



# SDRS Supplemental Retirement Plan

222 E. Capitol Ave. Ste. 8 Pierre, SD 57501  
1-800-959-4457

Pierre Office 605-224-2230 • Fax to 605-224-2395 • [www.srp457.com](http://www.srp457.com)

## **EZ Enrollment Participation Agreement**

\_\_\_\_\_ **YES**, I want to contribute  \$25 or  \$ \_\_\_\_\_ per pay period (minimum \$25 per month) into the SDRS Supplemental Retirement Plan. A pre-tax payroll deduction will be invested into the Vanguard Target Retirement Fund closest to the year in which I turn 65. I understand that deferrals will begin on the next pay date at least 30 days after the date my Participation Agreement is received by the Plan. I acknowledge that I received a Memorandum of Understanding (MOU) and a "Cancellation Form". **I also acknowledge that I have read and accept all terms and conditions of the MOU or I will return the Cancellation Form within seven days.**

\_\_\_\_\_ No, I do not wish to enroll in the SDRS Supplemental Retirement Plan at this time.

### **Please print the following information:**

Name: \_\_\_\_\_

Social Security Number: \_\_\_\_\_

Date of Birth: \_\_\_\_\_

Mailing Address: \_\_\_\_\_

City, ST, Zip: \_\_\_\_\_

Phone (W): \_\_\_\_\_

Phone (H): \_\_\_\_\_

Employer Name: \_\_\_\_\_

\_\_\_\_\_ Male \_\_\_\_\_ Female

**X**

\_\_\_\_\_  
Signature (Required)

\_\_\_\_\_  
Date

*Vanguard Target Retirement Funds are life-cycle funds that use a target maturity approach as a simplified way to meet investors' different objectives, time horizons, and changing risk tolerances. As your retirement date approaches, the fund's allocation will grow more conservative. To find more information about the Vanguard Retirement Funds, including fees and expenses, please visit [www.srp457.com](http://www.srp457.com). More information about investment options and Plan rules will be mailed to the address listed above before your first deferral.*



# SDRS Supplemental Retirement Plan

222 E. Capitol Ave. Ste. 8 Pierre, SD 57501  
1-800-959-4457

Pierre Office 605-224-2230 • Fax to 605-224-2395 • [www.srp457.com](http://www.srp457.com)

## Memorandum of Understanding

**The purpose of this memo is to ensure that you fully understand the highlights, restrictions and costs of participating in SDRS Supplemental Retirement Plan. However, it does not cover all details of the Plan. You should refer to the Plan Document for specific details. Please read each statement carefully.**

- I have received a copy of the Participation Agreement and the Plan Document.
- Plan assets are not my personal property. I understand that as a SDRS Supplemental Retirement Plan participant my account balance is held by SDRS Supplemental Retirement Plan in trust on behalf of my employer for the exclusive benefit of me or my beneficiaries. Quarterly statements showing the value of my account are provided after the end of the statement period.
- I may change my beneficiary by completing the form provided by the Plan Administrator.
- I may cancel my participation, before my forms are processed, by calling the Pierre Office within seven days from the date that I signed the Participation Agreement.
- The IRS imposes rules, which limit the times when I can make changes or receive payments under the Plan, and are principally as follows:

I may change at any time during the year:

1. the amount I defer, such amendments will be effective no sooner than the first payday occurring 31 or more days after the date that I execute such change, or
2. my investment options (as they apply to future deferred amounts).

I may withdraw funds from the Plan **only** upon:

1. severance from employment (including termination or death) or,
2. an Unforeseeable Emergency (as defined by Section 457 of the Internal Revenue Code as outlined below) or,
3. upon an in-service distribution.

My payments may begin after my severance from employment. If I return to employment or enter into a contract with a participating employer within 30 days after a severance from employment, no severance from employment occurs for the purposes of the plan.

Distributions must satisfy certain minimum requirements upon attaining age 70 ½. **Failure to meet those requirements may result in the payment of excise taxes and penalties.**

The funds in my account may be eligible for rollover to a traditional IRA or to an eligible retirement plan upon severance from employment. I expressly assume the responsibility for tax consequences relating to any distribution, and I agree that neither the Plan nor the Plan Administrator shall be responsible for those tax consequences.

I realize that my participation in the Plan is for long-term retirement savings and I should maintain separate, available emergency funds to cover day-to-day, unanticipated, financial shortages. However, I may be eligible for a distribution in the event of a "severe financial hardship" which results from an Unforeseeable Emergency.

An Unforeseeable Emergency is defined by the Internal Revenue Service as a severe financial hardship resulting from a sudden and unexpected illness or accident incurred by you or a dependent, loss of your property due to casualty or other similar extraordinary and unforeseeable circumstances arising as a result of events beyond your control and the hardship cannot be relieved by reimbursement or compensation (by insurance or otherwise), liquidation of your assets (to the extent the liquidation would not itself cause a severe financial hardship), or cessation of deferrals under the Plan. The events resulting in the financial hardship must have occurred within the last 24 months. An Unforeseeable Emergency does not include the need to send your children to college or the desire to purchase a home. The decision by the South Dakota Retirement System Administrator as to whether an Unforeseeable Emergency exists is based upon their interpretation of the Internal Revenue Code Regulations and shall be final and conclusive.

If I wish to apply for an Unforeseeable Emergency withdrawal, I will be required to make a request in writing to the Plan Administrator detailing the circumstances of the emergency and the dollar amount necessary to eliminate this hardship and what other avenues of obtaining the monies were sought before submitting the withdrawal request.