Plan Choice Booklet

90 days to choose your plan

WASHINGTON STATE

Department of Retirement Systems

90 DAYS TO CHOOSE YOUR PLAN
PLAN CHOICE BOOKLET

WELCOME TO WASHINGTON STATE PUBLIC SERVICE

As a public employee you are eligible for retirement benefits administered by the Department of Retirement Systems (DRS). You have 90 days to choose between two different pension plans – Plan 2 or Plan 3. Inside this booklet you'll find information, tools and resources that will help you determine your goals for retirement and how to best meet them.

Carefully consider your options. As a newly eligible employee, once you make a choice, you cannot change plans. If you don't make a choice between plans within 90 days of becoming a public employee, you will automatically be placed in Plan 3, and you cannot later decide to become a member of Plan 2.

We understand how busy you are, so there's more than one way to use the information in this booklet. You may choose to:

- Head straight to the chart describing key differences between the plans on pages 4 and 5;
- Go through the step-by-step instructions for evaluating your personal situation beginning on page 14; or
- Skip to the step-by-step instructions for enrollment if you've already made your decision, on page 17.

Get up-to-date information on the DRS website at *www.drs.wa.gov*. You may also call us at 800-547-6657 between 8 am and 5 pm, Monday – Friday, or email your questions to recep@drs.wa.gov.

Congratulations on your decision to become a public employee. We look forward to serving your retirement needs.

Some readers of the *Plan Choice Booklet* are considering a transfer to Plan 3. While new employees must make a plan decision in 90 days, members who were in Plan 2 before Plan 3 started can still decide to transfer to Plan 3 each January. We've provided resources and information for those interested in making a transfer decision. See the step-by-step instructions for transferring from Plan 2 to Plan 3 on page 21.

Choose your plan, choose your benefit.....3

Key differences.....4

Overview of Plan 2.....6

Overview of Plan 3.....8

Evaluating your personal situation.....14

If you decide to join Plan 2 or Plan 3.....17

Transferring from Plan 2 to Plan 3.....20

Glossary.....22

Member Information Form.....25

Member/Retiree Beneficiary Designation.....27

Deferred Compensation Information and Instructions.....31

Deferred Compensation Participation Agreement.....33

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This booklet is intended as an educational tool. It is not intended to advise or recommend specific investment strategies. Members making this decision may wish to seek professional financial assistance.

This publication is intended to give you an overview of some features of Plans 2 and 3 for the Public Employees' Retirement System (PERS), School Employees' Retirement System (SERS) and Teachers' Retirement System (TRS). It is not a legal document nor is it a complete description of the law governing these plans. If there are any conflicts between what is written in this booklet and what is contained in the law, the current law will govern.

1 REVIEW THIS BOOKLET AND EVALUATE YOUR PERSONAL SITUATION.

2 CHOOSE YOUR PLAN, CHOOSE YOUR BENEFIT.

Plan 2 has a guaranteed lifetime benefit

Plan 2 benefit formula

2% x service credit years x average final compensation

Plan 3 has a guaranteed lifetime benefit plus an investment program you select and contribute to

Plan 3 benefit formula

1% x service credit years x average final compensation

+

Your contributions and their investment returns

3 COMPLETE FORMS TO FORMALIZE YOUR CHOICE.

Although your employer will begin taking Plan 2 contributions, you will default to Plan 3 in 90 days if you do not formalize your choice.

Terms highlighted in this booklet in **orange** print appear in the Glossary on page 22.

PLAN 2	PLAN 3	
DEFINED BENEFIT	**DEFINED BENEFIT**	**DEFINED CONTRIBUTION**
PLAN STRUCTURE		
The benefit in **Plan 2** is based on the length of time you've worked, your pay and your age at retirement. You will receive a benefit for the rest of your life. The payments are guaranteed by the State of Washington. Both you and your employer contribute to your plan.	Part of the benefit in **Plan 3** is based on the length of time you've worked, your pay and your age at retirement. You will receive a benefit for the rest of your life. The payments are guaranteed by the State of Washington. Your employer contributes to this part of your plan.	The other part of the benefit is based on what you contribute to the plan and how the investments you select perform.
BENEFIT CALCULATION		
2% x service credit years x average final compensation = defined benefit	1% x service credit years x average final compensation = defined benefit	Your contributions and investment performance = defined contribution
CONTRIBUTION RATES		
Public Employees: 6.12% **School Employees:** 5.63% **Teachers:** 5.95% As of this printing. *The most current rates can always be found at www.drs.wa.gov.*	Your employer contributes to this part of your benefit; you do not.	You select your rate. You cannot change your rate unless you change employers. **Option A:** 5% all ages **Option B:** 5% up to age 35 6% ages 35-44 7.5% age 45 and older **Option C:** 6% up to age 35 7.5% ages 35-44 8.5% age 45 and older **Option D:** 7% all ages **Option E:** 10% all ages **Option F:** 15% all ages
THE ROLE OF INVESTMENTS		
Your contributions are invested by the Washington State Investment Board. Your benefit is guaranteed and is not dependent on investment performance.	Your employer contributes to this part of your benefit. Those contributions are invested for you by the Washington State Investment Board. Your benefit is guaranteed and is not dependent on investment performance.	You choose how your contributions will be invested from a range of options provided by the Washington State Investment Board. The amount of your benefit depends on the amount you contribute and the performance of your investments.
VESTING		
You earn the right to a retirement benefit when you have 5 years of service credit.	After 10 years of service credit in most cases; or After 5 years of service credit, depending on your age and when your service credit was earned.	Vesting does not apply to this part of your benefit. You may withdraw the account balance if you leave employment.

