

**STATE OF ARIZONA – 457
PARTICIPATION AGREEMENT, MEMO OF UNDERSTANDING
and PAYROLL DEDUCTION AUTHORIZATION**

II. Entity Number: 0025
Employer's Address 100 N. 15th Ave.
Phoenix, AZ 85007
Agency _____
Agency Code _____ Payroll Center # _____

PLEASE READ THE REVERSE SIDE OF THIS FORM PRIOR TO COMPLETION

Social Security Number _____ -- -- Sex F M Date of Birth _____ -- -- Salary \$ _____
Hire Date _____

I. Name _____
Last First MI
Address _____
Number & Street Additional Mailing Information Email Address
Home _____ City _____ State _____ Zip Code _____
Work _____
 Check here if this is a name change Check here if this is a new address

III. TYPE OF REQUEST: New Reinstatement Change Allocation Change (NOTE: Allocation changes will be processed upon receipt and effective with first payroll movement after receipt)

IV. CONTRIBUTION SUMMARY

	OLD	NEW
457 Pre-tax	\$ _____	\$ _____
457 Roth*	\$ _____	\$ _____
Life Insurance Amount**	\$ _____	\$ _____
SUB TOTAL	\$ _____	\$ _____
SPECIAL	\$ _____	\$ _____
GRAND TOTAL CONTRIBUTION	\$ _____	\$ _____

SPECIAL PAY PERIOD ENDING DATES
Start _____ # of Pay Periods _____
Stop _____

V. Frequency: Bi-Weekly (Z)-26
Start Deferral on: _____

**** INCREASES IN FACE OR BENEFIT AMOUNTS REQUIRE A NEW LIFE APPLICATION. INDICATE CHANGES IN DEFERRAL AMOUNTS IN THE CONTRIBUTION SUMMARY.**

VI. CATCH-UP Provision Utilized:
 Yes, 3 year Yes, age 50+ No
Designated normal retirement age: _____

*Roth contributions are made on an after-tax basis.

VII. FUNDING OPTIONS – Only for New Business or Allocation Changes. (Must be in Whole % and Total 100%)
Pre-tax and Roth contributions will used the same investment election and allocation. If you wish to have different selections, contact a Customer Service Representative at 1-800-796-9753.

ASSET ALLOCATION - NATIONWIDE® INVESTOR DESTINATIONS SERIES		MID CAP	
_____ % NDASX	Aggressive Fund (Service Class)	_____ % PAMCX	T. Rowe Price Mid Cap Growth Fund (Advisor Class)
_____ % NDMSX	Moderately Aggressive Fund (Service Class)	_____ % VMCIX	Vanguard(R) Mid-Cap Index Fund (Institutional Shares)
_____ % NSDMX	Moderate Fund (Service Class)	LARGE CAP	
_____ % NSDCX	Moderately Conservative Fund (Service Class)	_____ % AWSHX	American Funds - Washington Mutual (Class A)
_____ % NDCSX	Conservative Fund (Service Class)	_____ % FCNTX	Fidelity Contrafund
_____ % REJTX	American Funds 2015 Target Date Retirement Fund (Class R5)	_____ % VINIX	Vanguard(R) Institutional Index Fund (Institutional Shares)
_____ % RECTX	American Funds 2020 Target Date Retirement Fund (Class R5)	_____ % SGRNX	Wells Fargo Advantage Growth (Institutional Class)
_____ % REDTX	American Funds 2025 Target Date Retirement Fund (Class R5)	SPECIALTY	
_____ % REETX	American Funds 2030 Target Date Retirement Fund (Class R5)	_____ % FARCX	Nuveen Real Estate Securities Fund (Class I)
_____ % REFTX	American Funds 2035 Target Date Retirement Fund (Class R5)	BALANCED	
_____ % REGTX	American Funds 2040 Target Date Retirement Fund (Class R5)	_____ % RIDFX	American Funds - The Income Fund of America (Class R5)
_____ % REHTX	American Funds 2045 Target Date Retirement Fund (Class R5)	BONDS	
_____ % REITX	American Funds 2050 Target Date Retirement Fund (Class R5)	_____ % LSBDX	Loomis Sayles Bond Fund (Institutional Class)
INTERNATIONAL		_____ % NHINX	Neuberger Berman High Income Bond Fund (Investor Class)
_____ % RWIEX	American Funds - Capital World Growth and Income Fund (Class R4)	_____ % PARRX	PIMCO Real Return Fund (Administrative Class)
_____ % RNWEX	American Funds The New World Fund (Class R4)	_____ % PTTRX	PIMCO Total Return Fund (Institutional Class)
_____ % BTAEX	DWS EAFE Equity Index Fund (Premier Class)	FIXED/CASH	
_____ % DODFX	Dodge & Cox International Fund	_____ % N/A	Arizona Credit Union
_____ % N/A		_____ % N/A	Arizona Fixed Fund
SMALL CAP		% TOTAL FOR BOTH COLUMNS MUST EQUAL 100%	
_____ % PVADX	Allianz NFJ Small Cap Value Fund (Administrative Class)		
_____ % BCSIX	Brown Capital Mgmt. Inc., Small Company Fund (Inst'l Class)		
_____ % VSCIX	Vanguard(R) Small Cap Index Fund (Institutional Shares)		

