



# CalPERS Supplemental Income 457 Plan DEATH DISTRIBUTION REQUEST FORM

INITIAL NOTIFICATION OF DEATH     DISTRIBUTION REQUEST

Complete a separate form for each beneficiary named.  
Please attach a copy of the official certificate of death bearing a raised seal or ink stamp.

## 1. DECEASED PARTICIPANT INFORMATION (please print clearly)

NAME: \_\_\_\_\_ SOCIAL SECURITY NUMBER: \_\_\_\_\_  
 EMPLOYER NAME: \_\_\_\_\_ CALPERS ID: \_\_\_\_\_  
 AGENCY PLAN NUMBER: 4 5 - - - - -  
 PARTICIPANT MAILING ADDRESS: \_\_\_\_\_ APT: \_\_\_\_\_  
 CITY: \_\_\_\_\_ STATE: \_\_\_\_\_ ZIP CODE: \_\_\_\_\_  
 DATE OF DEATH: \_\_\_\_\_

## 2. BENEFICIARY INFORMATION

NAME: \_\_\_\_\_ SOCIAL SECURITY NUMBER: \_\_\_\_\_  
 ADDRESS: \_\_\_\_\_ APT: \_\_\_\_\_  
 CITY: \_\_\_\_\_ STATE: \_\_\_\_\_ ZIP CODE: \_\_\_\_\_  
 DATE OF BIRTH: \_\_\_\_\_  
 RELATIONSHIP TO PARTICIPANT:  Surviving Spouse (Complete Section 3 & 4)     Non-spouse Beneficiary (Complete Section 6 & 7)  
 BENEFICIARY'S SHARE OF ACCOUNT: \_\_\_\_\_ %

## 3. DISTRIBUTION INFORMATION FOR SURVIVING SPOUSE BENEFICIARY

**(If you are the surviving spouse of the deceased participant, please complete the following as appropriate.)**

**DISTRIBUTION ELECTION/DEFERRAL**

As the surviving spouse of the deceased participant, you are allowed to defer payment from the deceased participant's account until the last day of the year in which the participant would have attained age 70½. You may postpone distribution until that date or you may commence distribution at anytime before that date by filing this form with the CalPERS Supplemental Income 457 Plan at least 30 days prior to your requested start date. You may also stop distribution and restart distribution by filing this form with 30 days advance notice. If the deceased participant had already attained age 70½ and begun distribution payments, your interest in the balance of the deceased participant's account will be paid to you at least as rapidly as under the payment method begun by the participant.

**CHECK APPROPRIATE BOX BELOW TO INDICATE YOUR CHOICE CONCERNING RECEIVING YOUR DISTRIBUTION:**

As the Surviving Spouse Beneficiary of the deceased participant,

I hereby elect to start distribution. (Please select distribution option in Section 4.)

I hereby elect to defer distribution. Please set up the account as shown in Section 2. (Complete Beneficiary Information in Section 2.)

I hereby elect to continue distribution with the changes indicated in Section 4.

I hereby elect to stop distribution.

Please begin payments for the required minimum distribution.

**4. DISTRIBUTION OPTIONS FOR SURVIVING SPOUSE BENEFICIARY**

**DISTRIBUTION OPTIONS**

You have the option to receive your distribution by the following payment methods:

1. Lump sum payment of the entire account balance.
2. Partial lump sum payment of the account balance now, and leave the remainder in the plan.
3. Rollover the account to another plan in which you are eligible to participate or an Individual Retirement Account (IRA).
4. Required Minimum Distribution payments as required by Federal Tax Law.
5. Regularly scheduled installment payments.
6. Combine the various combinations of distribution methods.

**CHECK THE APPLICABLE BOX TO SELECT YOUR DISTRIBUTION OPTION**

**1. Full Lump Sum Payment**

I hereby elect to receive lump sum payment of the account in full. I understand 20% Federal and 2% State tax will be withheld from the balance.

**2. Partial Lump Sum Payment**

I hereby elect to receive a PARTIAL lump sum payment amount of \$ \_\_\_\_\_ or \_\_\_\_\_ %.

**INVESTMENT DISTRIBUTION ELECTION (FOR PARTIAL LUMP SUM PAYMENTS ONLY)**

The partial lump sum distribution you are requesting will be distributed pro rata from your investment funds unless you specify a preference by indicating below the percentage(s) of your withdrawal you want distributed from each Investment Option.

