

# Separation from Employment Withdrawal Kit


**Please review this information carefully before you begin.**

---

## What's included in this kit:

- **Separation from Employment** Withdrawal Form (Withdrawal Form).
- **Instruction guide** - This will be helpful as you fill out the Withdrawal Form.
- **402(f) Notice of Special Tax Rules on Distributions** - This information is required to be provided to you and will be helpful if you are considering rolling over some or all of your money.

## What you need to do:

- Know what's in your account** - You may find it helpful to log in to your account and review your vested balance before you begin. Simply log in at **empowermyretirement.com** and click *Account* at the top of the page and then select *Balance* from the drop-down menu. Review the amount under the column *Vested Balance*.
- Correcting mistakes** - Any changes to the Withdrawal Form must be crossed out and initialed. White-out corrections are not acceptable. If you do not initial all changes, the form may be returned for verification or we may require a new form.
- Complete all pages of the Withdrawal Form.** Make sure all nine digits of your U.S. Social Security number (SSN)/U.S. Taxpayer Identification number (TIN) are entered on the first page of the form and the last four digits are entered at the top of the other pages. Remember to keep a copy of the form for your records.
- Return all pages that include this bar code.** 

<b>Electronically:</b>	Log into your account at <b>empowermyretirement.com</b> and click <i>Account</i> at the top of the page and then select <i>Overview</i> from the drop-down menu. From the left navigation menu, select <i>Upload documents</i> .
<b>Regular Mail:</b>	Empower, PO Box 173764, Denver, CO 80217-3764
<b>Express Mail:</b>	Empower, 8515 E. Orchard Road, Greenwood Village, CO 80111

## What to expect:

- **All checks will be sent to your address on file.** For security purposes, **the Withdrawal Form cannot be used for address changes.** Please log in to your account, click your name in the top right corner of the homepage and verify your home mailing address. If you need to make a change to the address we have on file, call us at 1-800-551-4218.
- **Stay updated on your withdrawal status.** Sign up for text or email updates on the Withdrawal Form. You can also check the status by logging in to your account and click *Account* at the top of the page and then select *Withdrawals* from the drop-down menu.
- **Your request requires a termination date from East Bay Regional Park District** prior to processing.
- **Still have questions?** Call 1-800-551-4218.





--	--	--	--

Last 4 digits of SSN/TIN

### Step 3: Withdrawal instructions

Follow the instruction guide for information on how to complete Step 3. It explains the differences between pretax, after-tax and Roth money.

- You will first choose how you want to withdraw your pretax money.
- Next, you will choose how you want to withdraw any after-tax amounts that you may have in your account.
- Then, you will choose how you want to withdraw your Roth money.

#### If you are requesting a rollover:

- Make sure you have opened your new rollover account(s) before you complete this form.
- To establish a new Empower Premier IRA, call 1-877-804-6257. See the instruction guide for additional details.
- To establish a new Empower Personal Strategy IRA, call 1-877-534-4569. If you already have an account open and have questions, contact your assigned advisor.
- To establish a new Empower Brokerage IRA, call 1-844-644-0112. See the instruction guide for additional details.
- Rollover checks will be made payable to the name of the new IRA company or your new employer's retirement plan.
- Please be sure to include the account number of your new IRA or your new employer's plan.
- All rollover checks will be mailed to you at the address we have on file.**
- You will be responsible for sending the rollover check to your new account.
- If you are due a required minimum distribution (RMD), it will be calculated and paid to you before the rollover is processed. Effective January 1, 2024, Roth money sources will be excluded from the RMD calculation and depletion, and Roth withdrawals will not count toward your RMD amount.
- Your RMD amount is calculated using the IRS Uniform Lifetime Table unless you have a sole, spousal beneficiary who is more than 10 years younger and provide instruction to use the IRS Joint and Last Survivor Table. Contact us before you submit this form if you are eligible and wish to use the IRS Joint and Last Survivor Table.

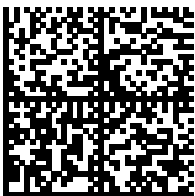
Enter an effective date for your withdrawal: (mm/dd/yyyy)

This date is required if you are requesting a future dated withdrawal within the next 180 days.

--	--	--	--	--	--	--	--

If you leave this blank and the rest of your form is in good order, your withdrawal will be processed as quickly as possible.

 Continue to the next page to make your withdrawal elections.