PLAN 2	PLAN 3	
DEFINED BENEFIT	**DEFINED BENEFIT**	**DEFINED CONTRIBUTION**
ELIGIBILITY FOR NORMAL RETIREMENT		
Age 65 or older with **at least 5 service credit years.**	Age 65 or older with **at least 10 service credit years;** or Age 65 or older, with at least five service credit years if at least 12 of those months were earned after the age of 44. Transfer members have a different retirement eligibility rule. See page 20.	There is no specific age requirement for this part of your benefit. You may access your money at any time after you leave employment.
ELIGIBILITY FOR EARLY RETIREMENT WITH A REDUCED BENEFIT		
Age 55 or older with **at least 20 service credit years.** There is less of a reduction to your benefit if you have at least 30 service credit years. **Hired on or after May 1, 2013:** Age 55 or older **with at least 20 years of service credit.** If you are age 55 with 30 years of service credit, your benefit reduction is five percent for each year (prorated monthly) before age 65.	Age 55 or older with **at least 10 service credit years.** There is less of a reduction to your benefit if you have at least 30 service credit years. **Hired on or after May 1, 2013:** Age 55 or older **with at least 10 years of service credit.** If you are age 55 with 30 years of service credit, your benefit reduction is five percent for each year (prorated monthly) before age 65.	There is no age requirement for this part of your benefit. You may withdraw your money at any time after you leave employment. There is no age requirement for this part of your benefit. You may withdraw your money at any time after you leave employment.
LEAVING EMPLOYMENT BEFORE YOU'RE ELIGIBLE TO RETIRE		
Your money can remain in the plan or you can withdraw your contributions and the interest they've earned. However, if you withdraw, you give up your right to a future retirement benefit.	You don't contribute to the defined benefit part of your plan. Your employer makes those contributions and you cannot withdraw those funds.	Your money can remain in the plan or you can access your contributions and investment earnings. A variety of distribution options are available.
COST-OF-LIVING ADJUSTMENTS		
On July 1 of every year after your first full year of retirement, your monthly benefit will be adjusted by the percentage change in the Consumer Price Index, up to a maximum of 3 percent per year.	On July 1 of every year after your first full year of retirement, your monthly benefit will be adjusted by the percentage change in the Consumer Price Index, up to a maximum of 3 percent per year.	There are no Cost-of-Living Adjustments for the defined contribution part of your benefit.
HEALTH CARE COVERAGE IN RETIREMENT Health care coverage may be provided by the Public Employee Benefits Board (PEBB). For information, contact PEBB at 360-725-0440 in Olympia, toll free at 800-200-1004 or www.pebb.hca.wa.gov, or contact your current employer.		
To qualify you must elect coverage within 60 days of termination and begin receiving your retirement benefit as soon as you leave employment. If you delay receiving your retirement benefit, you will not be eligible for health care coverage under PEBB.	To qualify you must elect coverage within 60 days of termination. As long as you meet the age and service requirements of the plan (age 55 or older, with 10 or more years of service credit) you can delay receiving your retirement benefit and still be eligible for PEBB coverage.	Leaving your contributions in the plan or starting to draw them does not impact your eligibility for health care coverage under PEBB.

INSIGHT INTO PLAN 2

Plan 2 has one part – a two-percent **defined benefit** plan. You and your employer contribute to your plan, but your benefit does not depend on the amount of the contributions.

A TWO-PERCENT DEFINED BENEFIT PLAN

Once you meet age and service requirements and you've applied for retirement, you will receive a guaranteed monthly benefit for your lifetime. Your benefit is based on your years of service credit and the pay you've earned. Payments are guaranteed by the state of Washington.

The two-percent defined benefit formula used to calculate your retirement is:

2% x **service credit years** x **average final compensation**

HOW IT WORKS

If you worked full time every month for 15 years and your average pay for your highest consecutive five years was $4,000, your benefit would be $1,200.

2% x 15 service credit years x $4,000 average final compensation = $1,200 monthly retirement benefit

CONTRIBUTION RATES

Plan 2 is funded by mandatory contributions made by both you and your employer and invested by the Washington State Investment Board. Member contributions are deducted from your paychecks and you can see your deducted contributions on your pay stub. Contribution rates change over time, based on funding needs of the plan.

PLAN 2 MANDATORY MEMBER CONTRIBUTION RATES AS OF THIS PRINTING	
Public Employees' Plan 2	6.12%
School Employees' Plan 2	5.63%
Teachers' Plan 2	5.95%
Public Employees' rates typically change in July. School Employees' and Teachers' rates typically change in September. You can always find up-to-date contribution rate information on the DRS website at www.drs.wa.gov.	

Quick Facts:

Important deadline: Your plan choice is permanent. If you don't choose a plan within 90 days, you will default into Plan 3. Whether you choose your plan, or you're defaulted into Plan 3, you can't change later.

A two-percent defined benefit is a guaranteed pension for Plan 2 members based on your service credit and pay. The amount you and your employer contribute does not determine your retirement benefit.

Definitions:

Average Final Compensation (AFC) is the monthly average of your 60 consecutive highest paid service credit months.

Service Credit Years (SCY) are calculated by dividing your total service credit months by 12.

Both AFC and SCY are used to determine your benefit when you retire.

RETIREMENT – AGE AND SERVICE CREDIT REQUIREMENTS

Retirement with a full benefit – age 65 with at least five years of service credit

If you take a **normal retirement** you will receive a full benefit.

Early retirement with a reduced benefit if you were hired on or after May 1, 2013 – age 55 with 20 or more years of service credit

Your benefit will be reduced for each year (prorated monthly) before age 65, to reflect the fact that you will receive it over a longer period of time. The amount of your reduction depends on your age. The earlier you retire, the larger your reduction.

There is less of a benefit reduction for early retirement if you have 30 or more years or service credit.

Your benefit will be reduced by five percent for each year (prorated monthly) before age 65. Again, the earlier you retire, the larger your reduction.

Leaving employment before you're eligible to retire

Your plan is designed to provide you with a source of income throughout your retirement. For this reason, you may not borrow from or against your contributions at any time.

It is possible to withdraw your contributions and the **interest** they've earned at any time after you leave public service. However, if you do, you give up your right to a future retirement benefit. You may not withdraw your employer's contributions under any circumstances.

When you leave employment without starting to receive a retirement benefit, you can leave your money in the plan and it will continue to earn interest. If you have five years of service credit, you are **vested** in the plan. Then, once you turn 65 you can retire and receive a **full retirement** benefit.

If you withdraw your contributions and later return to public service, you may be able to purchase your withdrawn service credit. See, *Plan 2 Recovery of Withdrawn or Optional Service Credit* on the *DRS website*. Or call us at 360-664-7000 or 800-547-6657 toll-free, to request a copy.

Quick Facts:

Early retirement consideration:
The earlier you retire, the larger your benefit reduction will be.

INSIGHT INTO PLAN 3

Plan 3 has two parts – a **defined benefit** part and a **defined contribution** part. Your employer contributes to your defined benefit part. You contribute to the defined contribution part. You choose your investment program and contribution rate for the defined contribution part of your plan. Once chosen, your defined contribution rate is permanent unless you change employers.

A ONE-PERCENT DEFINED BENEFIT PLAN

Once you meet age and service requirements and you've applied for retirement, you will receive a guaranteed monthly benefit for your lifetime. Your benefit is based on your years of service credit and the pay you've earned. Payments are guaranteed by the state of Washington.

The one-percent defined benefit formula used to calculate your retirement is:

1% x **service credit years** x **average final compensation**

HOW IT WORKS

If you worked full time every month for 15 years and your average pay for your highest consecutive five years was $4,000, your benefit would be $600.

1% x 15 service credit years x $4,000 average final compensation = $600 monthly retirement benefit

Quick Facts:

Important deadline: Your plan choice is permanent. If you don't choose a plan within 90 days, you will default into Plan 3. Whether you choose your plan, or you're defaulted into Plan 3, you can't change later.

A one-percent defined benefit is a guaranteed pension for Plan 3 members based on your service credit and pay. The amount your employer contributes does not determine your retirement benefit.

Definitions:

Average Final Compensation (AFC) is the monthly average of your 60 consecutive highest paid service credit months.

Service Credit Years (SCY) are calculated by dividing your total service credit months by 12.

Both AFC and SCY are used to determine your benefit when you retire.

CONTRIBUTION RATES

The **defined benefit** part of Plan 3 is funded by mandatory contributions made by your employer and invested by the Washington State Investment Board (WSIB). The one-percent defined benefit part of your plan is guaranteed and is not dependent on investment performance. Employer contribution rates change over time, based on funding needs of the plan.