Enter the percentage of your partial lump sum payment that you want distributed from each Investment Option:

CALPERS ASSET ALLOCATION FUNDS			CORE FUNDS		
<b>CalPERS Target Retirement Date Funds</b>			<b>Fixed Income Funds</b>		
<b>Fund No.</b>	<b>Fund Name</b>	<b>% Dist.</b>	<b>Fund No.</b>	<b>Fund Name</b>	<b>% Dist.</b>
1A	CalPERS Target Retirement Date Income Fund	_____ %	20	Short-Term Investment Fund	_____ %
1D	CalPERS Target Retirement Date 2015 Fund	_____ %	44	State Street US Short Term Gvt Bnd Indx	_____ %
1E	CalPERS Target Retirement Date 2020 Fund	_____ %	45	State Street US Bond Index Fund	_____ %
1F	CalPERS Target Retirement Date 2025 Fund	_____ %	<b>Real Asset</b>		
1G	CalPERS Target Retirement Date 2030 Fund	_____ %	46	State Street Real Asset Fund	_____ %
1H	CalPERS Target Retirement Date 2035 Fund	_____ %	<b>Equity Funds</b>		
1I	CalPERS Target Retirement Date 2040 Fund	_____ %	48	State Street Russell All Cap Index Fund	_____ %
1J	CalPERS Target Retirement Date 2045 Fund	_____ %	49	State Street Global Equity ex U.S. Index	_____ %
1K	CalPERS Target Retirement Date 2050 Fund	_____ %	<b>TOTAL PERCENTAGE OF DISTRIBUTION</b>		
1L	CalPERS Target Retirement Date 2055 Fund	_____ %			

**3. Rollover Payment**

**CHECK THE APPLICABLE BOX AND PROVIDE THE ROLLOVER TRANSFER ACCOUNT INFORMATION BELOW:**

I hereby elect to roll \$ \_\_\_\_\_ over to an eligible retirement plan in a direct trustee to trustee transfer to:

I hereby elect to roll my account in full over to an eligible retirement plan in a direct trustee to trustee transfer to:

NAME OF THE TRUSTEE/CUSTODIAN RECEIVING THE ROLLOVER \_\_\_\_\_

ACCOUNT NUMBER \_\_\_\_\_

MAILING ADDRESS OF THE TRUSTEE/CUSTODIAN \_\_\_\_\_

**CHECK BOX BELOW TO INDICATE THE TYPE OF PLAN RECEIVING YOUR ROLLOVER:**

457    401(k)    403(b)    IRA    Roth IRA    Pension Plan Service Credit Purchase

**NOTE:** It is your responsibility to verify that the plan receiving the rollover is an eligible plan. If it is not, the IRS could treat your rollover as a taxable distribution. Attached is a written explanation of your rollover options. You may also review them on our Web site <https://calpers.voya.com>. The law allows you at least 30 days to review the written explanation of your rollover options. If you would like your rollover request processed sooner than 30 days from the date you receive the written explanation of your rollover options, you may waive the 30-day review period by checking the box in the signature line.

#### 4. DISTRIBUTION OPTIONS FOR SURVIVING SPOUSE BENEFICIARY (continued)

##### 4. Required Minimum Distribution

- Please calculate and distribute the required minimum distribution. The required minimum distribution you are requesting will be distributed pro rata from your investment funds.

##### 5. Regular Installment Payments

- I hereby elect to have the entire balance of the account distributed in installments over my life expectancy. The installment payments you are requesting will be distributed pro rata from your investment funds.

###### A. CHECK BOX BELOW TO SELECT THE DESIRED FREQUENCY OF INSTALLMENT PAYMENTS:

- Monthly  Quarterly  Semi-annually  Annually

###### B. CHECK BOX BELOW TO SELECT THE INSTALLMENT PLAN YOU ELECT:

1. Substantially equal payments paid out over \_\_\_\_\_ years.
2. Payments in the amount of \$ \_\_\_\_\_ until the account has been distributed in full.  
 Please adjust this amount annually by a cost of living factor based on the Consumer Price Index (CPI). *(Check if applicable).*
3. Payments based on life expectancy.  
 Please adjust this amount annually by a cost of living factor based on the Consumer Price Index (CPI). *(Check if applicable).*

#### 5. TAX WITHHOLDING INFORMATION FOR SURVIVING SPOUSE BENEFICIARY

Distributions that are eligible for rollover are subject to 20% federal and 2% state tax withholding, unless the distribution is rolled directly to another plan. If you are taking an installment distribution that is not eligible for roll-over and would like to specify the amount of income taxes withheld from your distribution, complete and submit IRS Form W-4P (Withholding Certificate for Pension or Annuity Payments), along with this form. If a Form W-4P is not submitted at least 30 days prior to the requested beginning payment date, income tax will be withheld at a rate based on a married individual claiming 3 withholding exemptions.

