

## CERTIFICATION OF QUALIFIED FUND ROLLOVER TO TGRS-MERS

Complete this form to make an eligible rollover distribution from another pension plan qualified under Internal Revenue Code (“Code”) section 401(a), a tax-sheltered annuity (“TSA”) under section 403, a deferred compensation plan under section 457, a Roth IRA or a traditional “conduit” IRA to the Tribal Government Retirement System (“TGRS”) – Municipal Employees Retirement System of Michigan (“MERS”). MERS is a Code section 401(a) qualified plan. This may be done by a direct or indirect rollover. A “**direct rollover**” transfer takes place when the trustee of the other plan transfers a distribution directly to TGRS-MERS. An “**indirect rollover**” takes place when the trustee of the other plan pays the distribution to the individual member (withholding required taxes); the member must then make deposit of the assets in the receiving plan within 60 days of the date the payment was received by the member. In all cases, the member must be a current, active TGRS-MERS member at the time of transfer to TGRS-MERS. Please note that as to IRAs, a tax-free rollover is a distribution of the taxable amounts (see box 4 below) from a “traditional IRA.” These requirements are specified in the federal law amendments made to the Code by The Economic Growth and Tax Relief Reconciliation Act of 2001 (“EGTRRA”), and the Pension Protection Act of 2006 (“PPA”). Under these laws, assets “rolled” over from an eligible plan to another plan assumes (“takes on”) the characteristics of the plan they are being transferred to.

In general, a person must have “separated” from service under the prior plan and be eligible to take a distribution from that plan in order to “roll over” assets to another plan. However, EGTRRA permits a direct rollover transfer from one plan (as stated above) to a defined benefit plan (such as TGRS-MERS) under which the member is currently covered to purchase service credit or to repay a prior refund of contributions the current member has taken previously, without a separation from service. Section 647 of EGTRRA amended the Code by providing for in-service “rollover” of assets from a section 403(b) TSA or a governmental section 457 deferred compensation plan (and not from a non-governmental tax exempt organization) to a governmental plan such as TGRS to purchase defined benefit service credit or repay a prior refund. **TGRS-MERS WILL ACCEPT ROLLOVERS FROM SUCH PLANS ONLY FOR THESE PURPOSES.**

Member Name (Last, First, Middle)	Social Security No. (last 4 digits only) -	Phone (Daytime)	
Street Address	City	State	Zip Code

