



Utah Association of Public Charter Schools  
Retirement Plan

Enrollment Booklet



Consultants and Actuaries

northwest plan  
services, inc.

February 2019

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Section 1  
Enrollment Booklet

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A person wearing a bright yellow jacket is sitting on a wooden dock by a lake at dusk. A small lantern is lit on the dock next to them, casting a warm glow. In the background, a large, dark mountain rises against a deep blue twilight sky. The water of the lake is calm and reflects the ambient light.

getting there

your **guide** to **saving** and **investing** for **retirement**

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## Section 2

# Participant Letter

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## DEAR PARTICIPANT,

Welcome to the Utah Association of Public Charter Schools (“the Association”) Retirement Plan! We are excited to partner with the Association on a retirement benefits package for member schools of the Association that offers lower cost, better management and performance, and greater simplicity. This package is now offered to you with our deepest respect for you who educate our children. We are committed to giving back in the best way we know how- to help you retire as comfortable as possible. Take a moment to see how this plan benefits you:

### BETTER PLAN MANAGEMENT

The plan uses an unbundled approach, meaning that the Association is partnering with three separate companies to provide you the best service possible - each company focusing on what it does best. VeraPath Global Investing acts as the investment advisor managing the fund lineup, portfolio strategies, and education of schools and employees about the plan features; Northwest Plan Service provides the administration and record keeping of the plan; and TD Ameritrade acts as the custodian of your funds. We’ve found that this approach lowers portfolio costs, improves portfolio performance, and increases the transparency of the participant’s retirement account.

### HIGH QUALITY SERVICE

Northwest Plan Services provides all participants with a report containing balance and performance data each quarter. In addition, a call center and website are available to assist you with account service and questions.

### INVESTMENT CHOICE

As opposed to other retirement plans who offer a limited choice of funds, we offer a selection of independent, expertly vetted funds, allowing you to construct your own portfolio, if desired. Additionally, we also offer a choice of five actively-managed portfolios (ranging from aggressive to conservative) that we will manage for you over time. Since their inception in 1997, our managed portfolios have given participants top tier performance compared to their benchmarks.\*

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### ENROLLING IN THE PLAN

Enrolling in the plan is easy. This booklet provides you with information and forms needed to enroll in the plan. Use the table of contents below to help you navigate through the enrollment process:

- **Section 3: Summary of Key Plan Provisions**
  - Contains important details about the plan features.
- **Section 4: General Retirement Education Information**
  - Highlights how/what/why to save for retirement and other general retirement principles.
- **Section 5: Website & Call Center Tutorial**
  - Explains how to access your account online, view account balances and conduct other account business, and how to contact the Call Center for help.
- **Section 6: Qualified Default Investment Alternative Notice**
  - Notifies the participant that they will be invested in a portfolio based on their age, as a default, if the participant neglects to select a portfolio.
- **Sections 7 & 8: Forms**
  - **Savings Rate & Investment Election Forms** - Participant should fill these forms out to enroll in the retirement plan. The completed forms should be given to the HR Department at your school.

- **Beneficiary Designation Form (required)** - Identifies the beneficiary(ies) of the participant's assets upon death of the participant. The completed form should be given to the HR Department at your school.
- **Rollover Forms**
  - **Rollover Contribution Election Form (if applicable)** - highlights the rollover guidelines that must be followed to transfer a distribution from another qualified retirement plan into this plan.
  - **Rollover Investment Form, Rollover ROTH Certification Form, and Employees Certification of Rollover Amount Form (if applicable)** - should be completed and given to the HR Department at your school if you are transferring a distribution from a qualified previous plan.
- **Section 9: Model Makeup**
  - Highlights asset class allocations in each of our five managed portfolios.
- **Section 10: Fee & Investment Disclosures**
  - Reports providing profile summary information about each fund used in the plan.

## QUESTIONS?

Most questions can be answered quickly and efficiently by calling the Call Center or accessing the website. In the event you need additional help, contact information has been provided below based on topic:

- **General Account Information, Account Balance, Distributions, Loans, Reports:**  
Call Center or Website  
1-888-700-0808 [www.yourplanaccess.net/nwps/](http://www.yourplanaccess.net/nwps/)
- **Enrollment in the Plan, Rollovers, Distributions, Loans:**  
Your school's HR Department
- **Investment Line-up and Portfolio Strategies:**  
VeraPath Global Investing  
Clint Biesinger [clint@verapathglobal.com](mailto:clint@verapathglobal.com)                      Josh Flint [josh@verapathglobal.com](mailto:josh@verapathglobal.com)

We're excited to partner with you and your school, and want to help you discover the benefits of planning and investing for your retirement. It is our goal and passion to help you retire as comfortably as possible.

Kindest regards,



Clint Biesinger  
Director of Development



Josh Flint  
Director of Retirement Planning

## ABOUT VeraPath

Combining decades of industry experience and a personal approach to investing and financial advising, VeraPath Global Investing, LLC serves the needs of clients large and small.

We believe in challenging the status quo. Rather than static allocations and investment types, investments need to be managed through time with creativity, insight, and discipline. We accomplish this by applying a disciplined framework of economic analysis and valuation analysis of different types of investments, and adjust exposures to them throughout the business cycle. In addition, we are constantly looking for new types of investments that can be used within this framework to improve overall results. We openly communicate to clients providing them with an understanding of what we are doing and why.

\*Past performance is not a predictor of future returns.

## Section 3

# Summary of Key Plan Provisions

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# Utah Association of Public Charter Schools Retirement Plan

## Summary of Key Plan Provisions

ELIGIBILITY	<p>All Employees of any Public Charter School that is a Member in good standing with the Utah Association of Public Charter Schools and that has adopted the UAPCS Retirement Plan are eligible to participate in the Plan on their date of hire (i.e., there are no age or service requirement to participate in the Plan).</p> <p>Please note, however, that Employees who are members of a Collective Bargaining Agreement, that are Temporary, that are Independent Contractors or that are Non-Resident Aliens are not eligible to participate.</p>
CONTRIBUTIONS	<p><b>Employee Contributions</b> – If you are an Eligible Employee, you may make Pre-Tax 401(k) Contributions and After-Tax Roth Contributions to the Plan. To enroll in the Plan to make Employee Contributions, please complete the Enrollment Form included in this book and turn in the completed form to your School administrator. Your 401(k) and Roth Contributions combined can be as high as 75% of your compensation subject to an annual cap established by the IRS each year (\$18,000 for 2017 or \$24,000 if you are 50 or over by December 31, 2017). Note: unlike Roth IRA’s, there is no income limit on who can make Roth Contributions to a Retirement Plan.</p> <p><b>Employer Matching Contributions</b> – Participating Public Charter Schools may make Matching Contributions to the Plan. Please check the Summary Plan Description for your School to find out whether your School makes a Matching Contribution and, if so, what the criteria are that your School has established for you to receive a Matching Contribution.</p> <p><b>Employer Profit Sharing Contributions</b> – Participating Public Charter Schools may make Profit Sharing Contributions to the Plan. Please check the Summary Plan Description for your School to find out whether your School makes a Profit Sharing Contribution and, if so, what the criteria are that your School has established for you to receive a Profit Sharing Contribution.</p> <p><b>Rollover Contributions</b> – If you have money in a taxable IRA Account or in another Employer’s Retirement Plan, you may rollover that account into the UAPCS Retirement Plan. In order to complete a Rollover, please download the Rollover into the UAPCS Retirement Plan form and read the instructions that explain how you complete a rollover. You will need to request a Benefit Election Form from your prior employer or the financial institution that holds your IRA and use the Form to make an election to take your money out of that Plan or IRA and to rollover the amount payable to you to the UAPCS Retirement Plan.</p>
ELECTION CHANGES	<p>You may change the amount of Employee Contributions you make to the Plan at any time (including stopping or re-starting your contributions). To do so, simply re-complete the Enrollment Form with your new contribution elections and turn the form in to your School’s Administrator or update on the website. Your revised contribution election will become effective as soon as administratively feasible.</p>
VESTING	<p>Vesting refers to your “ownership” of the accounts maintained in the Plan on your behalf. You will always be 100% vested in (i.e., have full ownership of) your entire Account. This includes any amounts that you have in your 401(k) Account, your Matching Account, your Profit Sharing Account and your Rollover Account.</p>
ACCOUNT INFORMATION	<p>Participant Website: <a href="http://www.yourplanaccess.net/nwps/">www.yourplanaccess.net/nwps/</a></p> <p>Voice Response System: 1-877-410-9984, Provider ID 6789</p> <p>Call Center: 1-888-700-0808 (8:00 am to 6:00 pm Mountain Time, Monday through Friday)</p>

# Utah Association of Public Charter Schools Retirement Plan

## Summary of Key Plan Provisions (page 2)

### WITHDRAWALS

**In-Service Withdrawals** – While you are still employed with any Public Charter School that participates in the UAPCS Retirement Plan, you are eligible to make the following in-service withdrawals:

- 1) **Hardship Withdrawal** – From your 401(k) Deferral Account only if you have an immediate and heavy financial need and have no other resources to meet that need. Distributions are only allowed if they qualify under the approved IRS list of hardship situations (payment for medical expenses, post-secondary education expenses, funeral expenses, catastrophic expenses, or to purchase or prevent eviction from your primary residence). If you take a Hardship Withdrawal, by Law, you will have to stop making Employee Contributions to the Plan for a six-month period.
- 2) **Post Age 59½ Withdrawal** - Once you have attained age 59½, you may request a distribution of any portion of your Account.
- 3) **Rollover Account Withdrawal** – You may request a withdrawal of any portion of your Rollover Account at any time.
- 4) **Loan** – You are eligible to take a loan from the Plan at any time. When you take a loan, the loan amount is taken from your Plan Account and you agree to repay the loan through regular payroll deduction contributions of principal and interest. Briefly, here are the loan rules. (1) You may only have one outstanding loan at a time. (2) The fixed rate of interest that applies to your loan is the current Prime Rate of Interest at the time you request your loan plus 2%. (3) The minimum loan amount is \$1,000. (4) The maximum loan amount is the lesser of \$50,000 or 50% of your Account Balance. (5) the maximum time period over which your loan can be paid off is five years. (6) A one-time fee of \$150 will be assessed against your Plan Account to pay for the cost of setting up and administering your loan. (7) If your employment terminates, you have 90 days to pay off your unpaid loan balance. Otherwise, the loan balance will be considered a taxable distribution to you.

**Termination Withdrawals** – If your employment terminates, you have the right to take your money out of the Plan at any time by completing a Benefit Election Form. You have two distribution choices. You can either rollover your entire Account into an IRA or to your new employer’s retirement plan, or you can take a taxable lump sum distribution. You can also take a combination approach by rolling over a portion of your Account and taking a lump sum cash distribution of the remaining portion of your Account. If you take a taxable lump sum distribution, by law, 20% of your taxable distribution is withheld and sent to the IRS as estimated tax withholding. At the end of the calendar year in which you tax your taxable distribution, you will complete your Federal Income Tax Filing and report the distribution. You might end up paying more taxes or you might get a partial refund. It depends on your personal income tax situation. Also, if you are not age 59½ when you take a taxable distribution, a 10% Premature Distribution Tax will also apply to the taxable portion of your distribution which is paid at the time you complete your Federal Income Tax Filing.

Please note that you have the right to leave your Account in the Plan if you have more than \$5,000 payable to you. If your Account has less than \$5,000, you will be required to take a distribution from the Plan (that you can rollover or take in cash – it’s up to you) or, if you do not elect to take a distribution, your Account will automatically be rolled over into an IRA Account outside the Plan.