**Notice:** Payments to non-resident aliens are subject to a 30% federal withholding tax, and U.S. persons with a residential mailing address outside the United States may be subject to a 30% federal withholding tax, unless they are eligible for a reduced rate or exemption under a tax treaty and the required IRS tax forms are submitted.

#### 6. DISTRIBUTION INFORMATION FOR NON-SPOUSE BENEFICIARY

**(If you are a designated beneficiary who is not the surviving spouse of the deceased participant, please complete the following as appropriate.)**

##### DISTRIBUTION ELECTION/DEFERRAL

As a designated beneficiary who is not the surviving spouse of the deceased participant, you may defer payment from the deceased participant's account as late as the following:

- Last day of the year of the fifth anniversary of the participant's death if you elect to take distribution of the entire account, within that five-year period.
- Last day of the year immediately following the year of the participant's death if you elect to take installment payments over your life expectancy.

**NOTE:** In order to receive installment payments over your life expectancy, you must begin those payments within the year following the participant's death. Otherwise, federal law requires your entire interest in the deceased participant's account to be paid out within five years of the participant's death.

##### CHECK APPROPRIATE BOX BELOW TO INDICATE YOUR CHOICE CONCERNING RECEIVING YOUR DISTRIBUTION:

As the Designated Beneficiary of the deceased participant,

- I hereby elect to start distribution. *(Please complete Distribution Options in Section 7.)*
- I hereby elect to defer distribution. Please set up the account as shown in Section 2. *(Complete Beneficiary Information in Section 2.)*

**7. DISTRIBUTION OPTIONS FOR NON-SPOUSE BENEFICIARY**

**DISTRIBUTION OPTIONS**

You have the option to receive your distribution by the following payment methods:

1. Lump sum payment of the entire account balance.
2. Partial lump sum payment of the account balance now with the remainder of the balance to be paid in annual installments within five years following the year of the participant's death.
3. Rollover the account to an Inherited Individual Retirement Account (IRA).
4. Receive distribution of the account in the form of regular installment payments over your life expectancy. You must begin installments within one year following the death of the participant.

**NOTE:** If you do not elect to begin lifetime installment payments within one year following the participant's death, your entire interest in the deceased participant's account will be distributed to you before the last day of the year which includes the fifth anniversary of the participant's death. Your distribution is not eligible for Rollover to another plan or to an Individual Retirement Account (IRA).

**CHECK THE APPLICABLE BOX TO SELECT YOUR DISTRIBUTION OPTION**

**1. Full Lump Sum Payment**

I hereby elect to receive lump sum payment of the account in full. I understand 20% Federal and 2% State tax will be withheld from the balance.

**2. Partial Lump Sum Payment**

I hereby elect to receive a PARTIAL lump sum payment amount of \$ \_\_\_\_\_ from the account. The balance to be paid in annual installments extending no later than the last day of the year which includes the fifth anniversary of the participant's death.

**INVESTMENT DISTRIBUTION ELECTION (FOR PARTIAL LUMP SUM PAYMENTS ONLY)**

The partial lump sum distribution you are requesting will be distributed pro rata from your investment funds unless you specify a preference by indicating below the percentage(s) of your withdrawal you want distributed from each Investment Option.

**Enter the percentage of your partial lump sum payment that you want distributed from each Investment Option:**

CALPERS ASSET ALLOCATION FUNDS			CORE FUNDS		
<b>CalPERS Target Retirement Date Funds</b>			<b>Fixed Income Funds</b>		
<b>Fund No.</b>	<b>Fund Name</b>	<b>% Dist.</b>	<b>Fund No.</b>	<b>Fund Name</b>	<b>% Dist.</b>
1A	CalPERS Target Retirement Date Income Fund	_____ %	20	Short-Term Investment Fund	_____ %
1D	CalPERS Target Retirement Date 2015 Fund	_____ %	44	State Street US Short Term Gvt Bnd Indx	_____ %
1E	CalPERS Target Retirement Date 2020 Fund	_____ %	45	State Street US Bond Index Fund	_____ %
1F	CalPERS Target Retirement Date 2025 Fund	_____ %	<b>Real Asset</b>		
1G	CalPERS Target Retirement Date 2030 Fund	_____ %	46	State Street Real Asset Fund	_____ %
1H	CalPERS Target Retirement Date 2035 Fund	_____ %	<b>Equity Funds</b>		
1I	CalPERS Target Retirement Date 2040 Fund	_____ %	48	State Street Russell All Cap Index Fund	_____ %
1J	CalPERS Target Retirement Date 2045 Fund	_____ %	49	State Street Global Equity ex U.S. Index	_____ %
1K	CalPERS Target Retirement Date 2050 Fund	_____ %	<b>TOTAL PERCENTAGE OF DISTRIBUTION</b>		
1L	CalPERS Target Retirement Date 2055 Fund	_____ %			