- |   | <b>YES</b>               | <b>NO</b>                |
|---|--------------------------|--------------------------|
| 1. <b>SECTION 401(a) QUALIFIED PLAN</b> - Are the funds being transferred to TGRS-MERS from a tax-qualified plan under section 401(a) of the Internal Revenue Code? (This includes a defined benefit plan, a defined contribution plan or a 401(k) plan <b>except</b> for hardship distributions that are not rollover-eligible.)   | <input type="checkbox"/> | <input type="checkbox"/> |
| 2. <b>SECTION 403 TSA</b> (tax sheltered annuity) - Are the funds being transferred from a tax-sheltered annuity under section 403 of the Code? ** If Yes, please identify the Code section applicable to the account. <input type="checkbox"/> 403(a) <input type="checkbox"/> 403(b)  | <input type="checkbox"/> | <input type="checkbox"/> |
| 3. <b>SECTION 457(b) DEFERRED COMPENSATION PLAN</b> - Are the funds being transferred from a deferred compensation plan under section 457(b) of the Internal Revenue Code?  | <input type="checkbox"/> | <input type="checkbox"/> |
| • Is that 457 plan a governmental plan? (A plan established and maintained by the government of the United States, any state, or political subdivision, agency or instrumentality of either.)   | <input type="checkbox"/> | <input type="checkbox"/> |
| • If not, please describe the type of plan: _____.  |                          |                          |
| 4. <b>TRADITIONAL IRA</b> - Are all funds non-taxable IRA amounts which do not include any after-tax contributions, or any funds from an: inherited IRA, a Roth IRA, or a Coverdell Education Savings Account ?   | <input type="checkbox"/> | <input type="checkbox"/> |
| 5. <b>Roth IRA</b> – Are the funds after tax contributions to a Roth IRA being transferred directly from the former trustee to the TGRS-MERS Defined Benefit Plan in accordance with Section 402(c)(2)(A) ?   | <input type="checkbox"/> | <input type="checkbox"/> |
| 6. <b>SIMPLE IRA</b> – Are the funds being transferred from a SIMPLE IRA?<br>If Yes, have you participated in the SIMPLE IRA for at least 2 years (from date contributions first deposited) and certify that TGRS-MERS may accept the direct rollover?  | <input type="checkbox"/> | <input type="checkbox"/> |
| 7. <b>ENTIRE BALANCE IN ONE TAX YEAR</b> - Did you receive the entire balance of your vested account in one tax year and terminate from your previous employer in the same tax year? Please note: if you were a participant in more than one qualified plan of the same type (for example, if your employer maintained two pension plans), special rules may apply. Consult your tax advisor. ( <b>Not applicable to direct trustee-to-trustee transfers.</b> ) | <input type="checkbox"/> | <input type="checkbox"/> |
| 8. <b>TGRS SERVICE CREDIT PURCHASE</b> - Are the funds being used to purchase TGRS-MERS service credit as approved by the current TGRS-MERS employer under its TGRS defined benefit program?  | <input type="checkbox"/> | <input type="checkbox"/> |
| • If “Yes,” has the governing body of your TGRS-MERS employer formally approved your service credit Purchase? (Attach copy of completed application approved by the governing body.)  | <input type="checkbox"/> | <input type="checkbox"/> |

- |  |                          |                          |
|--|--------------------------|--------------------------|
|  | <u>YES</u>               | <u>NO</u>                |
| • Are the funds being transferred from an in-service distribution? ( <b>Applicable to direct trustee transfers.</b> )  | <input type="checkbox"/> | <input type="checkbox"/> |
| 9. <b>REPAYMENT OF PRIOR REFUND OF TGRS-MERS CONTRIBUTIONS</b> - Are the funds being transferred for the purpose of restoring TGRS-MERS defined benefit service that had previously been forfeited by an earlier refund? Please note: You must be a current, active TGRS-MERS member at the time of repayment. | <input type="checkbox"/> | <input type="checkbox"/> |
| • Are transferred funds from an in-service distribution? ( <b>Applicable to direct trustee transfers.</b> )  | <input type="checkbox"/> | <input type="checkbox"/> |
| 10. <b>60-DAY RESTRICTION ON INDIRECT ROLLOVERS</b> - Is deposit with TGRS-MERS being made within 60 calendar days of your receipt of the funds? ( <b>Not applicable to direct trustee-to-trustee transfers.</b> )   | <input type="checkbox"/> | <input type="checkbox"/> |

In order for the rollover to be tax-qualified, the "YES" box MUST BE CHECKED in items 1 or 2 or 3 or 4 or 5 or 6; 7 and 10 apply to indirect rollovers only, and not to direct trustee transfers as stated in boxes 8 and/or 9. If "NO" is checked in box 10, you may make contributions, but the funds will be subject to federal and state tax in the calendar year you received them from the other plan.

**If box 8 is checked "YES," TGRS-MERS Service Credit Purchase, TGRS-MERS requires receipt of the completed service credit purchase application approved by the governing body of the current TGRS-MERS employer, and TGRS-MERS will accept only the amount equal to the balance due for the service credit being purchased. If box 9 is checked "YES," Repayment of Prior Refund of TGRS-MERS Contributions, TGRS-MERS will accept only the balance due.** Any amount received over the balance due will be returned to the transferring plan (if a direct transfer) or to the member for rollover to another section 401(a), 403(b) or 457 plan or a traditional IRA that will accept the rollover from TGRS-MERS; EGTRRA does not require that another plan must accept such funds.