VIII. Check here if this is a change of beneficiary. (Beneficiaries listed below replace any prior designation). PLEASE NOTE: Percentage split must total 100%, and must be in whole percentages.

If additional space for beneficiaries is required, please complete and attach additional sheets with all of the required information below, then mark this box:

<input type="checkbox"/> Primary <input type="checkbox"/> Contingent	Beneficiary Name	Social Security Number	%Split
	Address	Date of Birth	Phone#
<input type="checkbox"/> Primary <input type="checkbox"/> Contingent	Beneficiary Name	Social Security Number	%Split
	Address	Date of Birth	Phone#

Please contact me regarding transferring my other pre-tax retirement assets to my deferred compensation plan.

I authorize my Employer to reduce my salary by the above amount which will be credited to the State of Arizona 457 Plan. The reduction will continue until otherwise authorized in accordance with the Plan. The withholding of my deferred amount by my Employer and its payment to the designated investment option(s) will be reflected in the first pay period contingent on the processing of this application by the Plan Administrator in conjunction with the set-up time required by my payroll center. The reduction is to be allocated to the funding options in the percentages indicated above.

I HAVE READ AND UNDERSTAND EACH OF THE STATEMENTS ON THE FRONT AND BACK OF THIS FORM, WHICH HAVE BEEN DRAFTED IN COMPLIANCE WITH THE INTERNAL REVENUE CODE. I ACCEPT THESE TERMS AND UNDERSTAND THAT THESE STATEMENTS DO NOT COVER ALL THE DETAILS OF THE PLAN OR PRODUCTS.

Participating Employee's Signature _____ Date _____
NRS Representative's Signature _____ Rep. # _____ Principal's Signature _____