## 7. DISTRIBUTION OPTIONS FOR NON-SPOUSE BENEFICIARY (continued)

### 3. Rollover Payment

CHECK THE APPLICABLE BOX AND PROVIDE THE ROLLOVER TRANSFER ACCOUNT INFORMATION BELOW:

- I hereby elect to roll \$ \_\_\_\_\_ over to an Inherited Individual Retirement Account (IRA) in a direct trustee to trustee transfer to:
- I hereby elect to roll my account in full over to an Inherited Individual Retirement Account (IRA) in a direct trustee to trustee transfer to:

NAME OF THE TRUSTEE/CUSTODIAN RECEIVING THE ROLLOVER \_\_\_\_\_

ACCOUNT NUMBER \_\_\_\_\_

MAILING ADDRESS OF THE TRUSTEE/CUSTODIAN \_\_\_\_\_

**NOTE:** It is your responsibility to verify that the plan receiving the rollover is an eligible plan. If it is not, the IRS could treat your rollover as a taxable distribution. Attached is a written explanation of your rollover options. You may also review them on our Web site <https://calpers.voya.com>. The law allows you at least 30 days to review the written explanation of your rollover options. If you would like your rollover request processed sooner than 30 days from the date you receive the written explanation of your rollover options, you may waive the 30-day review period by checking the box in the signature line.

### 4. Regular Installment Payments

- I hereby elect to have the entire balance of the account distributed in installments over my life expectancy. The installment payments you are requesting will be distributed pro rata from your investment funds.

**NOTE:** If you do not elect to begin lifetime installment payments within one year following the participant's death, your entire interest in the deceased participant's account will be distributed to you before the last day of the year which includes the fifth anniversary of the participant's death. Your distribution is not eligible for Rollover to another plan or to an Individual Retirement Account (IRA).

#### A. CHECK BOX BELOW TO SELECT THE DESIRED FREQUENCY OF INSTALLMENT PAYMENTS:

- Monthly  Quarterly  Semi-annually  Annually

#### B. CHECK BOX BELOW TO SELECT THE INSTALLMENT PLAN YOU ELECT:

1. Substantially equal payments paid out over \_\_\_\_\_ years.
2. Payments in the amount of \$ \_\_\_\_\_ until the account has been distributed in full.  
 Please adjust this amount annually by a cost of living factor based on the Consumer Price Index (CPI). (Check if applicable).
3. Payments based on life expectancy.  
 Please adjust this amount annually by a cost of living factor based on the Consumer Price Index (CPI). (Check if applicable).

## 8. TAX WITHHOLDING INFORMATION FOR NON-SPOUSE BENEFICIARY

Distributions that are not eligible for rollover are subject to 10% federal and 1% state tax withholding. If you are taking an installment distribution that is not eligible for roll-over and would like to specify the amount of income taxes withheld from your distribution, complete and submit IRS Form W-4P (Withholding Certificate for Pension or Annuity Payments), along with this form. If a Form W-4P is not submitted at least 30 days prior to the requested beginning payment date, income tax will be withheld at a rate based on a married individual claiming 3 withholding exemptions.

**Notice:** Payments to non-resident aliens are subject to a 30% federal withholding tax, and U.S. persons with a residential mailing address outside the United States may be subject to a 30% federal withholding tax, unless they are eligible for a reduced rate or exemption under a tax treaty and the required IRS tax forms are submitted.

## 9. SIGNATURES REQUIRED

### PLEASE CHECK ONE:

- I received notice of my eligible rollover distribution options at least 30 days prior to making this distribution request.
- I wish to waive my right to a 30-day review of my eligible rollover distribution options. Please process my distribution request immediately.

I certify, under penalties of perjury, that to the best of my knowledge and belief the information provided on this form, including the Social Security Number or Taxpayer Identification Number, is accurate and complete.