A DEFINED CONTRIBUTION PLAN

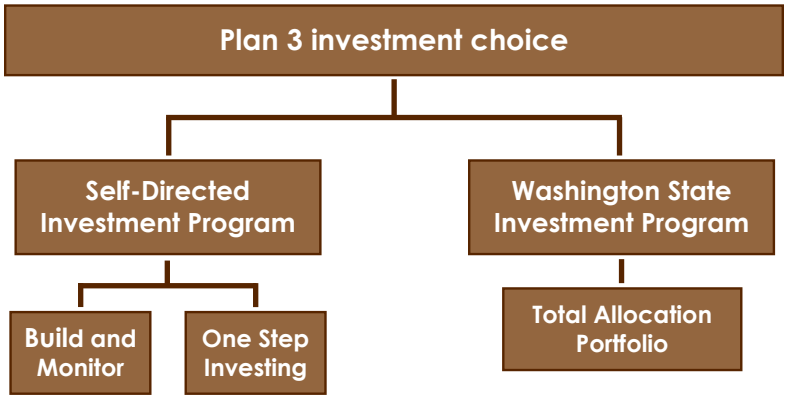
The **defined contribution** part of Plan 3 is funded by the mandatory contributions you make. You choose how much to contribute from one of these six rate options:

PLAN 3 MANDATORY MEMBER CONTRIBUTION RATES
Option A: 5% all ages
Option B: 5% up to age 35; 6% ages 35 through 44; or 7.5% age 45 and older
Option C: 6% up to age 35; 7.5% ages 35 through 44; or 8.5% age 45 and older
Option D: 7% all ages
Option E: 10% all ages
Option F: 15% all ages
If you don't choose a contribution rate, the mandatory default rate will be chosen for you: Option A: 5% all ages.

Once you choose or are defaulted to a rate, you can change it only when you change employers. Changing means working for a different employer, not another division or department where you currently work.

INVESTMENT PROGRAMS

The **defined contribution** part of Plan 3 offers you the choice between two investment programs: The Self-Directed Investment Program and the Washington State Investment Program.



1) The Self-Directed Investment Program

If you choose the Self-Directed Investment Program, there are two different approaches you can take. One is the Build and Monitor approach and the other is One-Step Investing.

BUILD AND MONITOR – YOU SELECT, MONITOR AND ADJUST YOUR INVESTMENTS

With Build and Monitor, you select your own mix of individual funds and decide how much to invest in each one. You choose from a menu of professionally-managed funds listed in the chart below. The **risk** and **return** profiles of the funds range from high to low. You are responsible for monitoring your investments and making changes as you near retirement.

BUILD AND MONITOR FUNDS
Emerging Market Equity Index
U.S. Small Cap Value Equity Index
Global Equity Index
U.S. Large Cap Equity Index
Socially Responsible Balanced
Washington State Bond
Short Term Investment Fund

ONE-STEP INVESTING – YOUR INVESTMENTS ARE AUTOMATICALLY ADJUSTED FOR YOU

The One-Step Investing approach is made up of 12 Retirement Strategy Funds. Each one is diversified and **automatically rebalances**, adjusting your **asset mix** as you move toward a **target date** for retirement that meets your needs and lifestyle.

To select the Retirement Strategy Fund that's right for you, take the year you were born and add it to the age you expect to retire or withdraw your funds. The sum is your target date.

HOW IT WORKS

1968 (birth year) + 65 (retirement age) = 2033 (target date)

Pick the fund with the date closest to your target date (in our example above, 2035 would be the target date):

RETIREMENT STRATEGY FUNDS	
2060	2025
2055	2020
2050	2015
2045	2010
2040	2005
2035	Maturity Strategy*
2030	

* The Retirement Maturity Strategy Fund is allocated for investors who have been retired for 15 years or more.

2) The WSIB Investment Program

If you choose to have your contributions directed to the Washington State Investment Board (WSIB) Investment Program, they will be invested in the WSIB's **Total Allocation Portfolio** (TAP). A monthly valued fund, the TAP is a diversified **portfolio** of U.S. and international stocks, bonds, private equity and real estate investments.

IF YOU DO NOT MAKE AN INVESTMENT PROGRAM SELECTION

If you do not select either the Self-Directed or WSIB Investment Program, you will be defaulted into the Self-Directed Investment Program. All of your contributions will be invested in the Retirement Strategy Fund that assumes you'll retire at age 65.

RETIREMENT – AGE AND SERVICE CREDIT REQUIREMENTS

Retirement with a full benefit – age 65

If you have at least 10 years of **service credit** and you're age 65, you can retire with a full benefit.

If you have at least five years of service credit, you can retire at age 65 with a full benefit if you earned at least one of your five years of service credit after age 44.

HOW IT WORKS

You're age 47 and you have five years of service credit. You earned three years of service credit after the age of 44. You choose to leave public service and begin drawing from the **defined contribution** part of your plan. You delay receiving your **defined benefit** until age 65.

Because you have earned at least one year of service credit after age 44, you can retire with a full benefit at age 65 even though you only have five years of service credit.

Transfer members have a different eligibility requirement. Please see page 20.

Early retirement with a reduced benefit – ages 55 to 64 with at least 10 years of service credit

If you retire early, your benefit is reduced to reflect the fact that you will receive it over a longer period of time. The earlier you retire, the larger your reduction.

There is less of a benefit reduction for early retirement if you have 30 or more years of service credit.

Your benefit will be reduced by five percent for each year (prorated monthly) before age 65. Again, the earlier you retire, the larger your reduction.

Quick Facts:

In the defined benefit part of Plan 3 if you have at least 20 years of service credit, and you separate from service, your benefit increases approximately three percent per year that you delay receiving benefits until age 65.

Leaving employment before you're eligible to retire

The **defined benefit** part of your plan is designed to provide you with a source of income throughout your retirement. For this reason, you can't withdraw the contributions your employer makes to this part of your plan.

If you have at least 20 years of **service credit** when you leave employment and do not start receiving your defined benefit, it will increase by approximately three percent for each year you delay receiving it up to age 65. If you have 10 years of service credit, you are **vested** in the plan. Once you turn 65 you can retire and receive a full retirement benefit. For an exception to this rule, see "Retirement with a full benefit" on the previous page.

As a Plan 3 member, it is possible to withdraw your contributions and investment earnings from your defined contribution part at any time after you leave public service. However, if you do, you may reduce an important source of your retirement income.

Quick Fact:

As a Plan 3 member, you're eligible for your defined benefit after you meet the age and service credit requirements – regardless of whether or not you've withdrawn money from the defined contribution part.

EVALUATING YOUR PERSONAL SITUATION

WHAT TO CONSIDER BEFORE CHOOSING A PLAN

What kind of retirement do you want? There are a number of things you should consider before choosing a plan. Think about the type of person you are, how much time you have until retirement and how involved you want to be in managing your investments.

Use the checklist below to select the plan elements that best fit your needs.

