



The State of New Mexico

Deferred Compensation Plan

ENROLLING IN THE PLAN IS VERY EASY!!

To better serve your needs when enrolling please complete the form as shown.

Section 1: Always include your Social Security Number, Name, Home Address and all other identifying and contact information to help us correctly establish your new account. If you are reporting a change in your name, acceptable legal proof of the change must accompany this form. (E.g., Copy of marriage certificate, driver's license, order of legal name change from court).

Section 3 & 4: Mark the "Type of Request" and list the dollar amount you wish to change from (under "OLD") and the dollar amount you wish to change to (under "NEW"). Also, you may write in the date you wish to have your first deferral take effect. (Generally, deferrals can start or increase no earlier than the first day of the month following the month this application is signed.)

Section 9: The Fund Section is only for new enrollments. We can help you select your fund choices. Call us at 1-866-827-NMEX (6639).

Section 10.

Beneficiary Selection:

Be sure to complete this area. If you have more than two beneficiaries, you may include a signed attachment.

Section 2: Please print the Employer (Entity) Number, Name and Address of your department and payroll contact information to ensure that your form will be sent to the proper payroll office. If you need assistance with this information, please call us at 1-866-827-NMEX(6639).

Section 5: Please check the box that applies to how often you are paid.

Section 6: If you want to establish an annual automatic deferral increase, please complete this section. check with your payroll center for availability.

Section 7: Not sure about the "Catch-Up"? Check with your Retirement Specialist for provisions or call us at 1-866-827-NMEX(6639) for assistance.

Note: You may consolidate other pre-tax retirement plan assets into your Deferred Compensation Plan. For more information, check the box to have a Retirement Specialist contact you to discuss your options.

Signature Section: To eliminate processing delays, please be sure to sign and date this form before mailing it. All unsigned forms will be returned to you for your signature.

Please keep the last copy of this form for your records.

Call us at 1-866-827-NMEX(6639) for assistance.

Mail completed form to:

Nationwide Retirement Solutions, P. O. Box 28580, Santa Fe, NM 87592-9900



The State of New Mexico

Deferred Compensation Plan

PARTICIPATION AGREEMENT, PAYROLL DEDUCTION AUTHORIZATION and SERVICE REQUEST for DEFERRED COMPENSATION PLAN

2. ENTITY NUMBER:

Employer Name _____

Agency Name _____

Employer Address _____

Payroll Center Name _____

Payroll Center Phone # (_____) _____

PLEASE READ THE REVERSE SIDE OF THIS FORM PRIOR TO COMPLETION

1. Social Security Number - - Date of Birth - - Sex M F
 Month Day Year

State ID Number _____ Salary \$ _____

Name Check here if this is a name change (proof of name change must be attached).
 Last First MI

Address Check here if this is a new address
 Number & Street Additional Mailing Information

--
 City State Zip Code

Home Phone Work Phone Email Address _____
 Ext. _____

Occupation _____ Hire Date _____

3. TYPE OF REQUEST: New Change Reinstatement

Generally, deferrals can start or increase no earlier than the first day of the month following the month this application is signed. Start Deferral on: _____

4. DEFERRAL SUMMARY	OLD	NEW
Amount to Funding Options	\$ _____	\$ _____
Universal Life	\$ _____	\$ _____
SUB TOTAL	\$ _____	\$ _____
SPECIAL	\$ _____	\$ _____
TOTAL DEFERRAL	\$ _____	\$ _____
SPECIAL PAY PERIOD ENDING DATES		
Start _____	Stop _____	

6. AUTOMATIC INCREASE
 Percentage or Dollar Increase*: _____ % OR \$ _____
 *If selected, this percentage or dollar increase will automatically occur annually in July. This option is not available through all payroll centers. Please check with your payroll center prior to selecting this option.

7. CATCH-UP Provision Utilized:
 Yes, 3-year Yes, Age 50+ No
 Normal Retirement Age: _____

5. PAYROLL FREQUENCY:
 Weekly (W)-52 Monthly (M)-12 Semi-Monthly (X)-24
 Bi-Weekly (Z)-26 Other _____

8. Enroll me in asset rebalancing. I agree to comply with and be bound by the terms and conditions of the service including any restrictions imposed by the investment options. I understand I can obtain more information about the service, its terms and conditions by contacting the NRS Service Center.