BENEFICIARY'S SIGNATURE: \_\_\_\_\_ DATE: \_\_\_\_\_

**CalPERS Supplemental Income 457 Plan  
DEATH DISTRIBUTION REQUEST FORM**

**Please submit your completed form by mail, including a copy of the official certificate of death bearing a raised seal or ink stamp:**

**US MAIL DELIVERY:**

Voya Financial  
Attn: CalPERS  
P.O. Box 24747  
Jacksonville, FL 32241-4747

**OVERNIGHT DELIVERY:**

Voya Financial  
Attn: CalPERS  
8900 Prominence Parkway  
Jacksonville, FL 32256-8264

If you have any questions, you may call the Help Line at 1-800-260-0659, or to obtain additional plan or account information, please access your account at <https://calpers.voya.com>. Customer Service Representatives are available Monday through Friday, 6:00 A.M. to 5:00 P.M. Pacific Time (excluding stock market holidays).

## **YOUR ROLLOVER OPTIONS**

You are receiving this notice in the event that all or a portion of a payment you are receiving from the Plan is eligible to be rolled over to an IRA or an employer plan. This notice is intended to help you decide whether to do such a rollover.

This notice describes the rollover rules that apply to payments from the Plan that are not from a designated Roth account (a type of account with special tax rules in some employer plans). If you also receive a payment from a designated Roth account in the Plan, you will be provided a different notice for that payment, and the Plan administrator or the payor will tell you the amount that is being paid from each account.

Rules that apply to most payments from a plan are described in the “General Information About Rollovers” section. Special rules that only apply in certain circumstances are described in the “Special Rules and Options” section.

### **GENERAL INFORMATION ABOUT ROLLOVERS**

#### **How can a rollover affect my taxes?**

You will be taxed on a payment from the Plan if you do not roll it over. If you are under age 59½ and do not do a rollover, you will also have to pay a 10% additional income tax on early distributions (unless an exception applies). However, if you do a rollover, you will not have to pay tax until you receive payments later and the 10% additional income tax will not apply if those payments are made after you are age 59½ (or if an exception applies).

#### **Where may I roll over the payment?**

You may roll over the payment to either an IRA (an individual retirement account or individual retirement annuity) or an employer plan (a tax-qualified plan, section 403(b) plan, or governmental section 457(b) plan) that will accept the rollover. The rules of the IRA or employer plan that holds the rollover will determine your investment options, fees, and rights to payment from the IRA or employer plan (for example, no spousal consent rules apply to IRAs and IRAs may not provide loans). Further, the amount rolled over will become subject to the tax rules that apply to the IRA or employer plan.

#### **How do I do a rollover?**

There are two ways to do a rollover. You can do either a direct rollover or a 60-day rollover.

If you do a direct rollover, the Plan will make the payment directly to your IRA or an employer plan. You should contact the IRA sponsor or the administrator of the employer plan for information on how to do a direct rollover.

If you do not do a direct rollover, you may still do a rollover by making a deposit into an IRA or eligible employer plan that will accept it. You will have 60 days after you receive the payment to make the deposit. If you do not do a direct rollover, the Plan is required to withhold 20% of the payment for federal income taxes (up to the amount of cash and property received other than employer stock). This means that, in order to roll over the entire payment in a 60-day rollover, you must use other funds to make up for the 20% withheld. If you do not roll over the entire amount of the payment, the portion not rolled over will be taxed and will be subject to the 10% additional income tax on early distributions if you are under age 59½ (unless an exception applies).

#### **How much may I roll over?**

If you wish to do a rollover, you may roll over all or part of the amount eligible for rollover. Any payment from the Plan is eligible for rollover, except:

- Certain payments spread over a period of at least 10 years or over your life or life expectancy (or the lives or joint life expectancy of you and your beneficiary)
- Required minimum distributions after age 70½ (or after death)
- Hardship distributions
- ESOP dividends
- Corrective distributions of contributions that exceed tax law limitations
- Loans treated as deemed distributions (for example, loans in default due to missed payments before your employment ends)
- Cost of life insurance paid by the Plan
- Payments of certain automatic enrollment contributions requested to be withdrawn within 90 days of the first contribution
- Amounts treated as distributed because of a prohibited allocation of S corporation stock under an ESOP (also, there will generally be adverse tax consequences if you roll over a distribution of S corporation stock to an IRA)

The Plan administrator or the payor can tell you what portion of a payment is eligible for rollover.