**NOTE:** The rollover source Plan Administrator is required to provide you with a written explanation ("Safe Harbor Explanation") of direct trustee-to-trustee rollover rules, mandatory tax withholding on distributions not directly rolled over trustee-to-trustee ("indirect rollover"), and tax consequences of distributions not rolled over. The same Plan Administrator will notify the Internal Revenue Service that a distribution of funds has been made by Form 1099-R in the year distribution was made. The 1099-R and TGRS' receipt, along with an explanation that an otherwise taxable amount was rolled over to TGRS, should be attached to the tax return for the same calendar year in which the distribution was made.

**MEMBER CERTIFICATION:** Due to important tax consequences relating to rolling over funds into TGRS-MERS, I have been advised to see a tax advisor. I certify that I satisfy the requirements for making a qualified rollover into the TGRS-MERS plan, a qualified pension plan. TGRS-MERS is entitled to rely fully on my certification. I expressly assume the responsibility for tax consequences relating to this rollover, and I agree that TGRS-MERS shall not be responsible for these tax consequences.

Signature of Member	Date
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**DIRECT TRANSFER TRUSTEE CERTIFICATION:** I certify I am the duly authorized trustee or custodian of the qualified plan or IRA identified below for the account holder/member whose name is stated on page 1.

Account Holder Name/No.			
Type of Account <input type="checkbox"/> 401(a) <input type="checkbox"/> 403(a) <input type="checkbox"/> 403(b) <input type="checkbox"/> 408(a) <input type="checkbox"/> 408(b) <input type="checkbox"/> 408A <input type="checkbox"/> SIMPLE <input type="checkbox"/> 457			Plan's Federal Identification No.
Trustee or Plan Administrator			Phone No.
Street Address	City	State	Zip Code
Signature of Plan Administrator or Trustee			Date

**RETURN TO:** Tribal Government Retirement System c/o TGRS-MERS  
1134 Municipal Way  
Lansing, MI 48917  
Phone: (877) 641-8477 • Fax: (517) 703-9706

If you have speech or hearing difficulties and need assistance completing this form contact the Michigan Relay Center at 1-800-649-3777. If you have other disabilities, contact TGRS-MERS at 1-877-641-8477 to request special accommodations.

Instructions for Processing a TGRS—MERS Service Credit Purchase  
Key Points to Remember

1. The service credit purchase cost estimate (Estimated Actuarial Cost of Additional Credited Service) is *valid for 2 months from the calculation date*.
2. Additional service is granted once the purchase amount is “paid in full” *within the 2 month period*.
3. If you are paying for the additional service by a rollover distribution from another pension plan (or traditional or Roth IRA), you *must* follow these steps;
  - a. Contact the other plan administrator (or trustee) to determine their rules for a distribution of your funds.
  - b. Send to TGRS-MERS a copy *only* of the other plan’s required distribution forms. TGRS-MERS does not process the other plan’s forms.
  - c. After you and the other plan complete the enclosed “Certification of Qualified Fund Rollover to TGRS-MERS,” return the completed original to TGRS at the address indicated on the form. Do not return this instruction sheet (page 3).
  - d. Once the governing unit (your TGRS-MERS employer) approves the service purchase, the signed resolution should be forwarded to TGRS-MERS prior to sending any payment.
  - e. If required (or requested) by the other plan, TGRS-MERS’ Finance Department will provide wiring instructions.
4. If you have any questions, please call TGRS-MERS Office of Employee and Retiree Services at 877-641-8477, or go to [www.tgrsbenefits.org](http://www.tgrsbenefits.org), select the link “Contact Us,” and then choose the e-mail for service credit purchases. The MERS Board is plan administrator and trustee for TGRS-MERS. MERS is a tax-qualified governmental plan under section 401(a) of the Internal Revenue Code, pursuant to MERS’ IRS Letter of Favorable Determination dated June 15, 2005.