CHOOSE YOUR BENEFITS, CHOOSE YOUR PLAN	
PLAN 2	**PLAN 3**
☐ **A plan that's managed for you**	☐ **A plan with two parts** One that's managed for you and one you manage yourself
☐ **No personal investments**	☐ **Choose your personal investments**
☐ **One predetermined contribution rate that may vary over time**	☐ **Choose from six different contribution rates**
☐ **Earliest you can retire** 20 service credit years at age 55	☐ **Earliest you can retire** 10 service credit years at age 55
☐ **Health insurance in retirement** Must begin receiving your retirement benefit as soon as you leave employment or you will forfeit PEBB coverage	☐ **Health insurance in retirement** You can delay receiving your retirement benefit and still be eligible for PEBB coverage

How do you decide which plan is best for you? Several resources are available to help you decide. You may need to use one or more of these to make your plan choice decision while considering your own financial situation.

FINANCIAL MODELING SOFTWARE

You can compare the projected retirement benefits for Plan 2 and Plan 3 using different contribution rate options and expected rates of investment **return**. You can also use factors such as **early retirement** and delayed benefits to compare your projections.

Visit *www.icmarc.org/washingtonstate.html*. From the Plan Choice menu, select Financial Modeling Software.

SUMMIT UP: RETIREMENT PLANNING CALCULATORS

There are five, quick, easy to use calculators designed to provide guidance in your financial and retirement planning. The calculators are available at *www.icmarc.org/washingtonstate/education/retirement-planning-calculators.htm*

FREE PLAN CHOICE AND PLAN 3 EDUCATION SEMINARS

The Plan Choice seminar goes over the similarities and differences between Plan 2 and Plan 3 to assist you in making your decision.

The Getting to Know Plan 3 seminar provides an overview of Plan 3, as well as the contribution rate and investment option decisions you'll need to make if you decide to join Plan 3.

You'll find the seminar schedules at *www.icmarc.org/washingtonstate.html*. From the Education menu, select Plan 3 Education Seminars. Plan 3 Education Webinars are also available at *http://www.icmarc.org/washingtonstate/education/washington-state-webinars.html*.

ONLINE BENEFIT ESTIMATORS

Sign up for online account access on the DRS website at *www.drs.wa.gov/oaa/*. You can run a variety of retirement scenarios here to see what will work best for you.

PHONE SUPPORT CENTER AND EMAIL FOR QUESTIONS

You can call 800-547-6657 between 8 am and 5 pm,
Monday – Friday, to speak with a representative who can assist you.

You can also email your questions to *recep@drs.wa.gov*.

Other sources of retirement income

As you're deciding on whether to join Plan 2 or Plan 3, consider all other sources of retirement income. Do you qualify for Social Security benefits? Do you have savings in other retirement plans from past employers? Do you have an IRA? Gather the information on your other sources of retirement income and determine what your projected monthly benefit will be. A standard practice for estimating retirement income needs is to use 80 percent of your income five to 10 years before you retire. Use this estimate and the projected monthly benefit of your other sources of income to help determine whether you should join Plan 2 or Plan 3.

If you've discovered in your projection that you'll need more income in retirement, consider joining the Washington State Deferred Compensation Program (DCP). As a supplemental savings program, DCP offers you the opportunity to invest money toward securing the retirement you envision. Whether you've been saving for years, or are just getting started, DCP offers you an excellent opportunity to enhance your financial future. Check with your employer to find out if they offer DCP. Tell your employer you want DCP if it's not already available to you.

If you are participating in other tax-deferred plans your employer may offer, your Plan 3 contributions may limit your ability to contribute to these plans. Consult the IRS and/or a tax advisor for more information.

HOW TO JOIN THE PLAN THAT'S RIGHT FOR YOU

Now that you've made your decision, go to the step-by-step instructions for enrolling in either Plan 2 or Plan 3 beginning on the next page. **It's important to remember that you will default into Plan 3 if you don't turn in your forms within 90 days of becoming a public employee.**

FORMS TO COMPLETE	
PLAN 2	PLAN 3
☐ Member Information Form	☐ Member Information Form
☐ Member/Retiree Beneficiary Designation	☐ Member/Retiree Beneficiary Designation

Quick Fact:

You can also learn more about the Deferred Compensation Program at www.drs.wa.gov/dcp.

IF YOU DECIDE TO JOIN PLAN 2

1. Turn to page 25, tear out the *Member Information Form* and complete. Return the completed form to your employer. This will ensure your employer takes the correct contributions from your pay and reports you in the correct plan. After your employer forwards the form to us, you will receive a letter confirming your decision to join Plan 2.
2. Turn to page 27 and tear out the *Member/Retiree Beneficiary Designation*. Follow the instructions. Return the completed form to DRS.

IF YOU DECIDE TO JOIN PLAN 3

1. Turn to page 25, tear out the *Member Information Form* and complete. In Section 3, you must select a contribution rate (see "Choosing a contribution rate" below. In Section 4 you must select an investment program (see "Deciding on an investment program" on page 19).
2. Return the completed form to your employer. This will ensure your employer takes the correct contributions from your pay and reports you in the correct plan. After your employer forwards the form to us, you will receive a letter confirming your decision to join Plan 3.
3. If you select the Self-Directed Investment Program, you must choose your investments. You can do this by signing up for or logging into your account at *www.drs.gov/oaa/*. You can also call ICMA-RC at 888-711-8773. You will receive a confirmation letter when the transaction has been completed.
4. Turn to page 27 and tear out the *Member/Retiree Beneficiary Designation*. Follow the instructions. Return the completed form to DRS.

CHOOSING A CONTRIBUTION RATE

Ideally, you want to make your choice based on three considerations: retirement income needs, years until retirement and current budget. Remember, you can only change your contribution rate if you change employers.

Quick Fact:

Civil Marriage law allows same-sex couples to marry and entitles all spouses, (regardless of gender) to equal rights in Plan 2 and Plan 3.

State-registered domestic partners have the same survivor and death benefits as married spouses. Same-sex partnerships where both parties are younger than 62 will convert into marriages unless the partnership is dissolved or the partners marry before June 30, 2014.

Please contact the Secretary of State's office if you have questions about domestic partnerships.

To come up with a target retirement income, it's standard practice to estimate 80 percent of what you believe your income will be five to 10 years before you retire.

HOW IT WORKS

If you believe you'll be making $50,000 annually by the time you're ready to retire, you might estimate needing $40,000 per year to maintain your standard of living in retirement ($50,000 x 80% = $40,000).

There are tools available to help you determine the impact and benefits of different contribution rates.

- **Take-Home Pay Estimator** – Estimates the effect of the six contribution rates on your take-home pay. From the website, *www.icmarc.org/washingtonstate.html*, go to the Education menu and select Retirement Planning Calculators.
- **Disbursement Calculator** – Estimates what an ending account balance will pay monthly during retirement, given an estimated growth rate and your contributions to the plan. From the website, *www.icmarc.org/washingtonstate.html*, go to the Education menu and select Retirement Planning Calculators.
- **Benefit Estimator** – Estimate your **defined benefit**, by signing up for online account access at *www.drs.wa.gov/oaa/*.

Here's one way you might use these tools:

- Estimate your salary at retirement. You may want to have both a high and low estimate.
- Use the Self-Estimate Worksheets to create an estimate of the defined benefit (guaranteed) portion of your account.
- Use the disbursement calculator (mentioned above) to estimate your **defined contribution** payment.