#### **If I don't do a rollover, will I have to pay the 10% additional income tax on early distributions?**

If you are under age 59½, you will have to pay the 10% additional income tax on early distributions for any payment from the Plan (including amounts withheld for income tax) that you do not roll over, unless one of the exceptions listed below applies. This tax is in addition to the regular income tax on the payment not rolled over.

The 10% additional income tax does not apply to the following payments from the Plan:

- Payments made after you separate from service if you will be at least age 55 in the year of the separation
- Payments that start after you separate from service if paid at least annually in equal or close to equal amounts over your life or life expectancy (or the lives or joint life expectancy of you and your beneficiary)
- Payments from a governmental defined benefit pension plan made after you separate from service if you are a public safety employee and you are at least age 50 in the year of the separation
- Payments made due to disability
- Payments after your death
- Payments of ESOP dividends
- Corrective distributions of contributions that exceed tax law limitations
- Cost of life insurance paid by the Plan
- Payments made directly to the government to satisfy a federal tax levy
- Payments made under a qualified domestic relations order (QDRO)
- Payments up to the amount of your deductible medical expenses
- Certain payments made while you are on active duty if you were a member of a reserve component called to duty after September 11, 2001 for more than 179 days
- Payments of certain automatic enrollment contributions requested to be withdrawn within 90 days of the first contribution

**If I do a rollover to an IRA, will the 10% additional income tax apply to early distributions from the IRA?**

If you receive a payment from an IRA when you are under age 59½, you will have to pay the 10% additional income tax on early distributions from the IRA, unless an exception applies. In general, the exceptions to the 10% additional income tax for early distributions from an IRA are the same as the exceptions listed above for early distributions from a plan. However, there are a few differences for payments from an IRA, including:

- There is no exception for payments after separation from service that are made after age 55.
- The exception for qualified domestic relations orders (QDROs) does not apply (although a special rule applies under which, as part of a divorce or separation agreement, a tax-free transfer may be made directly to an IRA of a spouse or former spouse).
- The exception for payments made at least annually in equal or close to equal amounts over a specified period applies without regard to whether you have had a separation from service.
- There are additional exceptions for (1) payments for qualified higher education expenses, (2) payments up to \$10,000 used in a qualified first-time home purchase, and (3) payments for health insurance premiums after you have received unemployment compensation for 12 consecutive weeks (or would have been eligible to receive unemployment compensation but for self-employed status).

**Will I owe State income taxes?**

This notice does not describe any State or local income tax rules (including withholding rules).

**SPECIAL RULES AND OPTIONS**

**If your payment includes after-tax contributions**

After-tax contributions included in a payment are not taxed. If a payment is only part of your benefit, an allocable portion of your after-tax contributions is included in the payment, so you cannot take a payment of only after-tax contributions. However, if you have pre-1987 after-tax contributions maintained in a separate account, a special rule may apply to determine whether the after-tax contributions are included in a payment. In addition, special rules apply when you do a rollover, as described below.

You may roll over to an IRA a payment that includes after-tax contributions through either a direct rollover or a 60-day rollover. You must keep track of the aggregate amount of the after-tax contributions in all of your IRAs (in order to determine your taxable income for later payments from the IRAs). If you do a direct rollover of only a portion of the amount paid from the Plan and at the same time the rest is paid to you, the portion directly rolled over consists first of the amount that would be taxable if not rolled over. For example, assume you are receiving a distribution of \$12,000, of which \$2,000 is after-tax contributions. In this case, if you directly roll over \$10,000 to an IRA that is not a Roth IRA, no amount is taxable because the \$2,000 amount not directly rolled over is treated as being after-tax contributions. If you do a direct rollover of the entire amount paid from the Plan to two or more destinations at the same time, you can choose which destination receives the after-tax contributions.

If you do a 60-day rollover to an IRA of only a portion of a payment made to you, the after-tax contributions are treated as rolled over last. For example, assume you are receiving a distribution of \$12,000, of which \$2,000 is after-tax contributions, and no part of the distribution is directly rolled over. In this case, if you roll over \$10,000 to an IRA that is not a Roth IRA in a 60-day rollover, no amount is taxable because the \$2,000 amount not rolled over is treated as being after-tax contributions.

You may roll over to an employer plan all of a payment that includes after-tax contributions, but only through a direct rollover (and only if the receiving plan separately accounts for after-tax contributions and is not a governmental section 457(b) plan). You can do a 60-day rollover to an employer plan of part of a payment that includes after-tax contributions, but only up to the amount of the payment that would be taxable if not rolled over.



