Standard Participant **Transfer** *and* **Rehire** *Rules*

(See reverse for *Plan Continuation Rules*)

Under the standard participant transfer rules, participants who are rehired and/or transfer to a new division are enrolled in the active plan for that division, regardless of the plan type they were previously enrolled in. A Participant Transfer Certification form is required. Employers who want an alternative to the standard transfer policy have the option to adopt the plan continuation rules instead. See the reverse side of this document to learn more about plan continuation rules.

MERS®
Municipal Employees' Retirement System

Note: DB means Defined Benefit and DC means Defined Contribution

Transferring/rehiring **TO** a division with:

Transferring/terminating **FROM**:	DB	DC	Hybrid
DB	• DB accrual under the first plan is entirely transferred to the **new DB plan** • Entire service will be calculated under the DB provisions of the new division upon retirement • Vesting schedule of new DB plan applies, with combined service used to meet vesting	• **DC is the new plan** • Contributions begin according to the default rate of the DC plan and Employer contributions under DC are subject to the vesting schedule in the new plan • DB accrual is frozen • Service is combined to meet vesting and eligibility requirements under the DB benefit	• **Hybrid is the new plan** • Contributions begin according to the default rate of the Hybrid plan • DB accrual is frozen • Service in Hybrid plan begins as of effective date of transfer/rehire • Vesting schedule of new plan applies, with combined service used to meet vesting
DC	• **DB is the new plan** • DC account remains invested; no new contributions are deposited • Service in DB plan begins as of effective date of transfer/rehire • Service is combined to meet vesting and eligibility requirements under each plan	• Contributions begin according to the default rate of the **new DC plan** • Where vesting schedules are different, assets in the original DC plan will be held separate to ensure service toward the original vesting schedule is preserved. • Employer contributions in the new DC plan begin as of transfer date and are subject to the vesting schedule under the new plan. • Service toward vesting will coordinate to meet vesting under either schedule.	• **Hybrid is the new plan** • Service in the DB portion of Hybrid plan begins as of effective date of transfer/rehire • The participant's DC account balance will be transferred to the DC portion of Hybrid • Contributions begin according to the default rate of the new DC plan • Where vesting schedules are different, assets in the original DC plan will be held separate to ensure service toward the original vesting schedule is preserved. • Employer contributions in the new DC plan begin as of transfer date and are subject to the vesting schedule under the new plan. • Service toward vesting will coordinate to meet vesting under either schedule.
Hybrid	• **DB is the new plan** • Accumulated assets in Hybrid-DC remain invested, but no new contributions are made • Accrual under the Hybrid-DB plan is frozen • Service in DB plan begins as of effective date of transfer/rehire • Service is combined to meet vesting requirements under each plan	• **DC is the new plan** • Accrual under the Hybrid-DB plan is frozen • Accumulated assets in Hybrid-DC will be transferred to the new DC plan • Contributions begin according to the default rate of the DC plan • Service is combined to meet vesting requirements under each plan • Where DC/DC-Hybrid vesting schedules differ, assets in the original DC plan will be held separate so service toward the original vesting schedule is preserved. • Employer contributions in the new DC plan begin as of transfer date and are subject to the vesting schedule under the new plan. • Service toward vesting will coordinate to meet vesting under either schedule.	• The entire first Hybrid account is transferred to the **new Hybrid plan** • Entire service will be calculated under the new Hybrid plan provisions upon retirement • Service is combined to meet vesting requirements under each plan • Where vesting schedules are different, assets in the original DC plan will be held separate to ensure service toward the original vesting schedule is preserved. • Employer contributions in the new DC plan begin as of transfer date and are subject to the vesting schedule under the new plan. • Service toward vesting will coordinate to meet vesting under either schedule.

Plan **Continuation** *Rules*

MERS Municipal Employees' Retirement System

(See reverse for *Standard Participant Transfer and Rehire Rules*)

Under the *plan continuation rules*, participants who are rehired and/or transfer to a new division will be enrolled in the same plan type as the division they are being transferred from or previously enrolled in, whether open or closed, if such a plan exists. When both open and closed plans of that type exist, the employee will be enrolled in the open plan. If the same plan type does not exist, the employee is enrolled in the open plan for that division, regardless of plan type. A Participant Transfer Certification form is required.

Employers may adopt the plan continuation rules by *Resolution Establishing a Uniform Transfer Provision*.