## Section 3

# General Retirement Education Information

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# the modern american retirement system



**W**here do you begin? First, you should understand that retirement plans are very different for most of today's workers, compared to those being used by today's retirees. The modern American retirement system offers much greater flexibility, opportunity and individual control; however, these benefits come with a great deal more personal responsibility. This means that you will have to spend some time learning about saving and investing, and you must accept the responsibility of ensuring that you save enough and spend responsibly. While learning of this responsibility may seem unfair or make you feel shortchanged, you should consider the benefits.

Today's generation of workers will control how much of their compensation is saved for retirement, how it's invested, and how they spend their savings during retirement. This is quite different from the retirement plans of previous generations, which were managed and controlled entirely by the employer rather than the employee. This meant that employees had almost no responsibility to learn about or monitor their investments, and their Plans were very restrictive and offered little or no individual control. These Plans were designed for a generation of workers who spent the majority of their career with a single employer, whereas the modern American retirement plans are designed with portability features for today's more mobile workforce.

Like previous generations, the primary source of retirement income for most American workers will come from their employer-sponsored retirement plan. However, the method in which the money to pay for these retirement benefits is accumulated, invested, and, ultimately distributed (spent), will be much different for current and future generations of workers.

Why? One school of thought is that a portion of the previous generations' compensation was paid in salary and a portion was allocated to pension benefits. Employers hired professionals to manage the entire pool of investments for everyone in the Plan, and employees were limited to just a few retirement income options. Therefore, an employee's retirement income was defined by the Plan, rather than their lifestyle.

Today's workers receive more of their compensation in cash and are expected to voluntarily save a portion of their wages for retirement. This means that you'll be responsible for establishing a retirement income goal and calculating your ongoing progress.

Also, you'll need to learn the basic principles of saving and investing for retirement. This is no longer an option for employees such as yourself - this is an absolute must.

## EXPRESS LANE: LEARN 5 ITEMS OR LESS

### the modern american retirement system

- > saving and investing for retirement is different today, compared to previous generations
- > you'll have more flexibility, opportunity, and control
- > you'll have more responsibility
- > americans are living longer, which means a longer retirement and more money saved to pay for it
- > your employer's plan offer tax benefits and other features to help your money grow faster

## modern retirement lifestyle

The number of years spent in retirement is another consideration for today's workers. Thanks to advances in the medical profession and healthier lifestyles Americans are living longer and enjoying a longer retirement. While a 10-year retirement was a typical period for previous generations, it's not unreasonable for today's retirees to expect a retirement that lasts 20 years or more. Of course, this means that retirees will have to save more money to pay for an extended retirement or plan to generate additional income by working, at least part-time, during a portion of their retirement years.

## what are the advantages?

Your employer's retirement plan is designed to provide much greater individual control. You are in control of your retirement age, savings rates, investment decisions and how to spend your savings. Your retirement plan representative can help calculate the amount you should save and explain available investment options.

what do you mean:

## “modern american retirement system?”

### what changed, and why am I responsible?

#### the three-legged stool

For over fifty years financial planners and advisors have referred to retirement planning as a three-legged stool to describe the importance of creating retirement income from multiple sources. The first leg represents benefits from an employer-sponsored retirement plan. The second leg represents retirement benefits expected from Social Security, and the third leg represents personal (supplemental) savings. Together, the three “legs” (sources) create a complete retirement income package.



#### the history

While this three-legged approach is still recommended today, the first leg (employer-sponsored retirement plans) has changed significantly in the modern American retirement system. For previous generations, their employer’s primary retirement plan was generally a Defined Benefit (DB) retirement plan. Employees covered by these types of Plans had very little responsibility, because their benefit was based solely upon a formula. Some of these Plans would be funded entirely by the employer, and others would require employees to contribute a portion of their pay in addition to employer contributions. All of the money was invested in a single (pooled) account, and the employer hired professionals to make all of the investment decisions. Additionally, the employer hired specialized accountants, called actuaries, to calculate how much would need to be contributed to the Plan in order to maintain enough money to pay future promised retirement benefits. Their calculations were based upon many factors, including the amount of money currently in the Plan, expected future contributions and an assumed annual growth rate of the Plan’s investments.

These employer-does-everything Defined Benefit (DB) Plans certainly have many advantages; however, they are typically very restrictive. Employees are usually limited to just a few retirement income choices from the Plan and a lump-sum withdrawal option that is subject to substantial penalties, which makes these Plans less attractive to anyone who may not plan to be a career employee. Most DB Plans have been replaced by Defined Contribution (DC) Plans. In fact, it’s estimated that over 80% of Americans’ retirement plans are DC Plans, which operate much differently.

#### why am I responsible?

As an employee participating in a Defined Contribution Plan you have the ability to decide how much to contribute, how to invest the money, and how to have it paid to you when you’re eligible to receive a distribution. These Plans are generally much more portable and easy to transfer to another employer’s Plan, which makes them attractive to a more mobile workforce. In exchange for all of this flexibility, opportunity, portability and control, you take on the task of ensuring that you save enough money, invest wisely, and spend responsibly.

#### EXPRESS LANE: LEARN 5 ITEMS OR LESS

##### what are my responsibilities?

- > participation in most of these Plans is discretionary (you decide if you want to invest, and how much)
- > choose how the money is invested
- > establish a retirement income goal
- > determine a savings goal
- > periodically calculate progress to ensure that you’re on pace to achieve your savings goal

getting there:

## why should I save?

**W**hy should you save money in your employer-sponsored retirement plan? There are a number of reasons why you should save money for retirement, which were described in the previous sections.

Bottom line - as a participant in the modern American retirement system, you have the sole responsibility to make yourself save for retirement. In most cases, your employer will not require that you participate in the Plan; however, there are many advantages to using this Plan.

### pre-tax savings

Your employer-sponsored Plan allows you to invest money on a pre-tax basis, which means that your contributions are deducted from your paycheck before income taxes are calculated. In other words, you can use this tax strategy to make your account grow faster by saving more money than you're able to if you saved on an after-tax basis. Saving money after-tax means that you would decide to take a portion of your take-home pay to save and invest after your employer has deducted all of the necessary income taxes. The table below is provided to help you understand the difference between pre-tax and after-tax savings.

In this comparison you can see that the semi-monthly gross salary (row 2) and the net take-home pay (row 8) are identical for both pre-tax and after-tax savers. However, the difference is in the amount saved/invested each paycheck. The after-tax saver is investing \$100 (row 7) each paycheck, while the pre-tax saver is investing \$117 (row 3), and both have the same net take-home pay. The pre-tax saver is able to save an additional \$17 each paycheck because the amount withheld for federal income taxes is reduced (row 6). Federal income taxes on these pre-tax contributions are deferred until the money is withdrawn from the account. Therefore, the pre-tax saver can use the additional amount contributed to invest and make the account grow faster.

Additionally, there are other potential tax benefits. First, if you reside in a state that requires you to pay state income tax, you may further increase the amount invested on a pre-tax basis, because these contributions are



### EXPRESS LANE: LEARN 5 ITEMS OR LESS

#### why should I save for retirement?

- > it's your responsibility to make yourself save
- > your employer's retirement plan offers pre-tax savings benefits to help your money grow faster
- > your employer may offer "free money" in the form of matching contributions

also exempt from most state income taxes. Also, you benefit from paying income taxes at a lower rate when you receive a distribution if your taxable income is lower during retirement than it was when you made the contributions.

row		pre-tax savings	after-tax savings
1	annual salary	\$ 45,000	\$ 45,000
2	semi-monthly gross salary	\$ 1,875	\$ 1,875
3	pre-tax retirement savings	\$ 117	\$ 0
4	taxable income	\$ 1,758	\$ 1,875
5	fica and medicare taxes	\$ 143	\$ 143
6	federal income tax	\$ 110	\$ 127
7	after-tax retirement savings	\$ 0	\$ 100
8	net (take-home) pay	\$ 1,505	\$ 1,505
9	total income taxes paid	\$ 110	\$ 127
10	pre-tax savings difference	\$ 17	n/a

Note: Assumes semi-monthly (24) payroll cycle and married taxpayer claiming 2 withholding allowances.

**how much will I need?**

**R**emember, one of your most important responsibilities is to calculate how much you'll need to save in your employer's retirement plan and personal savings to supplement retirement income that you expect to receive from Social Security and any other sources. In order to accurately determine how much you need to save you should use a retirement planning calculator, which is usually provided on your Plan administrator's web site, or have your investment professional perform the calculations for you and provide a retirement savings plan.



### what's involved with figuring the amount I need to save for retirement?

The first step in calculating required funding (savings) is to establish a retirement income goal based upon your spending expectations during retirement. If you're unsure of spending expectations you might use a common guideline often recommended by financial planners, which is to provide retirement income that would replace 70% - 80% of your projected final salary. The reasoning behind these amounts are based upon the assumption that you are saving 20% or more of your annual income prior to retirement, so you're already used to living on 80% or less of your income. Additionally, you may have lower expenses during retirement, which means that your income requirements are lower.

Remember that retirement income will likely come from several sources (the three-legged stool), which include your employer-sponsored retirement plan, Social Security, and supplemental savings. So be sure to include expected retirement income from all sources when calculating your funding requirements. Social Security estimates can be obtained from their web site ([www.ssa.gov](http://www.ssa.gov)), where there are several calculators available, ranging from simple to sophisticated.

Alternatively, if you're wondering approximately how much you will have saved, the table below provides estimates for a range of time horizons and current salary figures.

#### EXPRESS LANE: LEARN 5 ITEMS OR LESS

##### calculating how much you'll need to save

- > establish a desired retirement age and a retirement income goal (i.e. 75% of salary)
- > estimate how much you'll get from other sources, such as Social Security
- > use an online retirement calculator to determine how much you would need to save to pay for the difference, or have your investment professional do this for you
- > use the same online retirement calculator (or investment professional) to estimate how you'll need to save each paycheck to reach your savings goal
- > periodically recalculate your progress - you should do this at least every 2 - 3 years

current salary	years until retirement		
	15	20	30
\$30,000	\$298,500	\$363,100	\$537,500
\$50,000	\$605,700	\$736,900	\$1,090,800
\$80,000	\$1,176,200	\$1,431,100	\$2,118,400

These projections assume you are single, receive a 4% annual pay increase, an 8% rate of return (not guaranteed), need 80% of current salary, live 25 years in retirement, and receive Social Security benefits of \$13,800, \$19,300, and \$23,800, respectively. These examples are hypothetical and do not represent the return of any particular investment.

### how much will I need to save?

As a general rule you will probably need to save about 15% - 20% of your annual income for retirement if you are seeking to replace 80% of your final salary. Of course, there are many variables that would alter this rule, so it's really best to perform an individual calculation. The most important decision that you'll make is to get started saving as soon as possible. While investment selection and management can help your portfolio grow faster, your greatest ally as an investor is time.

getting there:

## what do I need to know about investing?

Investing for retirement can be narrowed down to two very important principles - asset allocation and diversification. Ironically, these two concepts are often confused with one another. So, this section was written to eliminate the confusion by describing the two concepts and their differences in easy-to-understand terms.

### the three major asset classes

The first, and most important, decision that you'll make about your investments is referred to as "asset allocation." To understand asset allocation you must first understand the three major asset classes and what makes each of them unique.

The three major asset classes are stocks, bonds and cash. Each of these are different types of investments that have very different risk and potential reward characteristics. The chart below shows the historical performance of the three major asset classes and inflation (we'll get to that later) during the past 20 years. Let's start with the definition of each of the three major asset classes.