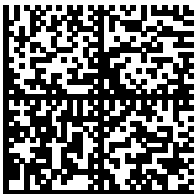
--	--	--	--

Last 4 digits of SSN/TIN

### Step 3: Withdrawal instructions: Pretax

How would you like to withdraw your pretax money?	
<b>Option A:</b>	<input type="checkbox"/> Pay it to me.
<b>Option B:</b>	<input type="checkbox"/> Roll over funds and save for my retirement.
<b>Both:</b>	<input type="checkbox"/> Pay some to me and roll over the rest. <b>Complete both Option A and Option B.</b>

How much of your pretax money do you want paid to you?	
<b>Option A</b>	<b>Full withdrawal:</b>
	<input type="checkbox"/> Pay 100% to me.
<b>Option A</b>	<b>Partial withdrawal:</b>
	<input type="checkbox"/> Pay a portion to me (choose either a percentage or dollar amount, <b>not both</b> ): Percentage                      Dollar amount <input type="text"/> <input type="text"/> <input type="text"/> % <b>OR</b> \$ <input type="text"/> <input type="text"/> <input type="text"/> , <input type="text"/> <input type="text"/> <input type="text"/> , <input type="text"/> <input type="text"/> <input type="text"/> . <input type="text"/> <input type="text"/>
<input type="checkbox"/> Exclude rollover money sources. If this box is not selected, rollover money sources will be included.	

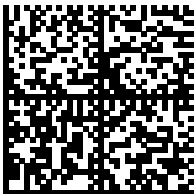


--	--	--	--

Last 4 digits of SSN/TIN

### Step 3: Withdrawal instructions: Pretax

<b>Option B</b>	<b>How much of your pretax money do you want to roll over?</b>	
	<b>Full rollover:</b>	<input type="checkbox"/> Roll over 100%.
	<b>Partial rollover:</b>	<input type="checkbox"/> Roll over the rest of my withdrawal not paid in Option A. <input type="checkbox"/> Roll over a portion (choose either a percentage or a dollar amount, <b>not both</b> ): Percentage <input style="width: 40px;" type="text"/> <input style="width: 40px;" type="text"/> % <b>OR</b> Dollar amount \$ <input style="width: 40px;" type="text"/> , <input style="width: 40px;" type="text"/> , <input style="width: 40px;" type="text"/> . <input style="width: 40px;" type="text"/> <input type="checkbox"/> Exclude rollover money sources. If this box is not selected, rollover money sources will be included.
	<b>Where would you like to roll over your pretax money?</b>	
<b>To an Empower Premier IRA:</b>	<input type="checkbox"/> Traditional IRA (enter account number below) <input style="width: 100%; height: 20px;" type="text"/> <input type="checkbox"/> Roth IRA (enter account number below) <b>(A rollover of pretax money to a Roth IRA is a taxable event subject to ordinary taxes.)</b> <input style="width: 100%; height: 20px;" type="text"/>	
<b>To an Empower Personal Strategy IRA:</b>	<input type="checkbox"/> Traditional IRA (enter account number below) <input style="width: 100%; height: 20px;" type="text"/> <input type="checkbox"/> Roth IRA (enter account number below) <b>(A rollover of pretax money to a Roth IRA is a taxable event subject to ordinary taxes.)</b> <input style="width: 100%; height: 20px;" type="text"/>	
<b>To an Empower Brokerage IRA:</b>	<input type="checkbox"/> Traditional IRA (enter account number below) <input style="width: 100%; height: 20px; text-align: center;" type="text" value="X R A"/> <input type="checkbox"/> Roth IRA (enter account number below) <b>(A rollover of pretax money to a Roth IRA is a taxable event subject to ordinary taxes.)</b> <input style="width: 100%; height: 20px; text-align: center;" type="text" value="X R A"/>	





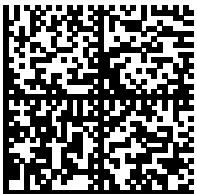
--	--	--	--

Last 4 digits of SSN/TIN

### Step 3: Withdrawal instructions: After-tax

Your plan may have allowed you to make after-tax contributions to your account. These after-tax contributions are different from Roth contributions. These contributions can be withdrawn tax free but the earnings are taxable. Refer to the instruction guide for more information about these types of after-tax contributions.