**If you miss the 60-day rollover deadline**

Generally, the 60-day rollover deadline cannot be extended. However, the IRS has the limited authority to waive the deadline under certain extraordinary circumstances, such as when external events prevented you from completing the rollover by the 60-day rollover deadline. To apply for a waiver, you must file a private letter ruling request with the IRS. Private letter ruling requests require the payment of a nonrefundable user fee. For more information, see IRS Publication 590-A, *Contributions from Individual Retirement Arrangements (IRAs)*.

**If your payment includes employer stock that you do not roll over**

If you do not do a rollover, you can apply a special rule to payments of employer stock (or other employer securities) that are either attributable to after-tax contributions or paid in a lump sum after separation from service (or after age 59½, disability, or the participant's death). Under the special rule, the net unrealized appreciation on the stock will not be taxed when distributed from the Plan and will be taxed at capital gain rates when you sell the stock. Net unrealized appreciation is generally the increase in the value of employer stock after it was acquired by the Plan. If you do a rollover for a payment that includes employer stock (for example, by selling the stock and rolling over the proceeds within 60 days of the payment), the special rule relating to the distributed employer stock will not apply to any subsequent payments from the IRA or employer plan. The Plan administrator can tell you the amount of any net unrealized appreciation.

**If you have an outstanding loan that is being offset**

If you have an outstanding loan from the Plan, your Plan benefit may be offset by the amount of the loan, typically when your employment ends. The loan offset amount is treated as a distribution to you at the time of the offset and will be taxed (including the 10% additional income tax on early distributions, unless an exception applies) unless you do a 60-day rollover in the amount of the loan offset to an IRA or employer plan.

**If you were born on or before January 1, 1936**

If you were born on or before January 1, 1936 and receive a lump sum distribution that you do not roll over, special rules for calculating the amount of the tax on the payment might apply to you. For more information, see IRS Publication 575, *Pension and Annuity Income*.

**If your payment is from a governmental section 457(b) plan**

If the Plan is a governmental section 457(b) plan, the same rules described elsewhere in this notice generally apply, allowing you to roll over the payment to an IRA or an employer plan that accepts rollovers. One difference is that, if you do not do a rollover, you will not have to pay the 10% additional income tax on early distributions from the Plan even if you are under age 59½ (unless the payment is from a separate account holding rollover contributions that were made to the Plan from a tax-qualified plan, a section 403(b) plan, or an IRA). However, if you do a rollover to an IRA or to an employer plan that is not a governmental section 457(b) plan, a later distribution made before age 59½ will be subject to the 10% additional income tax on early distributions (unless an exception applies). Other differences are that you cannot do a rollover if the payment is due to an "unforeseeable emergency" and the special rules under "If your payment includes employer stock that you do not roll over" and "If you were born on or before January 1, 1936" do not apply.

**If you are an eligible retired public safety officer and your pension payment is used to pay for health coverage or qualified long-term care insurance**

If the Plan is a governmental plan, you retired as a public safety officer, and your retirement was by reason of disability or was after normal retirement age, you can exclude from your taxable income plan payments paid directly as premiums to an accident or health plan (or a qualified long-term care insurance contract) that your employer maintains for you, your spouse, or your dependents, up to a maximum of \$3,000 annually. For this purpose, a public safety officer is a law enforcement officer, firefighter, chaplain, or member of a rescue squad or ambulance crew.

**If you roll over your payment to a Roth IRA**

If you roll over a payment from the Plan to a Roth IRA, a special rule applies under which the amount of the payment rolled over (reduced by any after-tax amounts) will be taxed. However, the 10% additional income tax on early distributions will not apply (unless you take the amount rolled over out of the Roth IRA within 5 years, counting from January 1 of the year of the rollover).

If you roll over the payment to a Roth IRA, later payments from the Roth IRA that are qualified distributions will not be taxed (including earnings after the rollover). A qualified distribution from a Roth IRA is a payment made after you are age 59½ (or after your death or disability, or as a qualified first-time homebuyer distribution of up to \$10,000) and after you have had a Roth IRA for at least 5 years. In applying this 5-year rule, you count from January 1 of the year for which your first contribution was made to a Roth IRA. Payments from the Roth IRA that are not qualified distributions will be taxed to the extent of earnings after the rollover, including the 10% additional income tax on early distributions (unless an exception applies). You do not have to take required minimum distributions from a Roth IRA during your lifetime. For more information, see IRS Publication 590-A, *Contributions to Individual Retirement Arrangements (IRAs)*, and IRS Publication 590-B, *Distributions from Individual Retirement Arrangements (IRAs)*.