### what is a cash investment?

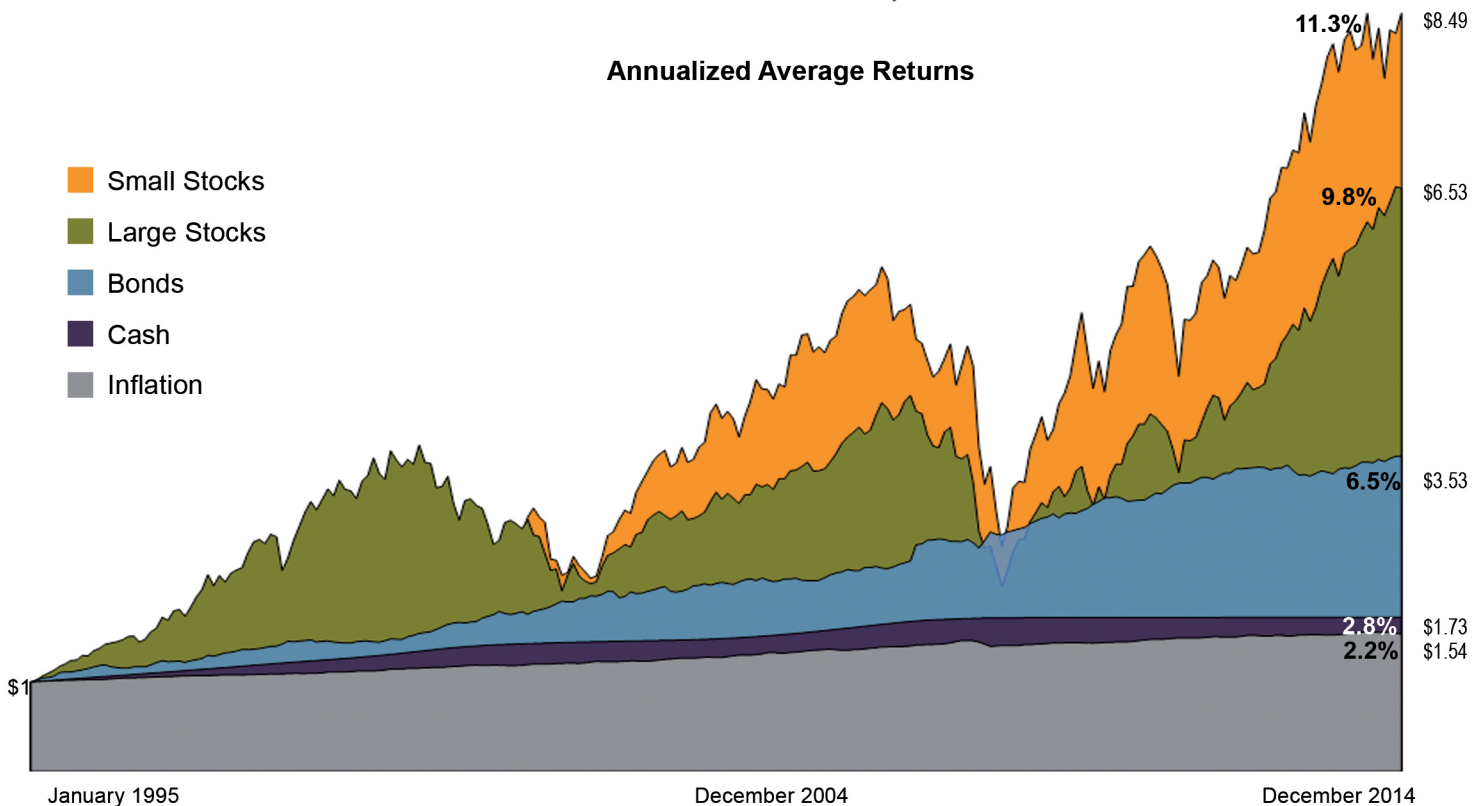
Cash alternatives are relatively low-risk, short-term, and generally fairly liquid—in other words, you can convert them to cash quickly if needed. You might use cash alternatives:

- To provide you with relative stability
- To maintain a ready source of cash for emergencies or other purposes
- To serve as a temporary parking place for assets until you decide where to put your money longer term

A few examples of some cash alternatives include certificates of deposit (CDs), money market deposit accounts, money market mutual funds, and U.S. Treasury bills (T-Bills). Each option offers different rates of return and varying levels of liquidity. Also, some cash alternatives, such as bank CDs and deposit accounts, may offer FDIC insurance; others do not. Be sure you understand the type of protection available with each one.

## 20-year historic performance of the three major asset classes and inflation

(results of \$1 invested in January 1995)



Notes: 20-year historical performance of Small Stocks (Russell 2000 Value Index); Large Stocks (S&P 500 Index); Bonds (BC Aggregate Index); Cash (90-day U.S. Treasury Bill); and, Inflation (Consumer Price Index). Past performance is not guaranteed and is not indicative of future results. Source: Morningstar Principia.

## what do I need to know about investing?

### what is a bond investment?

Similar to “cash” investments, a bond is also a loan with a promise to return all of your principal (initial investment) and interest. Bonds are really IOUs issued by corporations and governments as a way to raise money to fund a specific project or other endeavor. In exchange for these loans/IOUs the investor receives a certificate that states the period (term) of the loan and amount of interest to be paid.

Unlike cash investments, the term of these loans are longer and generally promise to pay a higher rate of interest as a result. The performance of bonds are also affected by current interest rates. When interest rates are decreasing, existing bonds tend to outperform the average return shown in the chart on the previous page. Likewise, when interest rates are rising, existing bonds tend to underperform their long-term averages.

Additionally, bonds range in quality and risk based upon the ability of the issuer (corporation or government) to repay the loan/IOU and all of the promised interest. Therefore, the risk and potential investment return from bond investments are determined both by the term of the loan and the quality of the issuer. Historically, the investment performance for a diversified pool of high-quality bonds has been greater than cash investments, while offering relatively low risk characteristics.

### what is a stock investment?

Unlike cash and bond investments, an investment in stocks does not represent a loan or IOU, so there’s no guarantee or promise to get any of your money back and there’s no guarantee that you’ll make a profit. When you invest in stocks you are buying a small piece (share) of ownership in a corporation. Therefore, an investment in stock is an investment of confidence that represents your confidence that the company (and it’s stock) could increase in value over time.

### EXPRESS LANE: LEARN 5 ITEMS OR LESS

#### what do I need to know about investing?

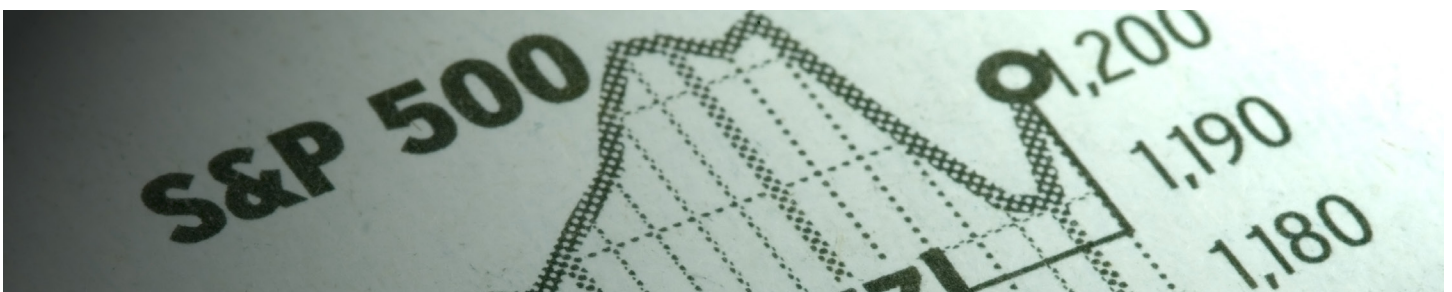
- > the three major asset classes (stocks, bonds, cash)
- > understand asset allocation and diversification

Much like real estate, shares of stock are purchased at their current value, which is determined by what other investors/buyers are willing to pay at a particular point in time. The value of both real estate and stock may increase or decrease in value. Investors hope to profit from their investment by selling it (stock or real estate) to someone else at some point in the future for an amount greater than their purchase price.

The historic performance of stocks has been much greater than that of cash bonds over longer periods of time; however, the performance of stocks during short periods of time can be extremely volatile (potentially extreme increases or decreases in value) during short time periods. Therefore, an investment in stocks is generally more attractive to the long-term investor, because the short-term ups and downs are outweighed by the potential greater long-term investment returns.

### how does inflation impact investments?

Inflation represents a measurement of the increased costs for goods and services over time. As a long-term investor, inflation is an important consideration, because the cost of goods and services will likely increase while your money is invested. Over the long-term, it’s advisable to invest in asset classes that have outperformed inflation by a meaningful amount.



getting there:

## what do I need to know about investing?

### EXPRESS LANE: LEARN 5 ITEMS OR LESS

#### what do I need to know about asset allocation?

- > control your potential risk and return by adjusting the amount allocated to stocks, bonds, and cash
- > allocate more stocks in the early years of your career
- > gradually decrease the allocation and increase the allocation to bonds as you near retirement age

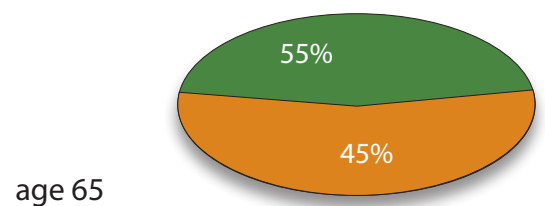
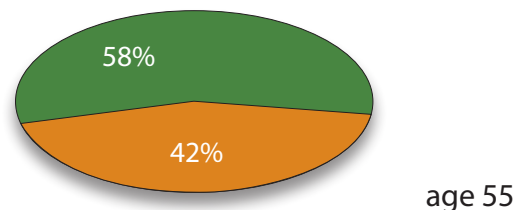
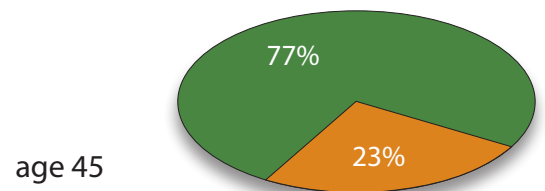
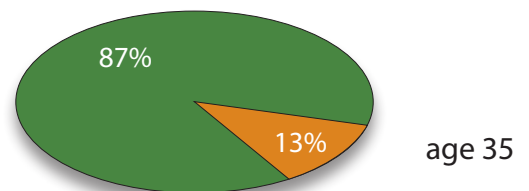
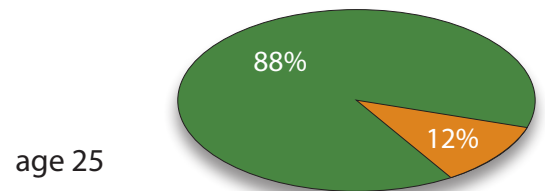
#### what is asset allocation?

As mentioned previously in this section, asset allocation is the most important decision that you'll make initially, and the most important revision made to your portfolio over time. Asset allocation is simply how you decide to allocate (divide) your investments among the three major asset classes (stocks, bonds and cash). Independent studies have concluded that this decision is representative of over 90% of the potential investment return of a diversified portfolio, and that individual investment selection and timing have very little influence on the performance of a long-term portfolio.

The amount allocated to each asset class should be based upon an investor's current time horizon (the length of time between today and when they intend to start spending money in the account - in this case, retirement age) and risk tolerance, which is the level of risk an investor is comfortable accepting. Therefore, a younger person with a longer time horizon would generally be more comfortable with a large portion of their portfolio in stocks, while someone closer to retirement would begin to favor the greater stability of bonds. Therefore, it's generally advisable to allocate a greater percentage of your portfolio to stocks during the early years of your career, and then gradually reduce the allocation stocks while increasing your allocation to bonds as you near your planned retirement age. Finally, the cash asset class should be added when an investor gets very close to retirement, and this lower-risk asset class will continue to be attractive during one's retirement years.

The pie charts shown here provide an example of how the average investor, with a planned retirement age of 65, might allocate their investments. These allocation models are based purely upon time horizon, so it should be noted that an investor may wish to be more aggressive or conservative than these models when factoring their personal tolerance for investment risk.