Do the defined benefit and the defined contribution equal 80 percent of your estimated salary at retirement? If it's less than 80 percent, consider:

- Choosing a higher contribution rate (use the take-home pay estimator mentioned above to see the effect of different rates on your current budget).
- Starting a voluntary retirement or personal investment account to make up the difference, such as the state's Deferred Compensation Program (DCP) at *www.drs.wa.gov/dcp*. You can join for as little as $30 per month, increase or stop your deferrals whenever you choose, and help build your retirement portfolio.

DECIDING ON AN INVESTMENT PROGRAM

WSIB TAP

If you choose to have your contributions directed to the Washington State Investment Board Investment Program, they will be invested in the WSIB's **Total Allocation Portfolio** (TAP). A monthly valued fund, the TAP is a diversified **portfolio** of U.S. and international stocks, bonds, private equity and real estate investments.

Self-Directed Investment Program

Within the Self-Directed Program, you have the choice of two different approaches. To determine which one might be right for you, ask yourself these questions:

- "Do I have the desire to select my own mix of individual funds?"
- "Am I comfortable deciding how much to invest in each fund?"
- "Do I have the time to keep an eye on my investments and make changes as I get closer to retirement?"

If the answer to any of these questions is "yes," you may be interested in the Build and Monitor approach to investing. If the answer to any of these questions is "no," you may be interested in the One-Step Investing approach.

If you choose from the seven investment funds as part of the Build and Monitor approach to investing, you will be responsible for monitoring your account balances and periodically rebalancing if necessary to maintain your investment objectives.

The One-Step Investing approach is designed for those who answered "no" to any of the questions above. If you find you don't have the desire, comfort level and/or time to select your own mix of funds, monitor them and make changes, allocating your investments to a Retirement Strategy Fund may be right for you.

More information on both WSIB's TAP program and the Self-Directed Investment Program is available in the Investments section of the Plan 3 website at *www.icmarc.org/washingtonstate.html*.

IF YOU DECIDE TO TRANSFER FROM PLAN 2 TO PLAN 3

Some Plan 2 members have the opportunity to transfer to Plan 3 every January. These are members who were in Plan 2 before the creation of Plan 3 in their retirement system.

To find out if you can transfer, you need to know when you were hired.

SYSTEM	WHEN WERE YOU HIRED?
PERS	• Before March 1, 2002 for state agencies and higher education employers; or • Before September 1, 2002 for local government employers.
SERS	• Before July 1, 2007; or • After July 1, 2007 through July 31, 2009, if you have past PERS Plan 2 service.
TRS	• Before July 1, 2007

If you were hired under the dates listed above, you qualify to transfer.

To complete your transfer to Plan 3, you must be working and:

- Earn service credit during the January in which you transfer, and
- Complete your *Member Information Form* and turn it into your employer by January 31.

Once you transfer to Plan 3, you cannot go back to Plan 2.

RETIREMENT ELIGIBILITY FOR TRANSFER MEMBERS

In addition to the retirement eligibility described on page 12, transfer members with five years of service credit can retire at age 65 under the following circumstances:

- PERS: service credit earned before June 1, 2003.
- SERS: service credit earned before September 1, 2000.
- TRS: service credit earned before July 1, 1996.

Steps to complete the transfer

1. Turn to page 25, tear out the *Member Information Form* and complete. In Section 2, be sure to complete B as a transfer member. In Section 3, you must select a contribution rate. See "Choosing a contribution rate" on page 17 to help you make your decision. In Section 4, you must choose an investment program. Read the "Deciding on an investment program" section on page 19 to help you make your decision. Return the completed form to your employer.

2. If you select the Self-Directed Investment Program, you must choose your investments. You can do this by signing up for or logging into your account at *www.icmarc.org/washingtonstate.html*. You can also call ICMA-RC at 888-711-8773. You will receive a confirmation letter when the transaction has been completed.

3. To ensure your beneficiary designation is up-to-date, complete the form provided on page 27 and return to DRS.

GLOSSARY

Asset mix: An investment portfolio that is invested in any combination of the three major classes of assets: (1) cash and equivalents, (2) fixed income instruments (bonds) and, (3) equity instruments (common stocks or ordinary shares).

Automatic rebalancing: For Plan 3 members who choose One-Step Investing, a feature that adjusts your asset mix as you move toward a target date that meets your needs and lifestyle.

Average final compensation: The monthly average of your 60 highest paid consecutive service credit months.

Cost-of-Living Adjustment: In Plan 2 and in the defined benefit part of Plan 3, on July 1 of every year following your first full year of retirement, your monthly benefit is adjusted by the percentage change in the Consumer Price Index, to a maximum of three percent per year. This percentage change can increase or decrease your benefit.

Defined benefit: A predetermined retirement benefit, also called a pension plan.

- For Plan 2, your defined benefit equals: 2 percent x your years of service credit x your average final compensation. Both you and your employer make contributions to your defined benefit.
- For Plan 3, your defined benefit equals: 1 percent x your years of service credit x your average final compensation. Your employer makes contributions to the defined benefit part of your plan.

Defined contribution: For Plan 3 members, an amount based on your contributions and the performance of the investments you choose. Investment returns (both gains and losses) are applied to your account.

Domestic Partner: Beginning January 1, 2014, state-registered domestic partners will have the same survivor and death benefits as married spouses. On June 30, 2014, same-sex partnerships where both parties are younger than 62 will convert into marriages unless the partnership is dissolved or the partners marry before June 30, 2014.

Early retirement: In most cases, if you retire before age 65, your benefit is reduced to reflect the fact that you will receive it over a longer period of time. The amount of the reduction depends on how much younger than age 65 you are when you retire and the amount of service credit you have.

Full retirement: For all members, a retirement benefit that is not reduced to reflect that you retired from public service earlier than age 65, or in some cases, ages 62 to 64.

Interest: An amount that your contributions earn. Also called interest rate.

Lump sum payment: A single payment to you for the total amount due.

Normal retirement: The age you're entitled to receive a full retirement benefit.

Pension: Your retirement benefit.

Portfolio: A collection of investments.

Public service: Governmental employment.

Return: A measure of how your investments perform. Returns consist of interest, dividends and gains or losses in the value of the principal. Your investment returns can be positive or negative.

Risk: The probability that an investment will lose value or fail to gain in value.

Service credit months for Public Employees: Members earn:

- One month of service credit for each calendar month they were paid for 90 hours or more.
- One half of a service credit for any calendar month they were paid for fewer than 90 but at least 70 hours.
- One quarter of a service credit for any calendar month they were paid for fewer than 70 hours in a calendar month.

Members cannot earn more than one service credit during one calendar month.

Service credit months for Teachers and School Employees: Members earn 12 months of service credit for each school year (these are the nine months from September 1 through August 31). To earn the service credit, the member must:

- Begin work in September;
- Work at least nine months of the school year; and
- Be paid for at least 810 hours.

To earn six service credit months for a school year, the member must:

- Begin working in September;
- Work at least nine months of the school year; and
- Be paid for at least 630 hours but fewer than 810 hours.