**If you are not a plan participant**

Payments after death of the participant. If you receive a distribution after the participant's death that you do not roll over, the distribution will generally be taxed in the same manner described elsewhere in this notice. However, the 10% additional income tax on early distributions and the special rules for public safety officers do not apply, and the special rule described under the section "If you were born on or before January 1, 1936" applies only if the participant was born on or before January 1, 1936.

**If you are a surviving spouse.** If you receive a payment from the Plan as the surviving spouse of a deceased participant, you have the same rollover options that the participant would have had, as described elsewhere in this notice. In addition, if you choose to do a rollover to an IRA, you may treat the IRA as your own or as an inherited IRA.

An IRA you treat as your own is treated like any other IRA of yours, so that payments made to you before you are age 59½ will be subject to the 10% additional income tax on early distributions (unless an exception applies) and required minimum distributions from your IRA do not have to start until after you are age 70½.

If you treat the IRA as an inherited IRA, payments from the IRA will not be subject to the 10% additional income tax on early distributions. However, if the participant had started taking required minimum distributions, you will have to receive required minimum distributions from the inherited IRA. If the participant had not started taking required minimum distributions from the Plan, you will not have to start receiving required minimum distributions from the inherited IRA until the year the participant would have been age 70½.

**If you are a surviving beneficiary other than a spouse.** If you receive a payment from the Plan because of the participant's death and you are a designated beneficiary other than a surviving spouse, the only rollover option you have is to do a direct rollover to an inherited IRA. Payments from the inherited IRA will not be subject to the 10% additional income tax on early distributions. You will have to receive required minimum distributions from the inherited IRA.

Payments under a qualified domestic relations order. If you are the spouse or former spouse of the participant who receives a payment from the Plan under a qualified domestic relations order (QDRO), you generally have the same options the participant would have (for example, you may roll over the payment to your own IRA or an eligible employer plan that will accept it). Payments under the QDRO will not be subject to the 10% additional income tax on early distributions.

**If you are a nonresident alien**

If you are a nonresident alien and you do not do a direct rollover to a U.S. IRA or U.S. employer plan, instead of withholding 20%, the Plan is generally required to withhold 30% of the payment for federal income taxes. If the amount withheld exceeds the amount of tax you owe (as may happen if you do a 60-day rollover), you may request an income tax refund by filing Form 1040NR and attaching your Form 1042-S. See Form W-8BEN for claiming that you are entitled to a reduced rate of withholding under an income tax treaty. For more information, see also IRS Publication 519, U.S. Tax Guide for Aliens, and IRS Publication 515, Withholding of Tax on Nonresident Aliens and Foreign Entities.

**Other special rules**

If a payment is one in a series of payments for less than 10 years, your choice whether to make a direct rollover will apply to all later payments in the series (unless you make a different choice for later payments).

If your payments for the year are less than \$200 (not including payments from a designated Roth account in the Plan), the Plan is not required to allow you to do a direct rollover and is not required to withhold for federal income taxes. However, you may do a 60-day rollover.

Unless you elect otherwise, a mandatory cashout of more than \$1,000 (not including payments from a designated Roth account in the Plan) will be directly rolled over to an IRA chosen by the Plan administrator or the payor. A mandatory cashout is a payment from a plan to a participant made before age 62 (or normal retirement age, if later) and without consent, where the participant's benefit does not exceed \$5,000 (not including any amounts held under the plan as a result of a prior rollover made to the plan).

You may have special rollover rights if you recently served in the U.S. Armed Forces. For more information, see IRS Publication 3, Armed Forces' Tax Guide.

**FOR MORE INFORMATION**

You may wish to consult with the Plan administrator or payor, or a professional tax advisor, before taking a payment from the Plan. Also, you can find more detailed information on the federal tax treatment of payments from employer plans in: IRS Publication 575, *Pension and Annuity Income*; IRS Publication 590-A, *Contributions to Individual Retirement Arrangements (IRAs)*; IRS Publication 590-B, *Distributions from Individual Retirement Arrangements (IRAs)*; and IRS Publication 571, *Tax-Sheltered Annuity Plans (403(b) Plans)*. These publications are available from a local IRS office, on the web at [www.irs.gov](http://www.irs.gov), or by calling 1-800-TAX-FORM.

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