<b>How much of your after-tax money do you want to withdraw?</b>	
<b>Full withdrawal:</b>	<input type="checkbox"/> Pay 100%.
<b>Partial withdrawal:</b>	<input type="checkbox"/> Pay a portion (choose either a percentage or a dollar amount, <b>not both</b> ):  <div style="display: flex; justify-content: space-between; align-items: flex-start;"> <div style="text-align: center;">           Percentage  <input style="width: 40px; height: 20px; border: 1px solid black;" type="text"/> %         </div> <div style="text-align: center; font-weight: bold; font-size: 1.2em;">OR</div> <div style="text-align: center;">           Dollar amount            \$ <input style="width: 40px; height: 20px; border: 1px solid black;" type="text"/> , <input style="width: 40px; height: 20px; border: 1px solid black;" type="text"/> , <input style="width: 40px; height: 20px; border: 1px solid black;" type="text"/> . <input style="width: 40px; height: 20px; border: 1px solid black;" type="text"/> </div> </div>
<b>What do you want to do with your after-tax contributions?</b>	
<b>Pay it to me:</b>	<input type="checkbox"/> Pay it to me.
<b>Roll over to an Empower Premier IRA:</b>	<input type="checkbox"/> Traditional IRA (enter account number below) <input style="width: 100%; height: 20px; border: 1px solid black;" type="text"/> <input type="checkbox"/> Roth IRA (enter account number below) <input style="width: 100%; height: 20px; border: 1px solid black;" type="text"/>
<b>Roll over to an Empower Personal Strategy IRA:</b>	<input type="checkbox"/> Traditional IRA (enter account number below) <input style="width: 100%; height: 20px; border: 1px solid black;" type="text"/> <input type="checkbox"/> Roth IRA (enter account number below) <input style="width: 100%; height: 20px; border: 1px solid black;" type="text"/>
<b>Roll over to an Empower Brokerage IRA:</b>	<input type="checkbox"/> Traditional IRA (enter account number below) <input style="width: 100%; height: 20px; border: 1px solid black; text-align: center; font-size: 0.8em;"/> X R A <input style="width: 40px; height: 20px; border: 1px solid black;" type="text"/> <input type="checkbox"/> Roth IRA (enter account number below) <input style="width: 100%; height: 20px; border: 1px solid black; text-align: center; font-size: 0.8em;"/> X R A <input style="width: 40px; height: 20px; border: 1px solid black;" type="text"/>









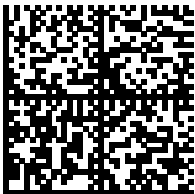
--	--	--	--

Last 4 digits of SSN/TIN

### Step 3: Withdrawal instructions: Roth

How would you like to withdraw your Roth money?	
<b>Option A:</b>	<input type="checkbox"/> Pay it to me.
<b>Option B:</b>	<input type="checkbox"/> Roll over funds and save for my retirement.
<b>Both:</b>	<input type="checkbox"/> Pay some to me and roll over the rest. <b>Complete both Option A and Option B.</b>

How much of your Roth money do you want paid to you?	
<b>Option A</b>	<b>Full withdrawal:</b>
	<input type="checkbox"/> Pay 100% to me.
<b>Option A</b>	<b>Partial withdrawal:</b>
	<input type="checkbox"/> Pay a portion to me (choose either a percentage or dollar amount, <b>not both</b> ): Percentage <input type="text"/> <input type="text"/> <input type="text"/> % <b>OR</b> Dollar amount \$ <input type="text"/> <input type="text"/> , <input type="text"/> <input type="text"/> , <input type="text"/> <input type="text"/> . <input type="text"/> <input type="text"/> <input type="checkbox"/> Exclude rollover money sources. If this box is not selected, rollover money sources will be included.