9. FUNDING OPTIONS – Only for New Business or Allocation Changes – Must be in Whole % and Total 100%

ASSET ALLOCATION	
_____%	Life Cycle Conservative Portfolio
_____%	Life Cycle 2015 Portfolio
_____%	Life Cycle 2025 Portfolio
_____%	Life Cycle 2035 Portfolio
_____%	Life Cycle 2045 Portfolio
_____%	Life Cycle 2055 Portfolio
SPECIALTY	Invesco Global Real Estate Fund (Institutional Shares)
INTERNATIONAL	Aberdeen Emerging Markets Equity Fund (Institutional Class)
_____%	American Funds-EuroPacific Growth Fund® (Class R6)
_____%	Fidelity® Diversified International Fund
SMALL CAP	Lord Abbett Small Cap Blend Fund (Class I)

MID CAP	
_____%	Fidelity Low Priced Stock Fund
_____%	Principal Investors Fund Inc. - Principle MidCap Blend Fund (Institutional Class)
_____%	T. Rowe Price Institutional Mid-Cap Equity Growth Fund (Institutional Shares)
LARGE CAP	Calvert Social Investment Equity Portfolio (Class I)
_____%	Dodge & Cox Stock Fund
_____%	Fidelity Contrafund
_____%	American Funds-The Growth Fund of America (Class R6)
_____%	Vanguard Institutional Index Fund
_____%	Victory Institutional Funds - Institutional Diversified Stock Fund
BALANCED	Oakmark Equity Income Institutional Fund (Class I)
BONDS	Blackrock Inflation Protected Bond Fund
_____%	Vanguard Total Bond Market Index Fund (Institutional Shares)
FIXED/CASH	New Mexico Stable Value Fund
_____%	Total for both columns must equal 100%¹

1. IF THE TOTAL INVESTMENT OPTION ALLOCATION PERCENTAGE IS GREATER THAN 100%, YOUR APPLICATION WILL BE REJECTED AND YOUR ALLOCATIONS WILL NOT BE PROCESSED.

10. Check here if this is a change of beneficiary. (Any changes in the beneficiary designations supersede any prior beneficiary designations). All percentages must be in whole percentages and equal 100%. If you don't indicate the percentage they are to receive, all payments will be distributed in substantially equal portions.

Primary Beneficiary Name (Please Print) _____ Social Security Number _____ Relationship _____ Date of Birth _____ Split % _____
 Contingent Beneficiary Name (Please Print) _____ Social Security Number _____ Relationship _____ Date of Birth _____ Split % _____

Attach a separate sheet if you have more primary or contingent beneficiaries. Check this box if a separate sheet is attached.

Please contact me regarding transferring my other pre-tax retirement plans.

I authorize my Employer to reduce my salary by the above amount which will be credited to the State of New Mexico Plan. The reduction will continue until otherwise authorized in accordance with the Plan. The withholding of my deferred amount by my Employer and its payment to the designated investment option(s) will be reflected in the first pay period contingent on the processing of this application by the Plan Administrator in conjunction with the set-up time required by my payroll center. The reduction is to be allocated to the funding options in the percentages indicated above.

I have read and understand each of the statements on the front and back of this form, which have been drafted in compliance with the Internal Revenue Code. I accept these terms and understand that these statements do not cover all the details of the Plan or products.

Participating Employee's Signature _____

Date _____

Retirement Specialist's Signature/Number _____

Sales Director's Signature/Number _____

Principal's Signature _____

Nationwide Retirement Solutions • P. O. Box 28580 • Santa Fe, NM 87592-9900 • 1-866-827-NMEX(6639) • www.newmexico457dc.com

DC-4068-0611

ORIGINAL - Processing • COPY 2 - Payroll Center • COPY 3 - Participant • COPY 4 - Retirement Specialist

**THE STATE OF NEW MEXICO DEFERRED COMPENSATION PLAN
MEMORANDUM OF UNDERSTANDING**

The purpose of this memo is to ensure that you fully understand the major terms, restrictions and costs of the State of New Mexico Deferred Compensation Plan. However, it does not cover all the details of the Plan. Please refer to the Plan Document for specific details.

I understand and acknowledge the following:

