



Northern Mariana Islands
R E T I R E M E N T F U N D
"Investing For The Future Financial Security Of Our Members"

PRESS RELEASE

Northern Mariana Islands Retirement Fund

The Northern Mariana Islands Retirement Fund wishes to advise its membership of several important proposed amendments to the Fund's regulations. These amendments are intended to improve the operational efficiency of the Fund for the benefit of all members. The amendments will impact the time and method the Fund pays benefits; the rate of interest paid and charged by the Fund; and clarify the transition provisions that phase out early retirement at full pay for Class I Members under the Age of 62.

If you wish to comment on these proposed amendments you may do so via letter or email to the Retirement Fund.

Benefit Payments

Members should be advised that the Fund will no longer process hardship or any other requests for early disbursement of benefit payments. Additionally, Members must make arrangements and provide information necessary for the Fund to make payment by direct deposit / ACH into their bank accounts. After April 1, 2012 the Fund will no longer issue benefit payments by check (other than one-time lump sum payments). Members are encouraged to provide the Fund with details of their bank accounts well before the March 1, 2012 deadline to avoid missing a benefit payday. Please contact the Fund to obtain the necessary forms.

Interest

Interest on contributions refunded to Members will now be paid at the average rate offered on savings accounts by banks in the CNMI each year. Interest paid by Members on repayment of refunded contributions will be the greater of the Fund's average 5-year rate of return or the actuarially determined rate. For purposes of a Member's payment of retroactive contributions and class difference equivalences, the Member is required to pay interest at a rate of 5% per annum.

Early Retirement

To take advantage of the previous early retirement scheme, and pay the class difference for full retirement, a Class I Member must retire on or before June 14, 2012. After June 14, 2012, Class I Members retiring before age 62 will be subject to a 3% per year reduction in benefit for each year or pro-rata for a partial year of age less than age 62.

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