**STATE OF ARIZONA EMPLOYEE 457 DEFERRED COMPENSATION PLAN
MEMORANDUM OF UNDERSTANDING**

1. I understand that my participation in the State of Arizona Public Employees Deferred Compensation Plan is governed by the terms and conditions of the Plan Document. The product information brochure and fund prospectuses are available upon request from:
 - The local Nationwide Retirement Specialist at 1-602-266-2733.
 - The State of Arizona Plan website at www.arizonadc.com.
 - The Nationwide Retirement Solutions Customer Service Center at 1-800-796-9753.
2. The information brochure and prospectuses are available upon request at www.arizonadc.com or by calling 1-800-796-9753..
3. The total annual contribution amount to all 457(b) plans is the lesser \$17,500 or 100% of includible compensation. Under certain circumstances, additional amounts above the limit may be deferred into the Plan if (1) I will attain age 50 or older during the current calendar year, or (2) I am within three years of Normal Retirement Age and did not contribute the maximum amount in prior years. The Plan Document provides additional details about contribution limits. Contributions in excess of maximum amounts are not permitted and will be considered taxable income when refunded. It is my responsibility to ensure my contributions do not exceed the annual limit.
4. Earnings from designated Roth contributions may be subject to income taxes and penalties unless the distribution is a qualified distribution. A qualified distribution is one that the contributions are held in the designated Roth Account for 5 consecutive tax years and the participant is at least 59 1/2, has become disabled or has died. In addition, distribution of designated Roth accounts which are rolled over into this account may be subject to income taxes and penalties if they are not qualified distributions. Designated Roth contributions are generally not subject to income taxes or penalties. Please note, that once made, contributions and/or rollovers to a Roth account may not be reversed. In the event you wish to make changes, only future contributions and/or rollovers can be redirected.
5. I may withdraw funds from the Plan only upon severance from employment; upon attaining age 70 1/2; upon an unforeseeable emergency approved by the Plan; or I may take a one time in-service withdrawal if my account value is \$5,000 or less (as adjusted) and I have not contributed into the Plan for two or more years. In some cases withdrawal for purchase or repayment of service credits in a governmental defined benefit plan may be permitted. Additionally, funds may be withdrawn upon my death. All withdrawals of funds must be in compliance with the Internal Revenue Code and applicable regulations, some of which are expressed in the Plan Document.
6. Generally, my distributions must typically begin no later than April 1st following the year I reach age 70 1/2. If I work beyond age 70 1/2, generally my distributions must begin no later than April 1st following the year I have a severance from employment or retire. Please consult your plan document for further details. All distributions are taxable as ordinary income and subject to income tax in the year received. My distributions must be made in a manner that satisfies the minimum distribution requirements of IRC Sec. 401(a)(9). **Failure to meet minimum distribution requirements may result in the payment of a 50% federal excise tax.**
7. The funds in my account may be eligible for rollover to a traditional or Roth IRA or to an eligible retirement plan. The "Special Tax Notice Regarding Plan Payments" provides detailed information about my options. Due to important tax consequences related to distributions, I have been advised to consult a tax advisor. 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.
8. No more than 25% of total contributions can be used to purchase life insurance.
9. If the policy terminates due to insufficient premium, my continuing contributions will be credited to the fund option(s) based on my then current allocation (unless I notify the Plan Administrator otherwise).
10. I may exchange the accumulated value of my account at any time, among available investments, subject to certain terms and restrictions of those options and the Plan. Some mutual funds may impose a short term trade fee. Please read the underlying prospectuses carefully.
11. I understand that I may make changes among the investment options within my account as frequently as daily, but any change may be subject to the restrictions of the plan and/or the investment provider. In addition, some mutual funds may impose a short term trade fee. Please read the underlying prospectuses carefully. Changes may be made by calling 1-800-796-9753 or logging on to www.arizonadc.com.
12. I understand that all products are optional.
13. I understand that if an allocation is made to a closed or unavailable investment option, the allocation will be made to the default option, the Arizona Fixed Fund. I understand that if the total investment option allocation is greater than 100% my application will be rejected and my allocations will not be processed.
14. I understand the Arizona Deferred Compensation Board reviews the Investment Options periodically and makes changes to the fund lineup if necessary.
15. The earliest your enrollment or contribution change can start is the first day of the month following your completed request. Please remember, your employer's processing scheduled will determine the actual effective date of the contribution. It is the Plan Sponsor's/Pay Center's responsibility to ensure deferrals do not commence too early.

ADMINISTRATIVE FEES

1. I understand that the value of the investment options I select may change on a daily basis and there is no guarantee of principal or investment returns.

ARIZONA CREDIT UNION

1. The effective interest rate may vary in accordance with the general interest rate and the policy of the Credit Union.

LOANS

1. Loans are available under my plan. I will be bound by the Loan Agreement I will review and sign before a loan is processed.
2. Upon a request for a distribution of my account balances, any outstanding loan balance will be offset before any distribution is made.

ARIZONA FIXED FUND

The Arizona Fixed Fund is comprised of an investment contract offered by Nationwide Life Insurance Company. A net interest is declared quarterly and credited daily. Guarantees and protections are subject to the claims paying ability of Nationwide Life Insurance Company

MUTUAL FUND PAYMENTS DISCLOSURE

Nationwide Retirement Solutions, Inc. and its affiliates (Nationwide) offer a variety of investment options to public sector retirement plans through variable annuity contracts, trust or custodial accounts. Nationwide may receive payments from mutual funds or their affiliates in connection with those investment options. For more detail about the payments Nationwide receives, please visit www.nrsforu.com.

ENDORSEMENT DISCLOSURE

Nationwide Retirement Solutions, Inc. and Nationwide Life Insurance Company have endorsement relationships with the National Association of Counties and the International Association of Firefighters-Financial Corporation. More information about the endorsement relationships may be found online at www.nrsforu.com.