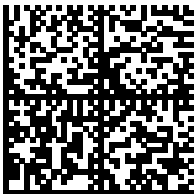


--	--	--	--

Last 4 digits of SSN/TIN

### Step 3: Withdrawal instructions: Roth

<b>Option B</b>	<b>How much of your Roth money do you want to roll over?</b>	
	<b>Full rollover:</b>	<input type="checkbox"/> Roll over 100%.
	<b>Partial rollover:</b>	<input type="checkbox"/> Roll over the rest of my withdrawal not paid in Option A.
		<input type="checkbox"/> Roll over a portion (choose either a percentage or dollar amount, <b>not both</b> ):
		Percentage <input style="width: 40px;" type="text"/> % <b>OR</b> Dollar amount \$ <input style="width: 40px;" type="text"/> , <input style="width: 40px;" type="text"/> , <input style="width: 40px;" type="text"/> . <input style="width: 40px;" type="text"/>
		<input type="checkbox"/> Exclude rollover money sources. If this box is not selected, rollover money sources will be included.
	<b>Where would you like your Roth money rolled over?</b>	
	<b>To an Empower Premier IRA:</b>	<input type="checkbox"/> Roth IRA (enter account number below) <input style="width: 100%; height: 20px;" type="text"/>
	<b>To an Empower Personal Strategy IRA:</b>	<input type="checkbox"/> Roth IRA (enter account number below) <input style="width: 100%; height: 20px;" type="text"/>
	<b>To an Empower Brokerage IRA:</b>	<input type="checkbox"/> Roth IRA (enter account number below) <input style="width: 100%; height: 20px;" type="text"/>
<b>To an account elsewhere:</b>	<p>A rollover of Roth money cannot be made to an employer-sponsored retirement plan that does not allow Roth contributions.</p> <input type="checkbox"/> Roth IRA <input type="checkbox"/> An employer-sponsored retirement plan Name of the IRA company or employer-sponsored retirement plan <input style="width: 100%; height: 20px;" type="text"/> Account number for your new IRA or employer-sponsored retirement plan <input style="width: 100%; height: 20px;" type="text"/>	



--	--	--	--

Last 4 digits of SSN/TIN

## Step 4: Tax withholding

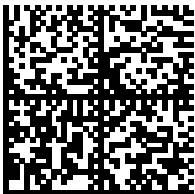
<b>Federal tax:</b>	<p>Your withholding rate is determined by the type of payment you will receive. Please refer to IRS Form W-4R for more information.</p> <ul style="list-style-type: none"> <li>For a rollover eligible withdrawal, <b>the default withholding rate is 20%</b>. You can choose a rate greater than 20% by entering the rate below. You may not choose a rate less than 20%.</li> <li>For all other payments, <b>the default withholding rate is 10%</b>. You can choose to have a different rate by entering a rate between 0% and 100% below. Generally, you cannot choose less than 10% for payments to be delivered outside the United States and its possessions.</li> <li>Complete the percentage box if you would like a rate of withholding that is different from the default withholding rate. See instructions on page 2 of the IRS Form W-4R found on <a href="https://irs.gov">irs.gov</a> and the Marginal Rate Tables below for additional information.</li> <li>Enter the rate as a whole number (no decimals).</li> </ul> <p>Percentage</p> <table border="1" style="display: inline-table;"> <tr> <td style="width: 20px; height: 20px;"></td> <td style="width: 20px; height: 20px;"></td> <td style="width: 20px; height: 20px;"></td> <td style="width: 20px; height: 20px;"></td> </tr> </table> <span style="font-size: 1.2em;">%</span> <p>I understand that I am still liable for the payment of federal income tax on the taxable amount. I also understand that I may be subject to tax penalties under the estimated tax payment rules if my payments of estimated tax and withholding, if any, are not adequate.</p>				

### 2024 Marginal rate tables (<https://www.irs.gov/pub/irs-pdf/fw4r.pdf>)

You may use these tables to help you select the appropriate withholding rate for this withdrawal. Add your income from all sources and use the column that matches your filing status to find the corresponding rate of withholding.

Single or married filing separately		Married filing jointly or qualifying widow(er)		Head of household	
Total income over...	Tax rate for every dollar more	Total income over...	Tax rate for every dollar more	Total income over...	Tax rate for every dollar more
\$0	0%	\$0	0%	\$0	0%
14,600	10%	29,200	10%	21,900	10%
26,200	12%	52,400	12%	38,450	12%
61,750	22%	123,500	22%	85,000	22%
115,125	24%	230,250	24%	122,400	24%
206,550	32%	413,100	32%	213,850	32%
258,325	35%	516,650	35%	265,600	35%
623,950*	37%	760,400	37%	631,250	37%

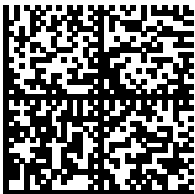
\*If married filing separately, use \$380,200 instead for this 37% rate.