Beginning with the 2008/2009 school year, to earn six service credit months for a school year, the member must:

- Work at least five months within a six-month period; and
- Be paid for at least 630 hours.

If a member does not meet any of the other service credit requirements, service credit will be determined as follows:

- One service credit month for any calendar month the member is paid for at least 90 hours.
- One half of a service credit month for any calendar month the member is paid for fewer than 90 but at least 70 hours.
- One quarter of a service credit month for fewer than 70 hours in a calendar month.

Service credit years: We calculate your service credit years by dividing your total service credit months by 12 (12 months equals one year of service credit).

Target date: The year you plan to retire or begin receiving money from your Plan 3 account.

Total Allocation Portfolio: An investment program that is determined, managed and continuously rebalanced by the Washington State Investment Board.

Vesting: The point at which you have earned a defined benefit. Plan 2 members are vested after earning five years of service credit. In Plan 3, you are vested after 10 years of service credit in most cases; or after five years of service credit, depending on your age and when your service credit was earned. However, you have no vesting requirements for the defined contribution part of your benefit and may take distributions at any time after you leave public employment.

NOTES

WASHINGTON STATE
Department of Retirement Systems

MEMBER INFORMATION FORM

Return completed form to your employer.

For plan, contribution rate and investment program selection

Returning Plan 3 members

Complete Sections 1, 3 and 4 and submit to your employer within 90 calendar days of your date of hire

Returning Plan 2 members

Do not need to complete this form

Members transferring from Plan 2 to Plan 3

Complete Sections 1, 2B, 3 and 4

New members

Choosing Plan 2 - Complete Sections 1 and 2A
Choosing Plan 3 - Complete Sections 1, 2A, 3 and 4 and submit to your employer within 90 days of your date of hire

Check One:

- ☐ TRS = Teachers' Retirement System
- ☐ SERS = School Employees' Retirement System
- ☐ PERS = Public Employees' Retirement System

SECTION 1: Personal Data – To Be Completed by All Members

Name (Last, First, Middle)		Maiden Name	Social Security Number
Mailing Address	City	State ZIP	Phone Number ( )

SECTION 2: Retirement Plan Selection

Complete either A or B below.

A) To be completed by new members.

Choose One:

- ☐ Plan 2
- ☐ Plan 3 (requires completing sections 3 and 4 on back)

I certify that I have chosen the retirement plan marked above. I understand that my retirement plan selection is **irrevocable**.

Member Signature (required)
Date

Please sign and date this form on the day that you **submit it to your employer**. Note: You will be assigned to Plan 3 if your employer has not received your plan selection within 90 calendar days from your date of hire.

B) To be completed by any Plan 2 member eligible to transfer to Plan 3.

I certify that I have chosen to transfer from Plan 2 to Plan 3. I understand that my selection of Plan 3 is **irrevocable**. I have provided the information requested in Sections 3 and 4 on the back of this form.

Member Signature (required)
Date

Please sign and date this form on the day that you **submit it to your employer**.

DRSMS133

Place a check mark in the box next to the contribution rate option you choose. If you do not select an option within 90 days, your default will be Option A. Once established by selection or default, you may only change your contribution rate option when you change employers. Teachers: Once you choose or are defaulted to a rate, you can only change it when you change employers or during the final contribution rate flexibility period in January 2015. After January 2015, TRS Plan 3 members may only change their contribution rate if they change employers.

		Base Rate	Additional Rate	**Total Member Contribution Rate**
☐ Option A	All ages	5.0%	0.0%	5.0%
☐ Option B	Up to Age 35	5.0%	0.0%	5.0%
	Age 35 to 44	5.0%	1.0%	6.0%
	Age 45 and above	5.0%	2.5%	7.5%
☐ Option C	Up to age 35	5.0%	1.0%	6.0%
	Age 35 to 44	5.0%	2.5%	7.5%
	Age 45 and above	5.0%	3.5%	8.5%
☐ Option D	All ages	5.0%	2.0%	7.0%
☐ Option E	All ages	5.0%	5.0%	10.0%
☐ Option F	All ages	5.0%	10.0%	15.0%

Member Signature (required)	Date

SECTION 4: Selection of Investment Program – To Be Completed by All Plan 3 Members

Place a check mark in the box next to the investment program you choose. If you do not choose an investment program, you will be defaulted into the Self-Directed Investment Program and all of your contributions will be invested in the Retirement Strategy Fund that assumes you'll retire at age 65.

☐ **Washington State Investment Board (WSIB) Investment Program.**

☐ **Self-Directed Investment Program.** You must choose how your contributions will be invested. You may do so online at www.icmarc.org/plan3, or by phone at 1-888-711-8773. If you do not choose your investment allocations, your contributions will be invested in the Retirement Strategy Fund that assumes you'll retire at age 65.

You can obtain information about both investment programs by contacting ICMA-RC toll-free at 1-888-711-8773.

Member Signature (required)	Date

RETURN COMPLETED FORM TO YOUR EMPLOYER.

SECTION 5: To Be Completed by Employer

Print or type employer name and mailing address below:

Reporting Group

Employers:
Mail the original of this document to DRS only if Section 2 was required.

Department of Retirement Systems
PO Box 48380
Olympia WA 98504-8380
Toll Free: 1-800-547-6657
Local: 360-664-7000

Department of Retirement Systems (DRS) requires that you provide your Social Security number for this form.

- DRS will use your Social Security number as a reference number and to ensure that any funds disbursed under your account are correctly reported to the IRS.
- DRS will not disclose your Social Security number unless required by law.
- Internal Revenue Code Sections 6041(a) and 6109 allow DRS to request your Social Security number.

WASHINGTON STATE
Department of Retirement Systems

BENEFICIARY DESIGNATION FOR MEMBER/RETIREE/PARTICIPANT

PO Box 48380 Olympia, WA 98504-8380 ◆ www.drs.wa.gov
Toll Free: 800.547.6657 ◆ Olympia Area: 360.664.7000 ◆ TTY: 711

Important: Please return this form to DRS, not your employer.

If you make an error on this form, simply correct it and initial beside the correction.

Select the system(s) to which you would like your beneficiary(ies) applied. If you are a member of multiple retirement plans, you are able to designate the same beneficiaries to all of those plans by checking the boxes.

- ☐ Deferred Compensation Program (DCP)
- ☐ Public Employees' (PERS)
- ☐ State Patrol (WSPRS)
- ☐ Judicial (JRS)
- ☐ Public Safety Employees' (PSERS)
- ☐ Teachers' (TRS)
- ☐ Law Enforcement Officers' & Fire Fighters' (LEOFF)
- ☐ School Employees' (SERS)

My Name (Last, First, Middle)		My Social Security Number
My Mailing Address	City	State ZIP
My Phone Number	My Alternate Phone Number	My Email Address

Beneficiary Designation – You must designate **at least one primary beneficiary**: do not designate yourself. If you make a mistake, initial next to your actual designation. If you select more than one primary beneficiary or more than one contingent beneficiary, the total percentage(s) for each category must add up to 100%. Use whole numbers (for example, 50% and 50%, or 66% and 34%). You can include decimals, if necessary (for example, 33.3%, 33.3%, and 33.4%).

