCorStreet1}

{x stdMbrAdrCorStreet2}

{stdMbrAdrCorCity} {stdMbrAdrCorState} {stdMbrAdrCorZip}