

CALIFORNIA SECURE CHOICE

Interaction with Employers and Employees

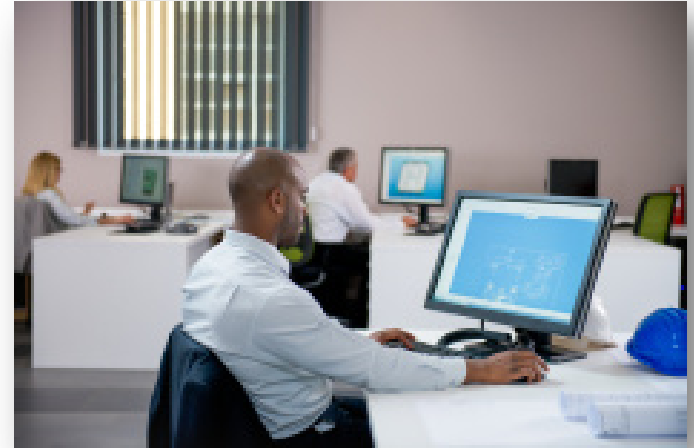
Joining the Program - Employers

- Notice that program is open/required
 - Information to weigh choosing Secure Choice or another program
- If the employer will be enrolling employees in Secure Choice:
 - Provide business info (name, contact name, address, tax id, and banking information used for payroll functions).
 - Provide employee information such as address, ID number, date of birth, date of hire.

Employer Notification

The employer will be notified that the program is available, and offering a program to employees is required. Notice provided by:

1. EDD and/or
2. Program Provider/Recordkeeper
3. Payroll Service or Software



Employers who use a payroll provider or software – ie, most employers - will likely receive notification from their payroll service or software before they receive notice from the EDD or Secure Choice program provider.

Notification likely to include information on Roth eligibility of the business owner and perhaps suggest an alternative to Secure Choice.

The Employer Experience

*“Congratulations!
You’re eligible for CA Secure
Choice Retirement Savings
Program.”*

“Click to Accept.”



- *If the employer is enrolling through their payroll provider, the relevant employer information is already available. This will include name, contact name, address, tax id, and banking information used for payroll functions. It will also include employee information such as address, ID number, date of birth, date of hire. - estimated time 1 minute.*
- *If the employer is **not** enrolling their payroll provider, they will go to a website or download an app where they will enter the same information. The time it takes will depend on the number of employees and their ability to upload the employee information.*

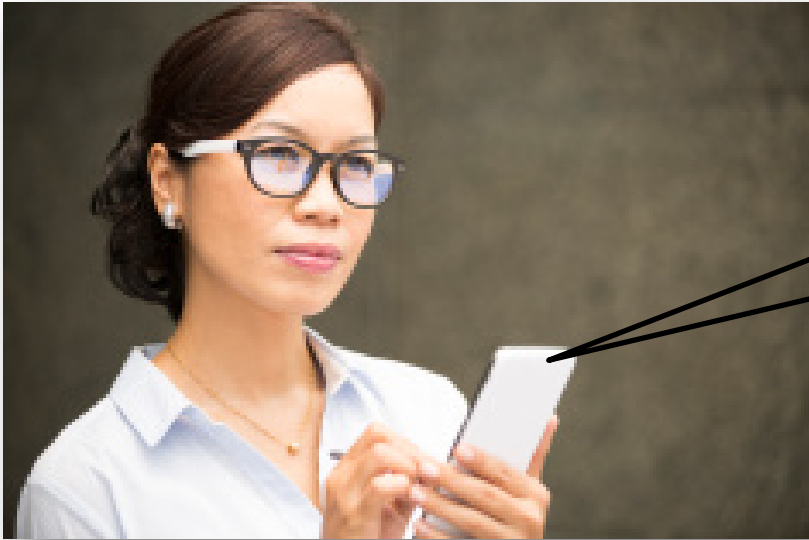
The Employer Experience



"I want to learn more."

For the employer who is comparison shopping, or simply wants to understand more about the program, the Secure Choice site provided by the recordkeeper will provide information on rules, investments, costs, etc... and a link to the Retirement Investments Clearinghouse.

Employer Experience



*"I'm ready,
what's next?"*

"Based on your acceptance, your employer and employee information will be transmitted to the California Secure Choice Program Recordkeeper."

Employer Experience (opt out)

“No thanks, I’m going to buy a different plan that fits my company better.”



TBD: If the employer chooses another program, is there any reporting required from the record keeper?

Joining the Program - Employees

- Receive notice of automatic enrollment and ability to opt out
 - Change contribution level
- Designate a beneficiary

Employee Experience

“Congratulations! Your employer, ABC Company has joined the California Secure Choice Retirement Savings program.”



Employee automatic enrollment notices will be sent out electronically where contact information allows or via postal service where email address or text number are not available.

Employee Experience

“Starting 1/1/2016, 3% of your pay will be contributed to your retirement account.”

You don't need to take any further steps. You will receive your account information after your first payroll contribution.

Click [here](#) to learn more or change your contribution amount.



Employee Experience (opt out)



“If saving for retirement is not a priority, then click here to opt out.”

Validation requirements:

- An e-signature service or other protocol for validating the employee election to opt out and to file a beneficiary designation.
- Patriot Act Customer Identification Program (CIP) compliance for those who are enrolled.

Ongoing Account Care

Actions to be initiated by the employer or employee will be contained in an app or website or both for both employer and employee, including:

- Employer
 - changing bank information
 - if not working through payroll service, adding new employees or reporting a change in contribution amounts
- Employee
 - starting and stopping participation
 - changing contribution amounts
 - designating or changing beneficiaries
 - If there are investment options, changing options for existing account or future contributions
 - distribution/rollover/transfer requests



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