#### asset allocation models



■ stocks      ■ bonds

# creating and managing your own mix of investments

## what is diversification?

Remember, asset allocation is the percentage of your portfolio that is allocated to each of the three major asset classes, and diversification is how you divide assets within one or more of the three major asset classes. Ultimately, the primary purpose of diversification is to reduce risk in your overall portfolio. For example, if you decided to allocate 70% of your portfolio to stocks, you would not want to invest the entire 70% in a single stock, because 70% of your portfolio would be subject to the success or failure of one company. Instead, you could substantially reduce risk by diversifying your allocation to stocks among many different companies, with different characteristics, operating in several different industries/markets.

## mutual funds

One of the most common methods of diversifying is to invest in mutual funds. These are investment companies that combine the assets of many individual and institutional investors into a single pool, which is invested into several, often hundreds, of different securities (stocks, bonds, etc.). Individual investors benefit by accessing the expertise and resources of a team of investment professionals who make all of the investment management decisions, and their investments are immediately diversified. Investors further benefit by sharing the investment management and operating expenses of mutual funds, which are spread across all of the fund's investors.

Every mutual fund has a stated investment objective that provides potential investors with information about the types of investments, management style and risk/reward characteristics of the fund. There are over 20,000 mutual funds available that offer a wide variety of risk and return characteristics based upon the types of investments and particular investment strategies of each fund. The table shown here illustrates the risk and reward characteristics of various types of mutual fund strategies.

Mutual funds with more aggressive investment strategies may offer potential higher investment returns, along with an increased risk of losing value. Likewise, funds with more conservative investment strategies offer greater protection from severe losses while limiting the expected investment return.

## three step process

### step one: asset allocation

Remember the first, and most important step is to determine an appropriate allocation of your portfolio based upon your time horizon and risk tolerance. Younger investors should have greater allocations to stocks, while those closer to retirement will want to favor the bond and cash asset classes.

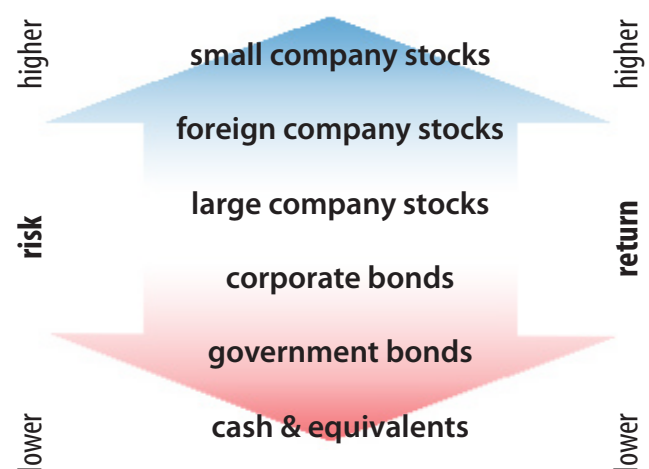
### step two: diversification (choose your funds)

Your retirement plan offers a broad range of investments to choose from, which provides you with the ability to have a diverse mix of investments by adding funds from several asset classes to your portfolio. You can find more detailed information about each of the funds offered in your retirement plan in the next section of this guide.

### step three: monitor and manage your portfolio

You will want to periodically review your investment mix and make adjustments so that your allocation gradually becomes more conservative as you near your anticipated retirement age. Additionally, you should periodically rebalance your portfolio so that it doesn't become more aggressive than you intended.

## mutual fund asset classes





## Section 4

# Website Information

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## Utah Association of Public Charter Schools Retirement Plan Online Retirement Plan Account Access

You are now eligible to participate in your company's retirement plan. Once enrolled, you are able to access your retirement plan account via the plan's retirement plan website as follows:

<b>Internet Access:</b>	<a href="http://www.yourplanaccess.net/nwps/">www.yourplanaccess.net/nwps/</a>
<b>Initial User ID:</b>	Your SSN (no dashes)
<b>Initial Password:</b>	Last four digits of your SSN
<b>Drop Down Box:</b>	Select "Participant" in the third drop down box

After you login for the first time, we encourage you to change your User ID and Password by clicking on the gear icon located at the top right of the webpage and then selecting "Password Change" from the menu. We also recommend that you click on "Personal Info" from the same menu to set up an Alternate Verification Question which can be used to retrieve your Password, should you forget it. For your own protection, keep your Password confidential. Do not disclose it to anyone.

You can use the Website to accomplish the tasks below.

- Change your User ID and/or Password
- View your account balance
- View personal information and update your email address
- View investment fund price and performance information
- View your personal returns
- View or change your future savings investment elections
- Schedule automatic recurring rebalance transfers
- View information about the plan
- Download forms
- View or download your transaction history

Transactions that are entered by the stock market close, generally 1:00 pm, will be processed the same day. Transactions entered after the stock market close will be processed the next business day.

**If you have questions regarding the website or the plan, please contact the Participant Call Center at 888-700-0808, Monday through Friday, from 7:00am to 5:00pm (PST).**

# Website Instructions

**Web Address:** [www.yourplanaccess.net/nwps/](http://www.yourplanaccess.net/nwps/)

## System Login

To sign onto your account, enter your User ID, Password and select “Participant” for the role. The first time you enter the site, your User ID will be your Social Security Number and your Password will be the last four digits of your Social Security Number. You can change your User ID and Password after you first sign in to the system **by clicking on gear icon in the top right of the website** then choosing “Password Change” from the menu.

## Inside the System

Once you’ve successfully logged in, you will notice that information is organized by menu choices on the bar at the top. You will be first linked to the summary page, where you can confirm personal information and review a summary of your account balances. After clicking on one of the menu options a sub menu will be displayed offering more pages to access. A few highlights are:

- **Dashboard.** This page displays your Account Balance, Contribution Rate (if your plan supports this feature), My Portfolio, and Recent Activity.
- **Manage Account.** This is where you can make changes to how your future contributions will be invested, change how your current balance is invested and change your deferral contribution rate (if your plan supports them). You can also view your transaction history and a history of any changes you made on the web.
- **Retirement Readiness.** Calculators to see how your retirement planning is doing.
- **Performance.** Click here to see the performance of the plan’s investment options. Click on any of the options to be linked to the Morningstar<sup>®</sup> information page for that option (if available). You can also review a personal rate of return.
- **Reports found under Forms & Reports.** Elect to receive your quarterly statement by regular mail or elect to make it viewable only on the website. This is also where you can view investment advisor reports and create statements on demand.
- **Reports found under Forms/Reports/Tools.** This will link you to a library of the plan forms that you may need, such as distribution forms and beneficiary designation forms.
- **Forms found under Forms/Reports/Tools.** This will link you to a library of the plan forms that you may need, such as distribution forms and beneficiary designation forms.
- **Personal Info.** On the top right of the website select the gear icon to review your personal settings.

The website is updated every day to reflect any activity and earnings in your account. We urge you, for security purposes, to change your User ID and Password the first time you sign on to the system.

## Section 5

# Qualified Default Investment Alternative Notice

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# UTAH ASSOCIATION OF PUBLIC CHARTER SCHOOLS RETIREMENT PLAN

## QUALIFIED DEFAULT INVESTMENT ALTERNATIVE NOTICE

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Participants in the Utah Association of Public Charter Schools Retirement Plan (the “Plan”) are entitled to direct the investment of funds in their accounts. In the Trustee’s experience, participants rarely fail to make an investment choice with respect to elective or matching contributions because they make the choice at the same time they file their deferral elections. Nonetheless, there may be a time when a participant fails to make an investment choice. It is also the Trustee’s experience that some participants fail to make an investment election with respect to profit sharing contributions that might be made by their employer. Therefore, the Trustees have adopted default investments for the investment of contributions for participants who don’t give investment directions. The default account for contributions is a variety of age based Portfolios that seek to provide conservation of capital, current income and long-term growth of capital and income. Amounts defaulted will remain in the default fund until the participant directs that they be invested in another investment options. This notice describes the default Portfolios that are intended to constitute a qualified default investment alternative or “QDIA” within the meaning of section 404(c)(5) the Employee Retirement Security Act of 1974, as amended.

---

### Default Investments

*Income Plus Strategy, Short Term Portfolio, Intermediate Term Portfolio, and Long Term Portfolio*

### Investment Objective of the Managed Portfolios:

*Income Plus Strategy (Age 61+) A multi-asset class portfolio with 100% of assets invested in a managed income yielding portfolio. The object of this portfolio is to preserve the participants’ principal while generating some income to extend the investment while participants begin to take distributions. One should experience minimal risk when compared to an investment in a U.S. equity index fund.*

*Short Term Portfolio (Ages 56-60) A multi-asset class portfolio with approximately 30% of assets in equity securities and approximately 70% of assets in income yielding portfolio. The object of this portfolio is to preserve the bulk of the participants portfolio through substantial investment in more stable asset classes, while providing some growth opportunity through a meaningful investment in equity securities. One should experience significant risk reduction when compared to an investment in a U.S. equity index fund.*

*Intermediate Term Portfolio (Ages 46-55) A multi-asset class portfolio with approximately 50% of assets in equity securities and approximately 50% of assets in income yielding portfolio. The object of this portfolio is to provide the participant with an equal focus on asset preservation and growth potential. One should expect to experience roughly half of the risk and volatility than one would experience if invested in a U.S. equity index fund.*

*Long Term Portfolio (Ages 45 and under) A multi-asset class portfolio with approximately 70% of assets in equity securities and approximately 30% of assets in income yielding securities. The object of this portfolio is to generate more growth than the conservative portfolios below, through substantial equity investment, while slightly curbing market volatility through a meaningful investment in more stable asset classes. One should expect to experience slightly less risk and volatility than one would experience if invested in a U.S. equity index fund.*

### Risk and Return Characteristics:

*The Portfolios have risk and return characteristics that would generally provide more risk and return potential than a bond, money market, or stable value investment. The Portfolios are designed to be less aggressive as a Participant gets older. The most aggressive Portfolio is the Long Term Portfolio followed by the Intermediate Term Portfolio then the Short Term Portfolio and finally the Legacy Strategy Portfolio which is the least aggressive of the four Portfolios.*

### Fees and expenses:

*Expenses for the Portfolios are the weighted average expense of the underlying fund investments in each Portfolio. The current average expense rate for each Portfolio is:*

Income Plus: 0.5860%

Short Term: 0.5346%

Intermediate Term: 0.5651%

Long Term: 0.6097%

---

If you would like to direct the investment of amounts defaulted to the QDIA fund to other investment alternatives available under the Plan, you may do so at any time through the Plan's recordkeeping web site at <https://www.yourplanaccess.net/nwps/>. Or you may direct your questions to the Administrative Committee's representative at the end of this Notice. They will provide you the necessary forms and requirements to make your own investment decisions. Since you are responsible for your own investment decisions, we encourage you to review the available funds and select the fund(s) that best suit your personal situation.

All fees incident to your investment choices will be borne by your account. There is no additional fee to invest in the default fund. In addition, there are no fees or expenses for moving your investments from the QDIA to other alternatives. If you are satisfied with the QDIA investment option, you do not have to do anything at this time.

The Plan intends to comply with Internal Revenue Code Section 404(c). As a result, the Plan's fiduciaries will not be liable for losses that are the direct result of investment instructions given by a participant or beneficiary. Assets that are invested in the QDIA are treated the same as if you directed your own investments.

To learn more about the Plan's investment funds and procedures for changing how your Plan account is invested, you can review the investment information on the website at <https://www.yourplanaccess.net/nwps/>. If you have any questions about how the Plan works or your rights and obligations under the Plan, or if you would like a copy of the Plan's Summary Plan Description or other Plan documents, please contact your Human Resources Department.