--	--	--	--

Last 4 digits of SSN/TIN

<b>State tax:</b>	<p>Any state tax withholding is based on your state of residence. You can make optional state tax elections if your state allows. Otherwise, we will withhold the standard state tax rate based on the requirements of your state of residence and any elections you make below.</p> <p><input type="checkbox"/> ADD an <b>EXTRA</b> (choose either a percentage or a dollar amount, <b>not both</b>):</p> <table><tr><td>Percentage</td><td></td><td></td><td></td><td>%</td><td><b>OR</b></td><td>\$</td><td></td><td></td><td></td><td>,</td><td></td><td></td><td></td><td>,</td><td></td><td></td><td></td><td>.</td><td></td><td></td></tr></table> <p><input type="checkbox"/> Do not withhold state taxes from my withdrawal.</p> <p>I have attached the election form for my state, if required.</p>	Percentage				%	<b>OR</b>	\$				,				,				.		
Percentage				%	<b>OR</b>	\$				,				,				.				





--	--	--	--

Last 4 digits of SSN/TIN

## Step 6: Signatures and consent

---

### My consent:

I understand and agree to all pages of this form, instruction guide and notice(s) and affirm all information is correct. I acknowledge the following:

I understand I have the option to elect an installment payout allowed under my plan, and I have elected the withdrawal option listed above.

I request a withdrawal of my account according to my instructions on the form. Once a payment has been completed, it cannot be changed or reversed. I understand that my election(s) on this form are effective for 180 days. If I request a full withdrawal from my account, any residual amounts that may be posted to my account will be paid out in the same manner as I have elected on this form. I consent to any subsequent payment of these residual amounts in accordance with this form.

Under penalty of perjury, I certify that the U.S. Social Security number or U.S. Taxpayer Identification number I have provided in Step 1 is correct. I am a U.S. person if I marked *Yes* to the *Are you a U.S. citizen or U.S. resident alien?* question in Step 1 of this form.

I understand that the IRS requires me to receive the 402(f) Notice of Special Tax Rules on Distributions, which is included in this packet. I have 30 days after the receipt of this notice to determine if I would like to take a withdrawal. By signing this form, I understand I am taking money out before the 30-day decision period expires, and once a payment has been processed, it cannot be changed or reversed.

**I understand that a \$50 withdrawal fee will be deducted from my withdrawal amount.**

### Please note:

This withdrawal request may be subject to an administrative review period prior to processing, and the investments in your account will not be sold until the withdrawal is completed. The review period may take several business days. Your investments may fluctuate with market performance, so you may want to review your account with an advisor prior to making a withdrawal request. If you initiate a fund transfer during the review period, it may delay your withdrawal. If you want to make investment changes prior to withdrawal, please contact us or access your account online.

Upon completion of the administrative review, the withdrawal may be processed, but the proceeds remain subject to certain verification controls before delivery. If the verification controls are not completed for any reason, the proceeds of the withdrawal will be redeposited into your account as of the current market price on the date of redeposit.

**Any person who presents a false or fraudulent claim is subject to criminal and civil penalties.**

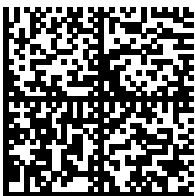
My signature

Signature date **(Required)**

--	--	--	--	--	--	--	--

An original, handwritten signature is required on this form.

(mm/dd/yyyy)





## Verify and send

---

### Make sure to complete each step.

Did you provide all nine digits of your U.S. Social Security number/U.S. Taxpayer Identification number on the first page and the last four digits on the other pages, answer the citizenship questions and obtain all handwritten signatures? Omitting information will cause delays.

### Send your request. Return all pages with the bar code.

<b>Electronically:</b>	Log into your account at <b>empowermyretirement.com</b> and click <i>Account</i> at the top of the page and then select <i>Overview</i> from the drop-down menu. From the left navigation menu, select <i>Upload documents</i> .
<b>Regular Mail:</b>	Empower, PO Box 173764, Denver, CO 80217-3764
<b>Express Mail:</b>	Empower, 8515 E. Orchard Road, Greenwood Village, CO 80111

### Contact information:

Online                                    empowermyretirement.com  
By phone                                1-800-551-4218 weekdays from 8 a.m. to 10 p.m. Eastern time  
    1-303-737-7249 from outside the U.S.  
    TTY number 1-800-345-1833

**Securities, when presented, are offered and/or distributed by Empower Financial Services, Inc., Member FINRA/SIPC.** EFSI is an affiliate of Empower Retirement, LLC; Empower Funds, Inc.; and registered investment adviser Empower Advisory Group, LLC. This material is for informational purposes only and is not intended to provide investment, legal or tax recommendations or advice.