1. I understand that my participation in the Plan is governed by the terms and conditions of the Plan Document. The product information brochure and fund prospectuses are available upon request at www.newmexico457dc.com or by calling 1-866-827-NMEX(6639).
2. The total annual deferral amount to all 457 plans is the lesser \$16,500 or 100% of includible compensation. Under certain circumstances, additional amounts above the limit may be deferred into the Plan if (1) I will obtain age 50 or older during the calendar year, or (2) I am within three years of Normal Retirement Age and did not defer the maximum amount in prior years. The Plan Document provides additional details about deferral limits. Deferrals in excess of maximum amounts are not permitted and will be considered taxable income when refunded. It is my responsibility to ensure my deferrals do not exceed the annual limit. Contributions to other Section 457 plans may limit the maximum amount I may defer under the Plan.
3. I understand that by selecting the automatic increase option, my payroll contributions will automatically increase by the dollar or percentage amount selected annually in July.
4. I understand that all funds held pursuant to the Plan are held in a custodial account for my exclusive benefit or the benefit of my beneficiaries. I may withdraw funds from the Plan only upon severance from employment; at age 70 1/2 (if deferrals have stopped); upon an unforeseeable emergency approved by the Plan; or I may take a one time in-service withdrawal if my account value is \$5,000 or less (as adjusted) and I have not deferred into the Plan for two or more years. In some cases withdrawal for purchase or repayment of service credits in a governmental defined benefit plan (pension) may be permitted. Additionally, funds may be withdrawn upon my death. All withdrawals of funds must be in compliance with the Internal Revenue Code and applicable regulations, some of which are expressed in the Plan Document. Amounts rolled into the Plan from another eligible retirement plan that are maintained in a separate Rollover Account may be distributed at any time, upon request.
5. Generally, my distributions must begin no later than April 1st following the year I reach age 70 1/2. If I work beyond age 70 1/2, generally, my distributions must begin no later than April 1st following the year I have a severance from employment or retire. Please consult your plan document for further details. All distributions are taxable as ordinary income and subject to income tax in the year received. My distributions must be made in a manner that satisfies the minimum distribution requirements of IRC Sec. 401(a)(9), which currently requires benefits to be paid at least annually over a period not to extend beyond my life expectancy. **Failure to meet minimum distribution requirements may result in the payment of 50% federal excise tax.**
6. The funds in my account may be eligible for rollover to a traditional IRA or to an eligible retirement plan. The "Special Tax Notice Regarding Plan Payments" provides detailed information about my options. Due to important tax consequences related to distributions, I have been advised to consult a tax advisor. I expressly assume the responsibility for tax consequences relating to any distribution, and I agree that neither the Plan nor the Plan Administrator shall be responsible for those tax consequences.
7. No more than 25% of deferrals can be used to purchase life insurance.
8. I understand that all products are optional.
9. If an allocation is made to a closed or unavailable investment option, the allocation will be made to the default option, the New Mexico Stable Value Fund. If the total investment option allocation percentage equals less than 100%, the difference will be invested in the default option, the New Mexico Stable Value Fund. If the total investment option allocation percentage is greater than 100%, my application will be rejected and my allocations will not be processed.

ASSET ALLOCATION OPTIONS

The LifeCycle portfolios are comprised of underlying investment strategies available in the Plan on a stand alone basis. The Portfolios themselves are not registered investment options. The LifeCycle portfolios are administered by Nationwide Retirement Solutions according to direction provided by the Board of the Public Employees Retirement Association of New Mexico based on advice from Mercer Investment Consulting, Inc.

The LifeCycle portfolios are designed to provide diversification and asset allocation across several types of investments and asset classes, primarily by investing in underlying investment strategies that are made available in the Plan on a stand alone basis. Asset allocation does not guarantee returns or insulate you from potential losses. There are no additional fees associated with the LifeCycle portfolios, but you are indirectly paying a proportionate share of the applicable fees and expenses of the underlying investment strategies in each portfolio.

STABLE VALUE OPTION

1. The State of New Mexico Stable Value Fund is composed of investments with Dwight Asset Management.
2. These assets, and all new money (effective July 1, 2000), will be invested with Dwight Asset Management in the SEI Stable Asset Fund.
3. The projected performance for the Dwight contracts will be combined to provide a blended return.

MUTUAL FUND OPTIONS

1. I understand that the Net Asset Value of a mutual fund changes on a daily basis and that there is no guarantee of principal or investment return.
2. The value of amounts allocated to mutual fund options will vary depending upon the value of the chosen mutual funds and could result in either a gain or loss. I have received and reviewed the participating fund prospectuses. Some mutual funds may impose a short term trade fee. Please read the underlying prospectuses carefully.
3. I understand that pursuant to the Plan Document, deferred amounts will be invested per my selection of funding options specified on the Participation Agreement or as otherwise amended.

ADMINISTRATION FEE

An annualized \$59.00 administration fee, billed quarterly at \$14.75, is charged and would reduce your account value. This fee is waived in the 1st Quarter for new participants.

ENDORSEMENT DISCLOSURE

Nationwide Retirement Solutions, Inc. and Nationwide Life Insurance Company have endorsement relationships with the National Association of Counties, The United States Conference of Mayors, and the International Association of Firefighters-Financial Corporation. More information about the endorsement relationships may be found online at www.nrsforu.com.