## Section 6

# Online Enrollment

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## Utah Charter Association of Charter Schools Retirement Plan

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### ***Online Enrollment Instructions***

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Go to: [www.yourplanaccess.net/nwps](http://www.yourplanaccess.net/nwps)

- Your **User ID** will be your Social Security Number.
- Your **Password** will be the last four digits of your Social Security Number.
- Leave "Participant" selected.

#### **Enrollment Steps**

- Click **Your Personal Information** to review and update your personal information.
- Click **Email** to add the email address where you would like to receive communications. Select "Yes" if you would like to receive your Participant Statements electronically.
- Click **Username Information** to change your user name to something other than your Social Security Number Click **Security Question** and answer at least three. This will allow you to log in if you forget your PIN.
- Click **NEXT**.
- Items marked with a red asterisk (\*) are required and must be completed during the enrollment process.

#### **Designate Your Beneficiaries**

- It is recommended that you create a beneficiary. If you are married and would like to name someone other than your spouse as primary beneficiary you will need to complete a form manually. Please contact the Human Resources Department.
- Click **ADD** to add additional Primary or Contingent beneficiaries.
- Click **NEXT**.

#### **Change Contribution Amount**

- *If you wish to make Pre-Tax Deferrals or Roth 401(k) contributions, click "Change" selected under Action.*
- *You can select "Percent" to contribute a percentage of your salary, or "Dollar Amount".*
- *Enter the "per pay period" percentage or amount you wish to contribute.*
- You can log on to change your elections at any time.
- Click **NEXT**.

#### **Select Investments**

- Enter the percentage for each investment election until you reach 100% at the bottom.
- The investment elections you enter will be applied to all contributions including Pre-Tax and Roth Deferrals, Employer Contributions and Rollovers.
- If you do not make an investment election, you will be defaulted into the model based on your age as indicated in the QDIA Notice.
- You can log on to change your elections at any time.
- Click the fund name, or details, for a fact sheet to learn more about that fund. Please review the Report section of the website for more information.
- Click **NEXT**.

#### **Complete Enrollment**

- Review your enrollment information, and click **FINISH** to complete your enrollment.
- Click **Go to Plan** to review your **Account Dashboard**.

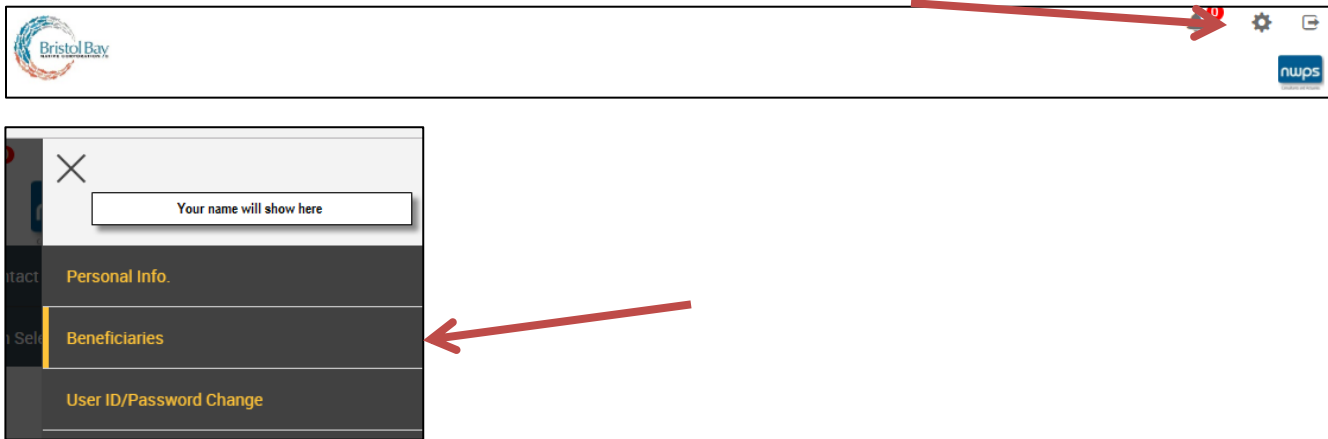
For assistance from a Customer Service Representative, please call 888-700-0808
---



**Step 1: Log onto NWPS Website**

Log onto [www.yourplanaccess.net/nwps](http://www.yourplanaccess.net/nwps) and complete the following steps to enter your beneficiary designations.

**Step 2: Click on “Gear Icon” then click on “Beneficiaries”**



**Step 3: Enter your Beneficiary Information**

Choose your Beneficiary type Primary or Secondary. Indicate percentage amount. Complete Name, Birthdate, SSN (option), and Address information. Click “ADD” for each entry.

**Step 4: Carefully Review the Highlighted Section Below**

Beneficiary Designation 1

Items marked with asterisk (\*) must be completed before you can proceed to the next step.

If you are married and you select a non-spouse as your primary beneficiary you are required to have your spouse waive their benefit. You must complete a beneficiary form and have your spouse sign the waiver section. You can find a beneficiary form in the forms section once you have completed enrollment. Please submit a completed beneficiary form to your HR department.

Beneficiary type	Beneficiary percent *			
Primary	100			
Name *	Relationship	Birth date	Social security number (optional)	
John Smith	Non-spouse	03/01/1965		

**Step 5: After Entries Are Complete Click on “SAVE”**

Note: You can return to the NWPS website and revise at any time.



**Step 1: Log onto NWPS Website**

Log onto [www.yourplanaccess.net/nwps](http://www.yourplanaccess.net/nwps)

**Step 2: Click on "Change Contribution Rate"**

The dashboard features a navigation bar with links: Dashboard, Close Call, Manage Account, Withdrawals, Performance, Forms & Reports, Retirement Readiness, Financial Wellness, and Contact Us. Below the navigation bar is a 'Summary' tab and a 'Plan Selection' dropdown. The main content area is titled 'My Dashboard' and includes a 'SmartPlan' banner. Three main widgets are visible: 'Track Retirement' showing a projected income of \$81.50 and a goal of \$2,710 mo. with a progress bar at 3%; 'Account Balance' showing a total of \$23,989.58 and a \$23,990 Vested Balance; and 'Contribution Rate' showing Pre-Tax at 6%, Roth at 0%, and Post-Tax at \$0.00. A bar chart below the contribution rates shows year-to-date contributions for Deferral (green), Roth (red), and Post-tax (orange). A red arrow points to the 'CHANGE CONTRIBUTION RATE' button at the bottom of the Contribution Rate widget.

**Step 3: Click on "Edit Pre-tax" and/or "Edit Roth"**

The 'Contribution Rates' page displays three columns: Pre-Tax (6%, Approximately \$318), Roth (Approximately \$0), and Post Tax (\$0, Approximately 0%). Each column has a horizontal bar chart showing the current rate against a scale from \$0 to \$5,295. Below the Pre-Tax bar is a red arrow pointing to a green circle containing the text 'EDIT PRE-TAX'. Below the Roth bar is a red arrow pointing to a green circle containing the text 'EDIT ROTH'. Below the Pre-Tax bar is another red arrow pointing to a green circle containing the text 'EDIT PRE-TAX'. Below the Post Tax bar is a red arrow pointing to a green circle containing the text 'EDIT ROTH'. The page also includes a 'My Last Paycheck - \$5,295.00' section with a bar chart showing Pre-Tax contributions of \$317.70, and a 'Contribution Limits' section with IRS Regulations: 401(k) Contribution Maximum in 2018: \$18,500.00.



Step 4: Select "Change Contributions" and Enter % or Dollar amount

Change Contribution Rate - PreTax

---

Overall Progress: **0% Complete**

No changes     Stop Contributions     Change Contributions

Set the contribution rate that your employer will deduct from your compensation each pay period

---

\$ Dollar Amounts     % Percentages

Pre-Tax

Minimum: 1%  
Maximum: 96%  
Minimum Increment: 1%  
401 (k) Contribution Maximum in 2018: \$18,500

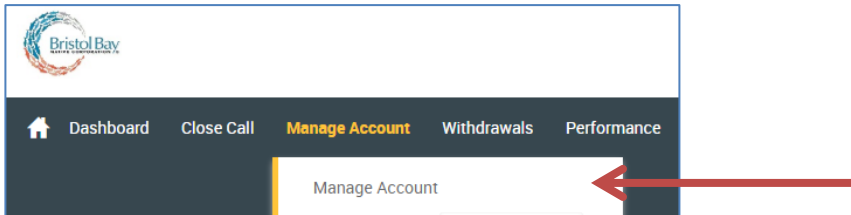
- Click NEXT
- The screen will go to the Roth Contribution option
- Click NEXT
- Confirm and Submit



### Step 1: Log onto NWPS Website

Log onto [www.yourplanaccess.net/nwps](http://www.yourplanaccess.net/nwps) and select your investment elections.

### Step 2: Click on “Manage Account Tab” and Then Click “Manage Account”



### Step 3: Click on “Change Elections”

Manage Investments

Your Balance  
**\$9,726.52**  
Vested Balance \$9,726.52

Overall Performance  
**19.09%** ↑  
This is your annually total personal rate of return computed as of 12/31/2017

**Change Elections**

Choose the investment options you put the money from your future contributions into.

**Transfer Money**

Transfer the money in your account between the investment options in your plan

**Rebalance Account**

Make your account balance match your existing investment election percentages or make your account balance match a different set of allocation percentages.

My Portfolio

View: Overview | Performance Model: 1-year

Investment Name	Fund ID	Performance	Asset Class	Current Investment Elections	Balance %   \$
Vanguard Instl Trgt Retire 2035	<a href="#">details</a>	VITFX	9.32% ↑	Target-Date 2035	100%   100%   \$9,726.52

### Step 4: Make Investment Elections

- Enter the percentage for each investment election until you reach 100% at the bottom.
- The investment elections you enter will be applied to all contributions including Pre-Tax Deferrals, Roth, Employer Contributions and Rollovers.
- If you do not make an investment election, you will be defaulted into the model based on your age as indicated in the QDIA notice.
- You can log on and change your elections at any time.
- Click the fund name, or details, for a fact sheet to learn more about that fund.
- Please review the Annual Fee Disclosure for more information.
- Click NEXT.

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## Section 7

# Rollover into Plan Forms

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## Instructions

According to the plan document, you may transfer a distribution from another eligible employer retirement plan or from a traditional pretax IRA known as the **source plan** into this Plan. This type of transfer is known as a *rollover contribution*. There are several guidelines that you must follow for the rollover to be accepted.

### We Accept Distributions From:

1. Employer plans qualified under section 401(a)/401(k) or 403(b) - Pre-Tax and Roth
2. Rollover IRAs (Pre-Tax rollover to an IRA from an employer plan qualified under section 401(a)/401(k) or 403(b))
3. Governmental 457 Plans

### We Do Not Accept Distributions From:

1. Any Type of Roth IRA
2. SEP IRAs
3. SIMPLE IRAs
4. Inherited IRAs
5. Traditional Pre-Tax IRAs
6. Traditional After-Tax IRAs
7. Non Governmental 457 Plans
8. Any After-Tax received from a Plan

### Three ways a rollover may be contributed to the Plan:

1. A Direct Rollover is a check written by the **source plan** directly to the Plan's custodial account.
2. An Indirect Rollover is a check payable to you, which you received as a distribution from the **source plan** and endorsed by you over to the Plan's custodial account. (Not available for Roth Rollovers.)
3. An Indirect Rollover may also be your personal check, payable to the Plan's custodial account, for up to the taxable amount you received from the **source plan**. (Not available for Roth Rollovers.)

**Please note for Indirect Rollovers:** 1) You only have 60 days to complete the rollover, and 2) You may include the repayment of the 20% federal income taxes withheld from the **source plan** distribution. You can reclaim the withheld taxes when you file your personal tax return.