Note: DB means Defined Benefit and DC means Defined Contribution

Transferring/rehiring **TO** a division with:

Transferring/terminating **FROM**:	Closed DB / Open DC	Closed DB / Open Hybrid Plan	Closed DC / Open DB	Closed DC / Open Hybrid	Closed Hybrid / Open DB	Closed Hybrid / Open DC
DB	• **Closed DB is the new plan** • DB accrual under the first plan is entirely transferred to the new [closed] DB plan • Entire service will be calculated under the DB provisions of the new division upon retirement	• **Closed DB is the new plan** • DB accrual under the first plan is entirely transferred to the new [closed] DB plan • Entire service will be calculated under the DB provisions of the new division upon retirement	• **Open DB is the new plan** • DB accrual under the first plan is entirely transferred to the new DB plan • Entire service will be calculated under the DB provisions of the new division upon retirement	• **Open Hybrid is the new plan** • Contributions begin according to the default rate of new Hybrid plan • DB accrual is frozen • Service in Hybrid plan begins as of effective date of transfer/rehire • Vesting schedule of new Hybrid plan applies, with combined service used to meet vesting	• **Open DB is the new plan** • DB accrual under the first plan is entirely transferred to the new DB plan • Entire service will be calculated under the DB provisions of the new division upon retirement	• **Closed Hybrid is the new plan** • Contributions begin according to the default rate of new Hybrid plan • Participant's accrual is frozen under DB; service in Hybrid begins as of transfer/rehire effective date • Vesting schedule of new Hybrid plan applies, with combined service used to meet vesting
DC	• **Open DC is the new plan** • Contributions will begin according to default rate of the new DC plan • Service and any accumulated assets will be combined into new DC plan • Vesting schedule of new plan applies with combined service used to meet vesting	• **Open Hybrid is the new plan** • Contributions will begin according to default rate of Hybrid plan • Accumulated assets will transfer to the Hybrid plan • Service in Hybrid plan begins as of effective date of transfer/rehire • Vesting schedule of new Hybrid plan applies, with combined service used to meet vesting	• **Closed DC is the new plan** • Contributions begin according to the default rate of the new DC plan • Service and any accumulated assets will be combined into the new plan • Vesting schedule of new DC plan applies, with combined service used to meet vesting	• **Closed DC is the new plan** • Contributions begin according to the default rate of the new DC plan • Service and any accumulated assets will be combined into the new plan • Vesting schedule of new DC plan applies, with combined service used to meet vesting	• **Closed Hybrid is the new plan** • Contributions will begin according to default rate of Hybrid plan • Accumulated assets will transfer to the Hybrid plan • Service in Hybrid plan begins as of effective date of transfer/rehire • Vesting schedule of new Hybrid plan applies, with combined service used to meet vesting	• **Open DC is the new plan** • Contributions begin according to default rate of the new DC plan • Service and any accumulated assets are combined into new DC plan • Vesting schedule of new DC plan applies, with combined service used to meet vesting
Hybrid	• **Closed DB is the new plan** • Accumulated assets in Hybrid-DC remain invested, but no new contributions are made • Accrual under the Hybrid-DB plan is frozen • Service in DB plan begins as of effective date of transfer/rehire • Service is combined to meet vesting in each plan	• **Open Hybrid is the new plan** • Contributions will begin according to default rate of new Hybrid plan • Service and any accumulated assets will be combined into new Hybrid plan • Vesting schedule of new Hybrid plan applies, with combined service used to meet vesting and eligibility	• **Open DB is the new plan** • Accumulated assets in Hybrid-DC remain invested, but no new contributions are made • Accrual under the Hybrid-DB plan is frozen • Service in DB plan begins as of effective date of transfer/rehire • Service is combined to meet vesting in each plan	• **Open Hybrid is the new plan** • Contributions will begin according to default rate of new Hybrid plan • Service and accumulated assets will be combined into new Hybrid plan • Vesting schedule of new Hybrid plan applies, with combined service used to meet vesting and eligibility • Entire service will be calculated under the new Hybrid plan provisions upon retirement	• **Closed Hybrid is the new plan** • Contributions will begin according to default rate of new Hybrid plan • Service and accumulated assets will be combined into new Hybrid plan • Vesting schedule of new Hybrid plan applies, with combined service used to meet vesting and eligibility • Entire service will be calculated under the new Hybrid plan provisions upon retirement	• **Closed Hybrid is the new plan** • Contributions begin according to default rate of new Hybrid plan • Service and accumulated assets will be combined into new Hybrid plan • Vesting schedule of new Hybrid plan applies, with combined service used to meet vesting and eligibility • Entire service will be calculated under the new Hybrid plan provisions upon retirement

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