☒ Primary _____%	First, Last Name		Relationship ☐ Spouse ☐ Other _____	Beneficiary Mailing Address
	Social Security Number _____ – _____– _____	Date of Birth ___/___/____		City State ZIP
☐ Primary ☐ Contingent _____%	First, Last Name		Relationship ☐ Spouse ☐ Other _____	Beneficiary Mailing Address
	Social Security Number _____ – _____– _____	Date of Birth ___/___/____		City State ZIP
☐ Primary ☐ Contingent _____%	First, Last Name		Relationship ☐ Spouse ☐ Other _____	Beneficiary Mailing Address
	Social Security Number _____ – _____– _____	Date of Birth ___/___/____		City State ZIP
☐ Primary ☐ Contingent _____%	First, Last Name		Relationship ☐ Spouse ☐ Other _____	Beneficiary Mailing Address
	Social Security Number _____ – _____– _____	Date of Birth ___/___/____		City State ZIP

***If you need to list more than four beneficiaries, please complete the same information above on a separate piece of paper, sign and date it, attach it and return it along with this form. Do not use the section on back for additional beneficiaries.**

One-Time Duty-Related Death Benefit

In this section you can designate a beneficiary(ies) to receive a One-Time Duty-Related Death Benefit. If you die in the course of, or as a result of your employment; your beneficiary(ies) may be entitled to this benefit. You are able to designate different people to receive this money, or the same person(s) on the front of the form.

☐ I designate the same Beneficiary(ies) as listed on page one.

Or

☐ I would like to designate the beneficiaries listed below to receive a one-time duty-related death benefit.

☐ Primary ☐ Contingent	First, Last Name		Relationship ☐ Spouse ☐ Other _____	Beneficiary Mailing Address	
	Social Security Number	Date of Birth		City	State / ZIP
☐ Primary ☐ Contingent	First, Last Name		Relationship ☐ Spouse ☐ Other _____	Beneficiary Mailing Address	
	Social Security Number	Date of Birth		City	State / ZIP

Signature Required

By signing this form, I direct that any funds related to my account, unless certain percentages are designated or otherwise required by law, will be paid in equal shares to any primary beneficiaries named who survive me. If none of my primary beneficiaries survive, the funds will be paid in equal shares to any contingent beneficiaries who survive me. I certify that I have read and understand the instructions and that all of the information I have entered is true and complete. Submission of this document replaces any past designations I have made.

Signature	Date

Beneficiary Definitions

Primary Beneficiary: a person, or entity (Estate, trust, charitable organization, church, etc.) you select to receive your money. When you die we will pay all primary beneficiaries, either equally or in the percentage you designate. The total designation for your primary beneficiary selection(s) must equal 100%.

Contingent Beneficiary: a person, or entity, you select to receive your money if both you and your Primary Beneficiary die. The total designation for your contingent beneficiary selection(s) must equal 100%.

Note: Only primary beneficiary selections are viewable in online account access.

If you have insurance coverage through the Washington State Public Employees Benefits Board (PEBB), we may share your information with PEBB to better serve you.

Department of Retirement Systems (DRS) requires that you provide your Social Security number for this form.

- DRS will use your Social Security number as a reference number and to ensure that any funds disbursed under your account are correctly reported to the IRS.
- DRS will not disclose your Social Security number unless required by law.
- Internal Revenue Code Sections 6041(a) and 6109 allow DRS to request your Social Security number.

MEMO OF UNDERSTANDING

This memo highlights certain provisions of the Deferred Compensation Program. For specific details, you should refer to the DCP Enrollment Booklet and Regulations.

I understand the following:

1. My gross salary will be reduced each month by the amount that I have elected to defer. It is my responsibility to ensure that my deferrals do not exceed the allowable amount specified in Internal Revenue Code 457; if they do, my employer may disallow deferral of the excess, which also may be taxed currently.
2. However, during the last three years before attaining normal retirement age, or if I am 50 years of age or older, I may be able to defer a greater portion, subject to IRS limitations. Note: For information about special provisions that allow you to exceed the monthly maximum, contact DCP.
3. My deferral cannot begin sooner than the month following Participation Agreement approval (WAC 415-501-410). My accumulated deferrals will be held in trust by the Washington State Investment Board for the exclusive benefit of participants and their beneficiaries until paid to me under the rules of the plan (WAC 415-501-580). I realize that I may not assign or transfer my rights in the plan (WAC 415-501-570).
4. I have elected to have my deferred salary invested as indicated on my Participation Agreement.
5. Earnings, if any, will be applied to my accumulated deferrals in accordance with the investment option(s) I select (WAC 415-501-475).
6. I may change or stop the amount I defer and may change my investment(s) by using the DCP website, customer service representatives, the Voice Response Unit (VRU), or by submitting the proper form. Forms are available on the DCP website or by calling the DCP Information Line.
7. I can have access to my funds upon separation. Refer to (WAC 415-501-485) for distribution details and for exceptions that allow for access to funds prior to separation from employment.
8. I may elect the date and method of distribution of my accumulated deferrals according to those methods approved by the department (WAC 415-501-485). In the event of my death, any unpaid benefits will be paid to my designated beneficiaries (WAC 415-501-486).
9. The Department of Retirement Systems retains administrative control over the plan and the Legislature retains the right to terminate the plan (WAC 415-501-530 and WAC 415-501-540).
10. Neither my employer, nor the Department of Retirement Systems, nor the Washington State Investment Board, shall be liable for the performance of investments.
11. I understand that I will receive an enrollment confirmation notice, indicating acceptance into the plan.
12. I understand that if I have not already done so, I need to read the Investment Guide. This publication is posted at www.drs.wa.gov/dcp and describes the investment funds available to me.

WASHINGTON STATE
Department of Retirement Systems

INFORMATION AND INSTRUCTIONS

DEFERRED COMPENSATION PROGRAM
PO Box 40931 Olympia, WA 98504-0931 ◆ www.drs.wa.gov/dcp
Toll Free: 888.327.5596 ◆ TTY: 711 ◆ Fax: 360.586.5474

DCP

To enroll in DCP, please complete the *Participation Agreement* form. If you have any questions, please call the DCP Information Line toll free at 888.327.5596. For TTY, call 800.766.4952.

- Read the *Memo of Understanding* regarding the *Participation Agreement*.
- Please complete all sections of this form electronically or print legibly in black ink.
- Sign, date and return the *Participation Agreement* to the address on the top of the form.
- If your employer is a political subdivision such as a school district, county or city or a higher education employer, send a copy to your payroll office. This is not required for state agency employees.
- Keep a copy for your records.

Personal Information: Use your legal name and provide all requested information.

Deferral Information: Write the monthly employee dollar amount you want to defer from your gross monthly wages.Write the employer contribution amount (*if applicable). Write the total monthly dollar amount (employee plus employer contribution). The combination of the employee monthly deferral and the employer monthly contribution cannot exceed the maximum deferral amount.

**Check with employer to see if they offer an employer contribution/match.*

In 2015, you may defer up to $18,000 ($1,500 monthly) or up to $24,000 ($2,000 monthly for participants age 50 and over) from your pay annually. If you want to defer more than $2,000 monthly, please contact DCP. The minimum monthly contribution is $30. Deferrals will begin on the earliest date possible, contingent upon the processing time required by your employer's payroll department and the provisions set forth in Section 457 of the Internal Revenue Code.