### What you Must Do:

1. Complete the *Rollover Contribution Employee Certification* form by reading the rules and certifying that the rollover meets the required criteria. If you are uncertain if your rollover meets the criteria, please contact your Human Resources Department for pre-approval.
2. If this is a Roth rollover, provide either a copy of the 1099R associated with the Roth distribution or have the Plan Administrator from the **source plan** complete the *Employer Certification of Roth Rollover*.
3. Provide a copy of your most recent account statement from your previous employer plan or IRA.
4. Your current investment elections will apply to your rollover contribution. If you have not previously made an Investment election, your rollover will be invested in the Single Solution Portfolio based upon my age and number of years to age 65 as outlined in the QDIA notice. If you would like to update your investment election you can do so either online or by completing an investment election form and including it with your rollover paperwork.
5. Have the check made payable to the Plan's custodial account:

**TD Ameritrade Trust Company, Acct# A0293, FBO Utah Association of Public Charter Schools Retirement Plan; FAO <your name>.**

6. Have the check sent directly to you, and then send the check and all signed forms to your Human Resources Department.

Once your completed forms, your rollover check and a copy of your most recent statement are received, the Plan Administrator will verify that the amount is eligible for rollover. Once deposited, the funds will begin to share in any investment gains or losses of this Plan and will be subject to the Plan's distribution provisions. If your rollover is denied, you will receive an explanation letter along with your rollover check.

We want to ensure that your rollover contribution is correctly processed and that neither you nor the Plan violates IRS regulations. If you have any questions, please contact your Human Resources Department or the service center at 888-700-0808 between 7am and 5pm PT, M-F.



**Step 1: Enter Your Information**

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

I hereby request that the Plan Administrator consider and accept the below certification and attached check as a rollover contribution.

Your Signature \_\_\_\_\_ Date \_\_\_\_\_

**Step 2: Your Certification (check all options below)**

- I hereby certify that to the best of my knowledge the distribution I have received (or am eligible to receive) and which I am electing to roll over qualifies as an *eligible rollover distribution* because it is being distributed from an eligible retirement plan and because it **is not** being paid to me as: (1) one of a series of substantially equal payments payable over my life expectancy or the joint life expectancies of myself and my designated beneficiary; (2) one of a series of installment payments payable over 10 years or more; (3) all or part of a Required Minimum Distribution; (4) a financial hardship withdrawal; and (5) a return of any excess deferrals, excess contributions, or excess aggregate contributions.
- I further certify that to the best of my knowledge the distribution I have received (or am eligible to receive) and which I am electing to roll over is not from any of the following: Roth IRA, SEP IRA, SIMPLE IRA, Inherited IRA, Traditional Pre-Tax IRA, Traditional After-Tax IRA, Non Governmental 457 Plan, After-Tax received from another Plan.
- Attached is a copy of the most recent account statement from my previous employer plan or IRA custodian.

**Step 3: Designate the Type of Rollover (choose one option below)**

- DIRECT ROLLOVER (Pre-Tax Only) from a 401(a)/401(k) or 403(b) or a Governmental 457 source plan:** Enclosed for credit to my Plan account is a check in the amount of \$\_\_\_\_\_. This check represents amounts distributed from an eligible employer plan.
- DIRECT ROLLOVER from a Roth 401(a)/401(k) or Roth 403(b) source plan:** Enclosed for credit to my Plan account is a check in the amount of \$\_\_\_\_\_. Included with this form is either a copy of the tax form 1099-R that is associated with the enclosed check or the attached *Employer Certification of Roth Rollover* that has been completed and signed by the Plan Administrator of the **source plan** for my rollover.
- DIRECT ROLLOVER from a Rollover/Conduit Pre-Tax IRA:** Enclosed for credit to my Plan account is a check in the amount of \$\_\_\_\_\_. This check, drawn on a traditional IRA arrangement, does not include any after-tax monies and is not from a Traditional IRA, Roth IRA, SIMPLE IRA or an Inherited IRA.
- INDIRECT ROLLOVER (Pre-Tax Only) from a 401(a)/401(k) or 403(b) or a Governmental 457 source plan:** Enclosed for credit to my Plan account is a check in the amount of \$\_\_\_\_\_. I certify that this amount was received as a distribution from an eligible **source plan** within the last 60 days and that it does not include any after-tax dollars. Please indicate the name of the **source plan** below:

Source Plan: \_\_\_\_\_

**Please return completed forms to your Human Resources Department**

\_\_\_\_\_  
Plan Administrator Approval Signature

\_\_\_\_\_  
Plan Administrator Approval Date



**Step 1: Enter Your Information**

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

I hereby request for consideration and acceptance this certification and attached check as a rollover contribution.

Your Signature \_\_\_\_\_ Date \_\_\_\_\_

**Step 2: Your Certification (please have the source plan administrator complete this section)**

Name of Source Plan: \_\_\_\_\_

I certify that, to the best of my knowledge, the rollover distribution being made from the **source plan** identified above:

- Is an eligible Roth rollover distribution as defined under the Internal Revenue Code.
- The first year of designated Roth contribution under the source plan was \_\_\_\_\_
- The amount of the rollover check attributable to contributions is \$ \_\_\_\_\_
- The amount of the rollover check attributable to earnings is \$ \_\_\_\_\_
- The rollover amount does not include any non-Roth amounts.

Source Plan Administrator: Signature \_\_\_\_\_ Date \_\_\_\_\_

Source Plan Administrator: Print Name \_\_\_\_\_ Source Plan Administrator: Title \_\_\_\_\_

**Please return completed forms to your Human Resources Department**

\_\_\_\_\_  
Plan Administrator Approval Signature

\_\_\_\_\_  
Plan Administrator Approval Date

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*(To facilitate duplex printing)*

# Section 8

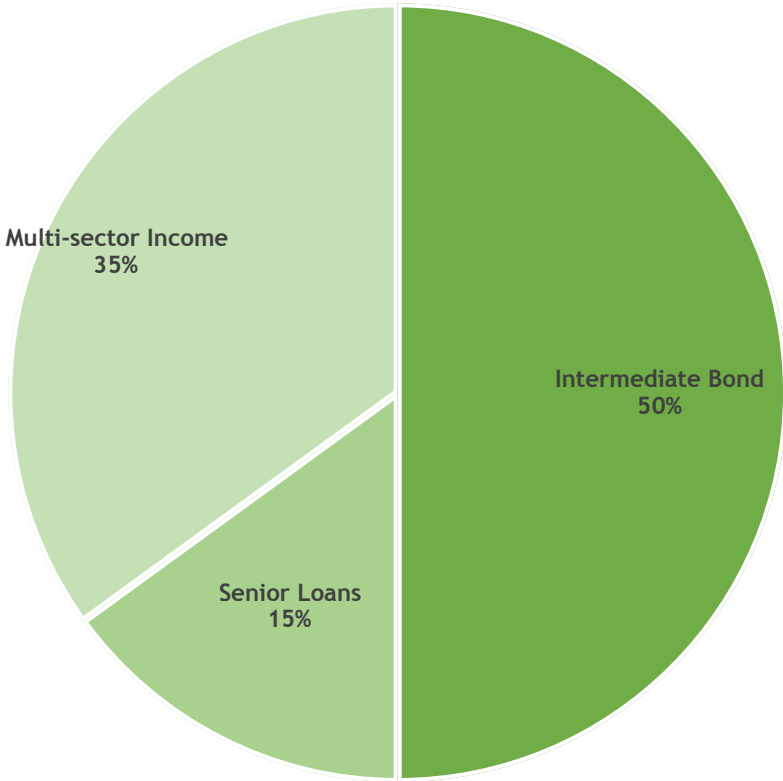
## Model Makeup

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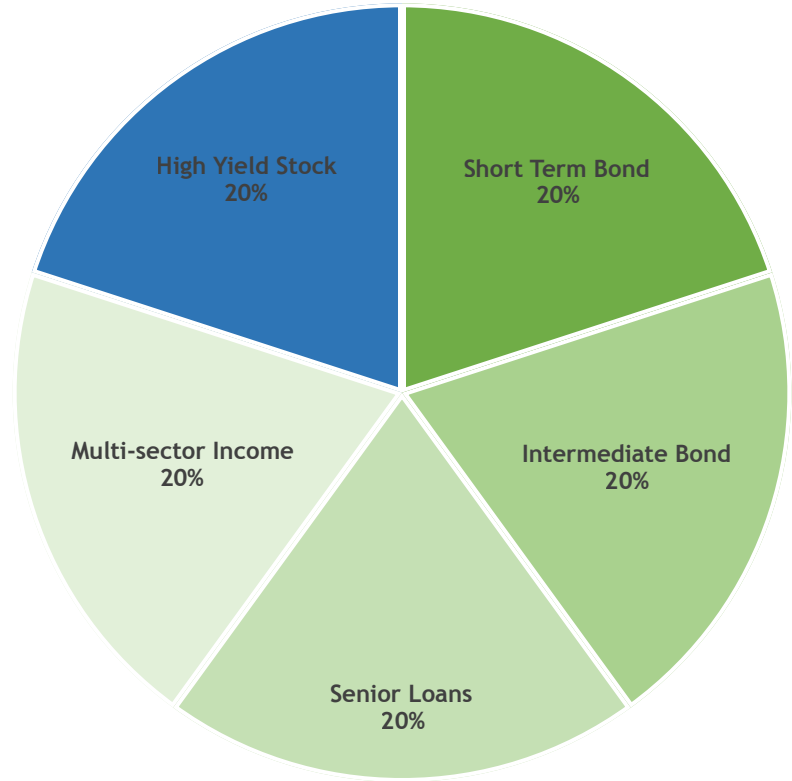
*(To facilitate duplex printing)*



