



Nationwide®



Arizona State Retirement System Supplemental Retirement Savings Plan Retirement Savings Agreement Memorandum of Understanding For Enrollment in the Self-Directed Brokerage Option

We're pleased to offer the Schwab Self-Directed Brokerage Option® (SDO)—a self-directed brokerage account available through Savings Plus.

Schwab's Personal Choice Retirement Account (PCRA) is a self-directed brokerage option designed to integrate into your Employers Deferred Compensation Plan and supplement that Plan's core fund menu. It provides a wealth of expanded investment choices for participants who seek more flexibility, increased diversification and a greater role in managing their retirement savings.

How do I enroll in a SDO?

If you decide that a SDO is the right choice for you, you must complete and sign the attached Self-Directed Brokerage Option Memorandum of Understanding. This form is used to open your account with Schwab. The completed and signed form must then be returned to NRS via USPS mail or fax for establishing your SDO.

About 10 days after you send in your forms, you will receive a Schwab SDO Welcome Kit containing your SDO number and other information that will help you make more informed investment decisions in your account.

Once this kit is received, you will need to visit the following website to establish the ability to trade in your SDO account. schwab.com/PCRAopen.

Username: NRSA0024

Password: 1234

SSN: This is required to confirm your account number is established.

You will need to complete a Limited Power of Attorney (LPOA) Form to give you the authority to place trade orders in your Schwab PCRA. If you do not wish to establish your Limited Power of Attorney (LPOA) online with Schwab, you may call their customer service line 1-888-393-PCRA (7272) and they will assist you in completing their necessary paperwork to establish the ability to trade in your SDO account.

Please Note:

Your Employer's Deferred Compensation Plan may limit the types of investments offered through your SDO. Please contact the Nationwide Customer Service Center for a detailed listing of the types of investments in the Schwab SDO Option.

Contact Information

Contact checklist:

Charles Schwab & Co., Inc.
888-393-PCRA (7272)
schwab.com

Nationwide
Retirement Solutions
888-224-1011
azsrsp.com

If you want to:

If you want to:	Charles Schwab & Co., Inc. 888-393-PCRA (7272) schwab.com	Nationwide Retirement Solutions 888-224-1011 azsrsp.com
Open an SDO Account		✓
Make transfers between the SDO and core account(s)*		✓
Make transfers within the core accounts(s)		✓
Place trades within your SDO	✓	
Obtain your SDO balance	✓	✓
Obtain your entire plan balance (core investments plus SDO)**		✓
Obtain SDO investment information	✓	
Request a loan or withdrawal		✓
Ask retirement plan questions		✓
Take advantage of additional Schwab services		
Close out my PCRA and transfer all assets to my 457(b) Deferred Compensation Plan core account	✓	✓

*You must move all assets into the Schwab Money Market before requesting transfer back to Core.

**Information about your SDO will be current as the most recent New York Stock Exchange closing.



Arizona State Retirement System Supplemental Retirement Savings Plan Retirement Savings Agreement

Memorandum of Understanding for Enrollment in the Schwab Self-Directed Brokerage Option® (SDO)

Section I - Participant Information

Name: _____ SSN: _____

Date of Birth: _____ Phone: _____ Employer: _____

Street Address: _____

City: _____ State: _____ Zip: _____

Section II - Memorandum of Understanding

The purpose of this memorandum is to ensure you understand and agree to the major requirements and provisions associated with the self-directed brokerage options (SDO) offered by your Deferred Compensation Plan ("Plan"). It does not cover all of the details of the SDO, and you are encouraged to read the brochures, available upon request before you enroll in the SDO.

1. I am eligible to enroll in the SDO if my account is \$1,000 or more. I must maintain \$500 in the core account at all times.
2. Once I have established an account, I can only invest in the SDO as an exchange from my core account and the initial exchange into the SDO must be at least \$500.
3. Exchanges into the SDO and back to the core account will result in the assets that are transferred being "out of the market" or not invested for a one-day period. Exchanges requested by 4:00 p.m eastern time on normal business days into the SDO require two days to process and from the SDO back to the core account require three processing days.
4. Exchanges from the core account into the SDO are first deposited into a money market sweep account. Once the dollars are deposited into this account, I can trade among the options available in the SDO by contacting the brokerage option provider. To transfer assets from the SDO back to the core account I must first liquidate investments in the SDO and transfer them to the money market sweep account before the trade back to the core account can be processed.
5. Once an SDO account has been established, I must contact the SDO provider directly to place trades. There may be transaction fees, front and back end loads, sales charges, etc., assessed to my account invested in the SDO, and it is my responsibility to be aware of and understand these fees and charges.
6. An annual fee of \$50 will be assessed. I understand that the Committee may establish additional fees for participation in the SDO that may be assessed to my account in the future should there be costs associated with administration of the SDO.
7. Quarterly statements will show the total amount invested in the SDO as one aggregate total. I will receive separate statements from the SDO provider that itemize my transactions and account balances in the SDO.
8. The account balance invested in the SDO continues to be subject to the requirements of the Internal Revenue Code. Dollars cannot be transferred or distributed directly from the SDO. To transfer to another plan or receive a distribution, I must transfer assets from the SDO back to my core account.
9. If I begin a periodic distribution from my account, I must maintain a minimum balance in the core account that is sufficient to cover payments scheduled to be made to me during a one-year period. If I fail to maintain this balance, the plan administrator will be authorized to automatically liquidate assets from the SDO account to meet this requirement.
10. The SRSP Management Committee has selected the brokerage provider to offer additional investment options for investment of my account balance. The Committee and the Plan Administrator are not responsible for monitoring or evaluating the investment options that are made available through the SDO. I understand that it is my responsibility to determine if the investment options available in the SDO are suitable for my personal retirement savings plan.

Section III - Participant Certification

My signature on this form acknowledges that I have read, understand and agree to the SDO participation requirements above. I recognize that there may be changes to these requirements in the future. I will be notified of any major changes, and it is my responsibility to read and be aware of these. I have been provided and read the applicable brochures, available upon request, regarding the SDO and understand this information.

SSN: _____ Signed: _____

Date: _____

Return completed form to:

Nationwide Retirement Solutions	Local Office: 602-266-2733
4747 N. Seventh St., Ste. 418	Local Office Fax: 602-650-1278
Phoenix, Arizona 85014	Toll Free: 888-224-1011
	Fax Number: 877-677-4329