



## Utah Retirement Systems

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Salt Lake City, UT 84110-1590

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[www.urs.org](http://www.urs.org) Fax: 801-366-7759

# REQUEST FOR EXEMPTION

## TIER 2 DEFINED CONTRIBUTION VESTING

### STATE OF UTAH

**EMPLOYER INSTRUCTIONS:**

1. Please type or print clearly in black ink.
2. Complete this form only after the online certification program has been used to designate the employee is eligible.
3. Sign in Section A then give the form to your employee to complete and sign.

**EMPLOYEE INSTRUCTIONS:**

4. Read then sign Section B where indicated and forward to our office. Do not mail a form if you fax one to our office.
5. Set up defined contribution allocations, deferrals, and beneficiaries online at myURS.
6. Review the Pertinent Information for Exemptions on the second page of this form

**SECTION A - EMPLOYER CERTIFICATION INFORMATION**

Employee Name (first, middle, last)	Date of Birth (mm/dd/yyyy)	Social Security Number
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I certify the above employee is eligible for exemption from the vesting schedule required in Tier 2, based on the position checked below. I also understand I must notify the Retirement Office when the employee becomes ineligible or separates employment.

- |   |   |
|---|---|
| <input type="checkbox"/> An Executive Department Head                                   | <input type="checkbox"/> An Employee of the Governor's Office   |
| <input type="checkbox"/> A Member of the State Tax Commission                           | <input type="checkbox"/> An Employee of the State Auditor's Office  |
| <input type="checkbox"/> A Member of the Public Service Commission                      | <input type="checkbox"/> An Employee of the State Treasurer's Office                                      |
| <input type="checkbox"/> An Employee of the Governor's Office of Planning and Budget    | <input type="checkbox"/> A Member of a Full-Time or Part-Time Board or Commission (UCA § 49-22-205(1)(d)) |
| <input type="checkbox"/> An Employee of the Governor's Office of Economic Opportunity   | <input type="checkbox"/> Appointees of the Utah National Guard (UCA Section 49-22-205(1)(o))              |
| <input type="checkbox"/> An Employee of the Commission on Criminal and Juvenile Justice |   |

Date Eligible for Exemption: \_\_\_\_\_ .  
(mm/dd/yyyy)

State Agency Name and Number	Authorized DHRM Signature (required)	Date
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**SECTION B - EMPLOYEE ELECTION AND EXEMPTION AUTHORIZATION**

I affirm my election to participate in the following retirement system or plan:

- ☐ Hybrid Retirement System  
☐ Defined Contribution (DC) Plan

I am applying for exemption from participation, as authorized by Title 49, which will have the effect of exempting me from the 4-year vesting requirement for contributions made to the Tier 2 Defined Contribution (DC) Plan. By electing to exempt, whether my career election is for the Hybrid or DC Plan, I understand that I will not accrue service credit toward a defined benefit monthly retirement allowance. I further understand that until completion of the initial one-year election period, I may revoke this election or change my career participation election. During that one-year period, the required contributions made by my employer will be reported to the Tier 2 Hybrid Retirement System and I will not have access to control investment allocations. After the one-year period, investment allocation and withdrawal rules will apply to DC Plan monies.

**I wish to execute the right granted by my position to exempt from the normal four-year vesting period.**

Employee Signature (required)	Date
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## **PERTINENT INFORMATION FOR EXEMPTIONS**

### ***Exemption Time Frames***

Exemption elections are subject to certain timing restrictions. Generally, exemptions may only be made when an employee initially begins employment with an employer and prior to participation in any retirement plan of the employer. For a new Tier 2 employee, participation does not occur, and the election to exempt can be made until the end of the first year election period. Once an employee has participated with any plan of the employer, employees are prohibited from making a participation election, including to elect exemption or revoke an exemption, throughout the duration of their employment with that employer, regardless of position changes, promotions, or a termination and rehire.

### ***Service Accrual***

Employees don't accrue service credit towards a defined benefit retirement during the period of exemption.

### ***Exemption Cancellations***

Generally, an exempt employee may not elect to revoke or cancel any exemption. However, for a new Tier 2 employee, participation does not occur, and the election to exempt can be revoked until the end of the first year election period. Once the exemption election has been made and the plan participation has begun at the end of the first year, the employee must remain in that plan for the duration of the employee's employment with that employer unless an employee changes positions to one that is not eligible to exempt. Employees who are in a position that no longer qualifies for exemption from specific coverage or vesting shall be returned to the participation or vesting requirements of the system in which they should be participating. In Tier 2, this is based on their career participation election between the Hybrid Retirement System or DC Plan. Such employees cannot be provided a retirement system participation choice at the time of a position change.

### ***Transfer of Contributions***

Employees who exempt are not eligible for a refund of member contributions, because they have not separated from employment; however, they may request a direct transfer of member contributions, if any, to a qualified defined contribution plan administered by our office. Contact the Retirement Benefits Department (801-366-7770 or 800-695-4877) for more information.