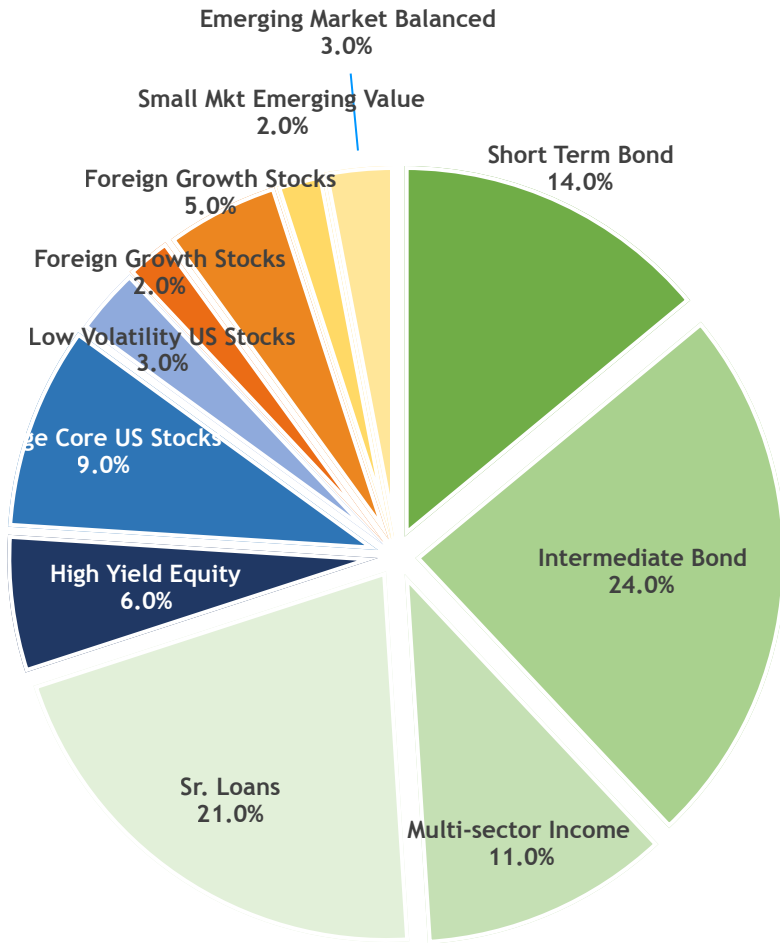
# Income Portfolio



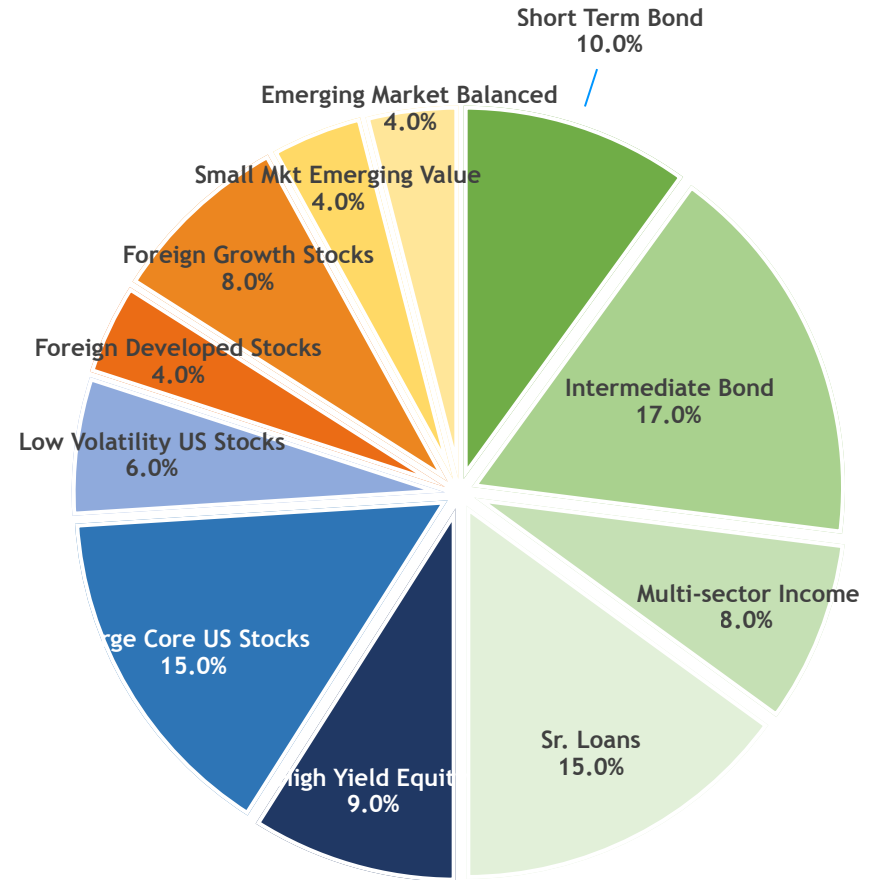
# Income Plus Portfolio



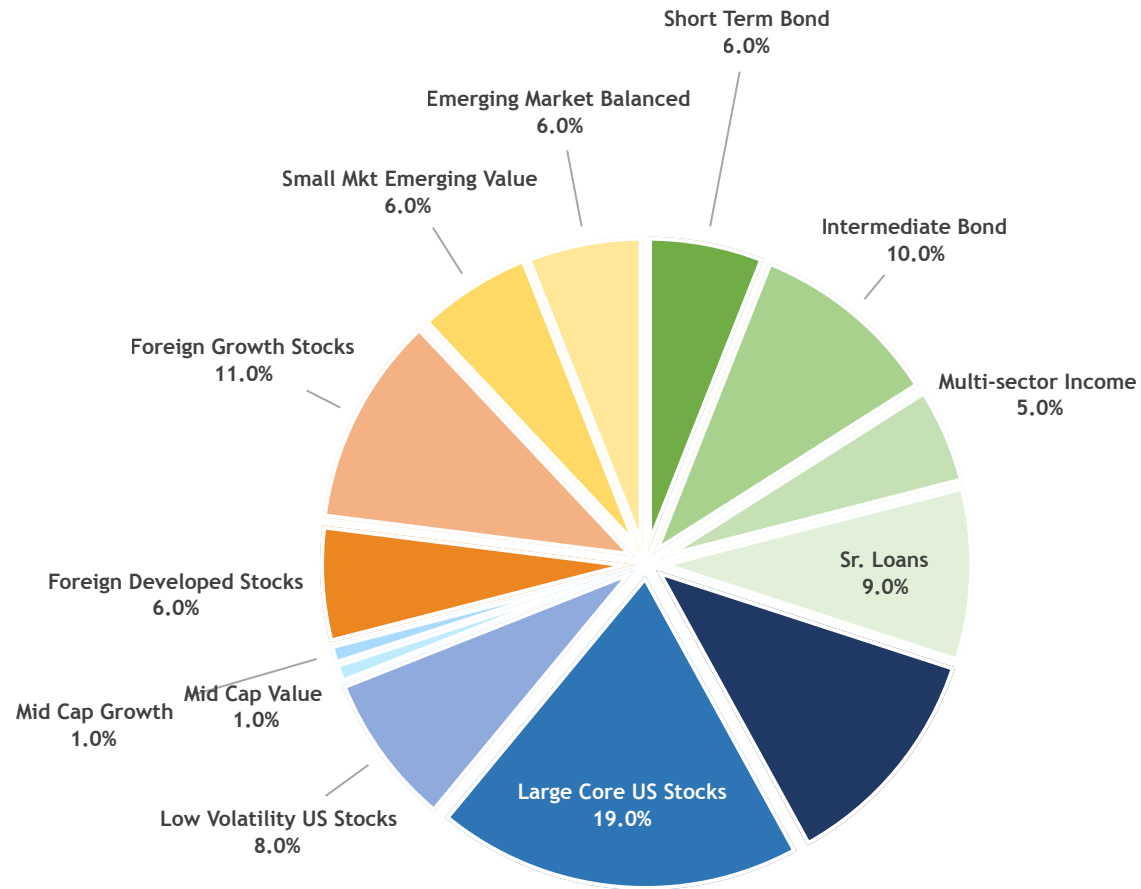
# Short Term Horizon



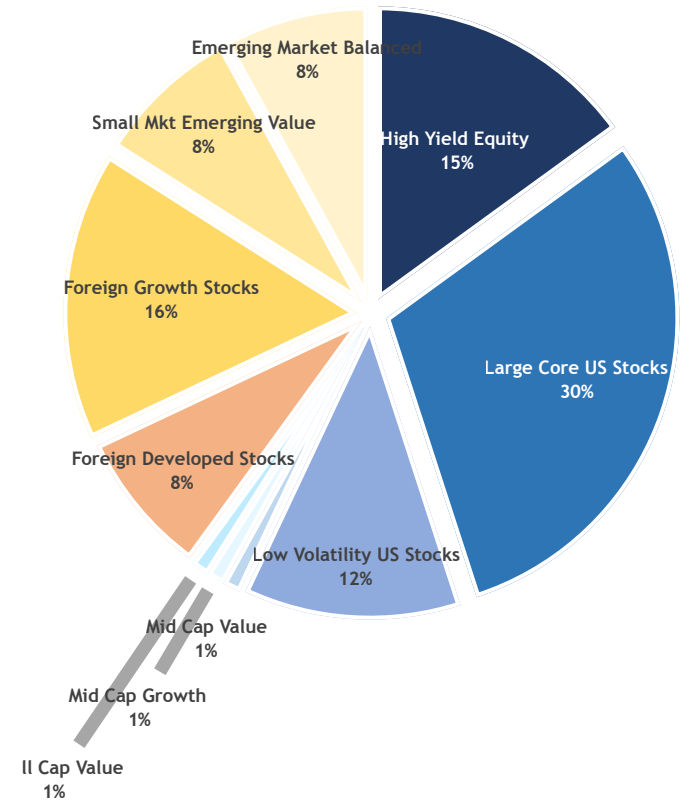
# Intermediate Horizon



# Long Term Horizon



# All Equity Portfolio



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## Section 9

# Fee Disclosures

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**Utah Association of Public Charter Schools**  
**Utah Association of Public Charter Schools Retirement Plan**  
**Annual Statement of Disclosures**

**General Plan Information**

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**Excessive Trading.**

While the plan permits you to change the investment of your balance each day, it is not designed or intended to be a brokerage account or trading account. Trading in and out of funds on a daily basis can disrupt appropriate management of the plan's investment options and causes increased transactional costs and losses to participants who do not engage in such activity. In the event that a participant engages in excessive trading, the plan may restrict the number of transactions that the participant may engage in. Alternatively, the plan or the manager of the investment option may impose a fee for such trading. Please see the Investment Comparative Chart for details on the excessive trading rules for each of the plan's investment options.

**Voting and Tender Rights.**

You do not have the right to exercise voting, tender, and similar rights related to the plan's investment options. These rights will be exercised by the Plan Sponsor.

**Your Right to Direct Investments.**

The plan offers a menu of investment options that allow you to create a diversified portfolio that meets your individual needs. You are able to elect how your account balance and future contributions are invested among the plan's investment options. This election can be made through the plan's website at [www.yourplanaccess.net/nwps](http://www.yourplanaccess.net/nwps) or through the voice response system at 877.410.9984, Provider ID 6789.

**Administrative Expenses**

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**Plan Fees Charged per Participant.**

The plan incurs expenses and fees for services such as investment advisory, trustee, custodial, administration, auditing, recordkeeping, government reporting, employee communications, bonding and other insurance, travel, mail, courier communications, and printing and other charges described in the prospectuses for the investment funds. These fees are paid directly to the service providers. The Plan Sponsor may choose to pay some of these fees, but is under no obligation to do so. This fee is charged to all participants with a balance in the plan. Some fees may be paid from a portion of the Total Annual Operating Expenses of the investment options shown on the Investment Comparative Chart. Each participant pays \$13.00 per quarter.

**Plan Fees Charged per Participant.**

The plan incurs expenses and fees for services such as investment advisory, trustee, custodial, administration, auditing, recordkeeping, government reporting, employee communications, bonding and other insurance, travel, mail, courier communications, and printing and other charges described in the prospectuses for the investment funds. These fees are paid directly to the service providers. The Plan Sponsor may choose to pay some of these fees, but is under no obligation to do so. This fee is charged to all participants with a balance in the plan. Some fees may be paid from a portion of the Total Annual Operating Expenses of the investment options shown on the Investment Comparative Chart. Each participant pays 0.125% of their account balance per quarter.

**Individual Expenses**

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**Distribution Fee.**

This fee is charged to any participant that requests a distribution from the plan. The fee is \$50.00.

**Loan Initiation Fee.**

This fee is charged to any participant that elects to take a loan from the plan. The fee is \$150.00.

**QDRO Fee.**

This fee is charged to any participant whose account is subject to a QDRO(Qualified Domestic Relations Order). The fee is \$250.00.





**Utah Association of Public Charter Schools**  
**Utah Association of Public Charter Schools Retirement Plan**  
**Investment Comparative Chart**

This document includes important information to help you compare the investment options under your retirement plan. For more information regarding contents of this notice please contact Clint Biesinger at VeraPath Global at 385-212-4560.

Additional investment information including more performance information is available at the website addresses shown below. To request and obtain paper copies of the information available on those websites please contact the Plan Administrator.

Keep in mind that the cumulative effect of fees and expenses can substantially reduce the growth of your retirement savings, but is only one of many factors to consider when you decide to invest in an option. Visit the Department of Labor's website [http://www.dol.gov/ebsa/publications/401k\\_employee.html](http://www.dol.gov/ebsa/publications/401k_employee.html) for an example of the long-term effect of fees and expenses.