Investment Options: The **One-Step Investing** approach is designed for those who don't have the desire, comfort level and/or time to select their own allocation mix of funds, monitor them and make necessary changes. Each Retirement Strategy Fund is well diversified and automatically rebalances, adjusting your allocation mix as you move toward a target date that meets your needs and lifestyle.

If your target date changes, you can transfer your money to a Retirement Strategy Fund that more closely matches your revised date.

The **Build and Monitor** approach requires you to:

- Select fund(s).
- Monitor account activity.
- Rebalance your allocation mix as necessary to maintain your investment objectives.

The *DCP Enrollment Booklet* and *Fund Fact Sheets* are available to help you determine your allocation mix.

Beneficiary Designation: Complete this section by designating at least one primary beneficiary. You may designate more than one primary and one or more contingent beneficiaries. Provide each beneficiary's percentage, Social Security number, full name, mailing address, date of birth, relationship and gender.

- A **primary beneficiary** will receive the balance of the deceased participant's account if he or she survives the participant by 30 days. The total percentages for all primary beneficiaries must equal 100%. Use whole numbers (50% and 50% **or** 66% and 34%).
- A **contingent beneficiary** will receive the balance of the deceased participant's account if no primary beneficiary is still living at the time the participant dies. The total percentages for all contingent beneficiaries must equal 100%. Use whole numbers (50% and 50% **or** 66% and 34%).

To name a **trust** as beneficiary, indicate name of trust and date trust was established. A copy of the trust document should be provided.

To name your **estate** as beneficiary, write **my estate**.

In the event of participant's death, distribution to a **minor** requires the following before distribution can occur:

- **Guardian:** A copy of court documents showing the name, address and telephone number of minor's court appointed guardian, or
- **Custodian:** A copy of the trust or other documents showing power of appointment under the WA Uniform Transfers to Minors Act.

PARTICIPATION AGREEMENT

DEFERRED COMPENSATION PROGRAM

WASHINGTON STATE Department of Retirement Systems

PO Box 40931 Olympia, WA 98504-0931 ◆ www.drs.wa.gov/dcp
Toll Free: 888.327.5596 ◆ TTY: 711 ◆ Fax: 360.586.5474

DCP

Please read the *Information and Instructions* before completing this form.

PERSONAL INFORMATION

Social Security Number	Employer	Phone Number
Participant Name (Last, First, Middle)		Alternate Phone Number
Mailing Address	City / State	ZIP
Date of Birth (mm/dd/yyyy)	Email Address	Gender ☐ M ☐ F

DEFERRAL INFORMATION

The 2015 monthly deferral amounts are: minimum, $30; maximum, $1,500; age 50 or older can defer up to $2,000. Contact DCP if you want to defer more than $2,000.

I authorize my employer to defer $ _____ monthly from my paycheck(s). Monthly employer contributions on my behalf will be $ _____. The total monthly contribution will be $ _____. (Cannot exceed the maximum amount above.)

INVESTMENT OPTIONS

DCP offers you two different approaches to investing. For more on which approach may be right for you, read the Information and Instructions. We encourage you to choose only one of the two approaches (One-Step Investing or Build and Monitor) but provide the option for choosing both. **Total percentages must be whole and equal to 100%**.

One-Step Investing

Choosing just one fund gives you a diversified portfolio. To determine the Retirement Strategy right for you, pick your target date for retiring or withdrawing your funds.

- ☐ Retirement Maturity Strategy (80)
- ☐ 2005 Retirement Strategy (81)
- ☐ 2010 Retirement Strategy (82)
- ☐ 2015 Retirement Strategy (83)
- ☐ 2020 Retirement Strategy (84)
- ☐ 2025 Retirement Strategy (85)
- ☐ 2030 Retirement Strategy (86)
- ☐ 2035 Retirement Strategy (87)
- ☐ 2040 Retirement Strategy (88)
- ☐ 2045 Retirement Strategy (89)
- ☐ 2050 Retirement Strategy (91)
- ☐ 2055 Retirement Strategy (92)
- ☐ 2060 Retirement Strategy (93)

Write the percentage for the selected target date: _____%

CONSERVATIVE ↑ ↓ AGGRESSIVE

Build and Monitor

Mix and match to create a diversified portfolio. Write the percentages in the spaces below for each fund you want to invest in.

(10) Savings Pool	_____%
(25) Washington State Bond Fund	_____%
(30) Socially Responsible Balanced Fund	_____%
(11) U.S. Large Cap Equity Index Fund	_____%
(13) Global Equity Index Fund	_____%
(12) U.S. Small Cap Value Equity Index Fund	_____%
(14) Emerging Market Equity Index Fund	_____%

Important: Read before signing. I authorize my employer to deduct the amount indicated each month and transmit to the Deferred Compensation Program. I further authorize my employer to deduct any deferral changes I request through DCP in the future. This agreement will continue until further notification by me, as set forth in the plan. I understand a DCP Administrative Fee will be deducted quarterly from my account balance. I acknowledge that I have read and understand all sections of the Memo of Understanding.

Participant Signature	Date

BENEFICIARY DESIGNATION

I understand if I select more than one primary beneficiary or more than one contingent beneficiary, the total percentage(s) for each category must add up to 100% (use whole numbers, for example 50% and 50% or 66% and 34%). I wish to designate the following beneficiary(ies) in accordance with the provisions of the Plan:

☒ **Primary Beneficiary**			Percentage _____ %
Social Security Number	Beneficiary Name (Last, First, Middle)		Gender ☐ M ☐ F
Mailing Address			Date of Birth (mm/dd/yyyy)
City	State	ZIP	Relationship

Check only one box

☐ **Primary** ☐ **Contingent**			Percentage _____ %
Social Security Number	Beneficiary Name (Last, First, Middle)		Gender ☐ M ☐ F
Mailing Address			Date of Birth (mm/dd/yyyy)
City	State	ZIP	Relationship

Check only one box

☐ **Primary** ☐ **Contingent**			Percentage _____ %
Social Security Number	Beneficiary Name (Last, First, Middle)		Gender ☐ M ☐ F
Mailing Address			Date of Birth (mm/dd/yyyy)
City	State	ZIP	Relationship

Check only one box

☐ **Primary** ☐ **Contingent**			Percentage _____ %
Social Security Number	Beneficiary Name (Last, First, Middle)		Gender ☐ M ☐ F
Mailing Address			Date of Birth (mm/dd/yyyy)
City	State	ZIP	Relationship

I direct any accumulated deferrals in my deferred compensation account to be paid, in the percentages indicated above, to any primary beneficiaries who survive me. If none survive, such monies will be paid, in the percentages indicated, to any contingent beneficiaries who survive me.

Participant Signature	Date

DRS D 112 (R 12/14)

NOTES

NOTES

CONTACT INFORMATION:
Department of Retirement Systems
PO Box 48380
Olympia, WA 98504-8380
664.7000
800.547.6657
www.drs.wa.gov

MultiPCB 08/2015