**Performance Information**

The table below shows how plan investment alternatives have performed over time and allows you to compare them with an appropriate benchmark for the same time periods. Past performance does not guarantee how the investment option will perform in the future. Your investment in these options could lose money. Information about an option's principal risks is available on the Website(s). A glossary of terms used in this notice may be found at <http://www.nwp401k.com/glossary-of-investment-related-terms/>.

Plan Investment (Inception Date) Benchmark	Avg. Annual Total Returns As of 06/30/2018			Annual Gross/Net Expense Ratio		Shareholder Fees/ Restrictions	Information
	1yr.	5yr.	10yr./Life	As a %	Per \$1,000		
Advisory Research MLP & Energy Income I (12/27/2010) <i>MSCI ACWI NR USD</i>	-0.49 % 10.73 %	-0.25 % 9.41 %	*4.18 % 7.69 %	1.15%/1.15% N/A	\$11.50/\$11.50 N/A	Shareholder Fees <sup>1</sup> / Trade Restrictions <sup>2</sup>	<a href="http://www.advisoryresearch.com/2col.aspx?id=4775">http://www.advisoryresearch.com/2col.aspx?id=4775</a>
DFA Emerging Markets Core Equity I (04/05/2005) <i>MSCI Emerging Market NR USD Index</i>	5.16 % 8.20 %	4.99 % 5.01 %	3.67 % 2.26 %	0.53%/0.53% N/A	\$5.30/\$5.30 N/A	Trade Restrictions <sup>3</sup>	<a href="https://us.dimensional.com/funds/emerging-markets-core-equity">https://us.dimensional.com/funds/emerging-markets-core-equity</a>
DFA Emerging Markets Small Cap I (03/05/1998) <i>MSCI Emerging Market NR USD Index</i>	5.47 % 8.20 %	6.26 % 5.01 %	6.07 % 2.26 %	0.93%/0.73% N/A	\$9.30/\$7.30 N/A	Trade Restrictions <sup>3</sup>	<a href="https://us.dimensional.com/funds/emerging-markets-small-cap">https://us.dimensional.com/funds/emerging-markets-small-cap</a>
Goldman Sachs Growth Opportunities I (05/24/1999) <i>Russell Mid Cap Growth Index</i>	15.10 % 18.52 %	11.07 % 13.37 %	9.80 % 10.45 %	0.96%/0.95% N/A	\$9.60/\$9.50 N/A	Trade Restrictions <sup>4</sup>	<a href="https://assetmanagement.gs.com/content/gsam/us/en/individual/fund-center/fund-finder/growth-opportunities-fund.html#sType=Institutional&amp;pvNumber=PV100092&amp;callingPage=fundfinder">https://assetmanagement.gs.com/content/gsam/us/en/individual/fund-center/fund-finder/growth-opportunities-fund.html#sType=Institutional&amp;pvNumber=PV100092&amp;callingPage=fundfinder</a>
Grandeur Peak Intl Stalwarts Instl (09/01/2015) <i>MSCI ACWI ex-US Index</i>	17.52 % 7.28 %	N/A 5.99 %	*17.75 % -0.08 %	1.02%/1.02% N/A	\$10.20/\$10.20 N/A	Shareholder Fees <sup>5</sup>	<a href="http://www.grandeurpeakglobal.com/gisox-gisyx">http://www.grandeurpeakglobal.com/gisox-gisyx</a>
Longleaf Partners Small-Cap (02/21/1989) <i>S&amp;P 400 Mid Cap Index</i>	11.86 % 13.50 %	11.15 % 12.69 %	10.92 % 10.78 %	0.92%/0.92% N/A	\$9.20/\$9.20 N/A	N/A	
Loomis Sayles Sr Floating Rate and F/I Y (09/30/2011) <i>S&amp;P/LSTA Leverage Loan Index</i>	4.76 % 4.37 %	4.59 % 4.00 %	*6.21 % 4.01 %	0.83%/0.80% N/A	\$8.30/\$8.00 N/A	Trade Restrictions <sup>6</sup>	<a href="http://www.loomissayles.com/internet/internet.nsf/content?readform&amp;ctype=webprofile&amp;id=26373&amp;channel=mf">http://www.loomissayles.com/internet/internet.nsf/content?readform&amp;ctype=webprofile&amp;id=26373&amp;channel=mf</a>
PIMCO Income Fund Instl (03/30/2007) <i>Barclays US Aggregate Bond Index</i>	2.48 % -0.40 %	5.90 % 2.27 %	9.26 % 3.72 %	0.53%/0.50% N/A	\$5.30/\$5.00 N/A	N/A	<a href="https://investments.pimco.com/Products/pages/314.aspx?ShareClassCode=A">https://investments.pimco.com/Products/pages/314.aspx?ShareClassCode=A</a>
PIMCO Total Return Instl (05/11/1987) <i>Barclays Capital 5-10 Year Govt/Credit</i>	-0.12 % -1.30 %	2.48 % 2.58 %	4.84 % 4.68 %	0.51%/0.46% N/A	\$5.10/\$4.60 N/A	N/A	<a href="http://investments.pimco.com/Products/pages/346.aspx?ShareClassCode=INSTL">http://investments.pimco.com/Products/pages/346.aspx?ShareClassCode=INSTL</a>
Schwab Fdmtl Intl Lg Co Idx (04/02/2007) <i>MSCI EAFE Value USD Index</i>	8.07 % 4.25 %	6.98 % 5.37 %	3.39 % 2.17 %	0.25%/0.25% N/A	\$2.50/\$2.50 N/A	Shareholder Fees <sup>7</sup>	<a href="http://www.schwab.com/public/schwab/investing/investment_help/investment_research/mutual_fund_research/mutual_funds.html?path=%2FProspect%2FResearch%2FMutualFunds%2FSummary.asp%3Fsymbol%3D5FNNX">http://www.schwab.com/public/schwab/investing/investment_help/investment_research/mutual_fund_research/mutual_funds.html?path=%2FProspect%2FResearch%2FMutualFunds%2FSummary.asp%3Fsymbol%3D5FNNX</a>
Summit GI US Low Volatility Equity I (02/29/2012) <i>Russell 1000 Index</i>	17.33 % 14.54 %	12.20 % 13.37 %	*12.56 % 13.95 %	1.14%/0.98% N/A	\$11.40/\$9.80 N/A	Shareholder Fees <sup>8</sup>	<a href="http://silvx.com/">http://silvx.com/</a>
TD Bank Instl Money Market Deposit Acct (08/18/2008) <i>3 Month Treasury Bill Index</i>	0.13 % 0.92 %	0.04 % 0.24 %	*0.12 % 0.32 %	0.00%/0.00% N/A	\$0.00/\$0.00 N/A	N/A	<a href="http://research.tdameritrade.com/grid/public/mutualfunds/fundfamilies/fundfamilies.asp?tab=mmf">http://research.tdameritrade.com/grid/public/mutualfunds/fundfamilies/fundfamilies.asp?tab=mmf</a>
Vanguard 500 Index Adm (11/13/2000) <i>S&amp;P 500 Index</i>	14.33 % 14.37 %	13.38 % 13.42 %	10.16 % 10.17 %	0.04%/0.04% N/A	\$0.40/\$0.40 N/A	Trade Restrictions <sup>9</sup>	<a href="https://personal.vanguard.com/us/funds/snapshot?FundId=0540&amp;FundIntExt=INT">https://personal.vanguard.com/us/funds/snapshot?FundId=0540&amp;FundIntExt=INT</a>

**Utah Association of Public Charter Schools**  
**Utah Association of Public Charter Schools Retirement Plan**  
**Investment Comparative Chart**

Plan Investment (Inception Date) <i>Benchmark</i>	Avg. Annual Total Returns As of 06/30/2018			Annual Gross/Net Expense Ratio		Shareholder Fees/ Restrictions	Information
	1yr.	5yr.	10yr./Life	As a %	Per \$1,000		
Vanguard Growth Index Adm (11/13/2000) <i>Russell 1000 Growth Index</i>	19.33 % 22.51 %	15.34 % 16.36 %	11.17 % 11.83 %	0.05%/0.05% N/A	\$0.50/\$0.50 N/A	Trade Restrictions <sup>9</sup>	<a href="https://personal.vanguard.com/us/funds/snapshot?FundId=0509&amp;FundIntExt=INT">https://personal.vanguard.com/us/funds/snapshot?FundId=0509&amp;FundIntExt=INT</a>
Vanguard High-Yield Corporate Adm (11/12/2001) <i>Merrill Lynch US High Yield Master Index</i>	1.04 % 2.53 %	5.06 % 5.51 %	7.03 % 8.03 %	0.13%/0.13% N/A	\$1.30/\$1.30 N/A	Trade Restrictions <sup>9</sup>	<a href="https://personal.vanguard.com/us/funds/snapshot?FundId=0029&amp;FundIntExt=INT">https://personal.vanguard.com/us/funds/snapshot?FundId=0029&amp;FundIntExt=INT</a>
Vanguard Short-Term Corp Bd Idx Admiral (11/18/2010) <i>Barclays Cap 1-5 Year Gov't Credit Index</i>	0.07 % -0.20 %	1.92 % 1.13 %	*2.25 % 1.05 %	0.07%/0.07% N/A	\$0.70/\$0.70 N/A	N/A	<a href="http://www.vanguard.com/pub/Pdf/p1942.pdf">http://www.vanguard.com/pub/Pdf/p1942.pdf</a>
Vanguard Small Cap Value Index Adm (09/27/2011) <i>Russell 2000 Value Index</i>	12.52 % 13.10 %	12.39 % 11.18 %	11.23 % 9.88 %	0.07%/0.07% N/A	\$0.70/\$0.70 N/A	Trade Restrictions <sup>9</sup>	<a href="https://personal.vanguard.com/us/funds/snapshot?FundId=5860&amp;FundIntExt=INT">https://personal.vanguard.com/us/funds/snapshot?FundId=5860&amp;FundIntExt=INT</a>

\*Performance provided is Life of Plan Investment as the Plan Investment has been in existence for less than 10 years.

<sup>1</sup>Redemption Fee of 2% on redemptions of fund shares held for less than 90 days.

<sup>2</sup>Market Timing Restriction. Allowed 4 round trip of 1 sell transaction in the amount of \$1 or greater followed by a purchase transaction of \$1 within 365 days of the sell transaction. Any additional sell transaction of \$1 or greater followed by a purchase transaction within the same 365 day period will have the purchase transaction blocked.

<sup>3</sup>Market Timing Restriction. Allowed 1 sell transaction in the amount of \$25,000 or greater followed by 1 purchase transaction of \$25,000 within 30 days of the sell transaction. The second round trip in the same 30 day period will be allowed but cause a subsequent purchase block for the next 90 days.

<sup>4</sup>Market Timing Restriction. Allowed 1 round trip of 1 sell transaction in the amount of \$1 or greater followed by a purchase transaction of \$1 within 90 days of the sell transaction. Any additional sell transaction of \$1 or greater followed by a purchase transaction within the same 90 day period will have the purchase transaction blocked.

<sup>5</sup>Redemption Fee of 2% on redemptions of fund shares held for less than 60 days.

<sup>6</sup>Market Timing Restriction. Allowed 2 round trip of 1 sell transaction in the amount of \$1 or greater followed by a purchase transaction of \$1 or greater within 90 days of the sell transaction. Any additional sell transaction of \$1 or greater followed by a purchase transaction within the same 90 day period will have the purchase transaction blocked.

<sup>7</sup>Redemption Fee of 2% on redemptions of fund shares held for less than 30 days.

<sup>8</sup>

Redemption Fee of 1.5% on redemptions of fund shares held for less than 60 days.

<sup>9</sup>Market Timing Restriction. A sell transaction of \$1 or greater will result in a block from making a purchase transaction of \$1 or greater for the next 30 days.