## **INSTRUCTION GUIDE**

This instruction guide provides important information and tips to help you complete the Withdrawal Form. The sections of the instruction guide match the sections of the Withdrawal Form.

**Please read it carefully and follow along as you complete the Withdrawal Form.**

# Step 1: Your information

## Quick tips:

- **Include full U.S. Social Security number/U.S. Taxpayer Identification number.**
- **Confirm your address.**
- **Attach IRS Form W-8BEN, if applicable.**

### **U.S. Social Security number/U.S. Taxpayer Identification number**

It's important that you provide your complete and correct U.S. Social Security number/U.S. Taxpayer Identification number for accurate tax reporting and verification.

### **Account extension**

You will only have an account extension if you have multiple accounts on our platform. If you have an account extension, it can be found on your statement.

### **Updates on this request**

We will keep you updated on the status of this withdrawal if you provide us your mobile number or your email address. By providing your mobile number and/or email address, you are consenting to receive text messages, emails, or both related to this request.

### **Are you a non-resident alien?**

If so, we will withhold taxes at a rate of 30% unless your country of residence has entered into a tax treaty with the U.S. that provides for a reduced withholding rate or an exemption from withholding. To claim this treaty rate, you must complete and attach IRS Form W-8BEN. You can download this form by accessing [irs.gov](https://www.irs.gov), clicking *Forms & Instructions* at the top of the page, and typing "W-8BEN" in the search bar.

### **Use the tips below to make sure your W-8BEN form is received in good order.**

- To receive the treaty rate, the country must be listed on the IRS website as having a treaty benefit.
- Your name and country of citizenship must be spelled out and the country cannot be the United States of America.
- Your address cannot be a P.O. Box.
- You must provide a valid date of birth.
- Your form must be signed and dated.
- Your foreign tax identifying number cannot match your U.S. Social Security number or U.S. Taxpayer Identification number.
- All countries listed on the form must match.

### **Confirm your address**

For your security, **your address on the Withdrawal Form must match the address we have on file.** Address information must be on file for at least 15 days. If you need to make a change to the address we have on file, call us at 1-800-551-4218.

## Step 2: Account information

### Quick tips:

- **Choose one reason for your withdrawal.**
- **Know your options if you have a loan.**

### Reason for your withdrawal

You may only select one reason for your request. If you select more than one withdrawal reason, your request will be returned for further clarification.

### Do you have a loan?

If you have an outstanding loan on your account, you have the following options:

- Pay off the outstanding loan balance in full.
- Treat the outstanding loan (principal and interest) as a taxable withdrawal at the time you submit the Withdrawal Form. This is called a *loan offset*.
- Leave the loan active and continue making payments.

### Loan offset information

If you do not make a selection to *Leave your loan active*, and your loan is treated as a loan offset, you may roll over all or any portion of the offset amount if the loan is not in default. Any offset amount that is not rolled over will be taxed (including the 10% additional income tax on early withdrawals, unless an exception applies). You may roll over offset amounts to an IRA or an employer plan (if the plan accepts loan offset rollovers).

You will have until your tax return due date (including extensions) for the tax year during which the offset occurs to complete your rollover. A qualified plan loan offset occurs when a plan loan in good standing is offset because your employment ends or your plan terminates. If your offset occurs for any other reason, you have 60 days from the date the offset occurs to complete your rollover.

### Are you invested in a brokerage account in the plan?

If you are invested in the brokerage account in the plan, you have the option to:

- Transfer the brokerage amounts directly to a brokerage account you own without selling; or
- Convert the brokerage account to cash and include it with your withdrawal.

If you want to transfer the brokerage amounts directly to a brokerage account you own, call us at 1-800-551-4218 and we will help you complete the in-kind withdrawal.

If you want your brokerage account securities sold and included with this withdrawal:

- Contact your brokerage provider
- Request to sell your brokerage account securities
- Then transfer the proceeds back in to your plan investment account.

In the event the transfer of funds has not been received by us prior to receipt of this Withdrawal Form, your request will be processed from the amount that is available in the core investment options, not including the

core minimum. The core minimum is the amount of investment funds required by your plan to be maintained in your core investment options at all times.

If you do not make a choice in this section, we will continue to hold your brokerage account “as is” in the plan, plus the core minimum.

## Step 3: Withdrawal instructions

### Quick tips:

- **Review your vested account balances.**
- **Decide how much you want to withdraw.**
- **Decide how you would like it paid.**
- **Review your rollover options.**
- **Rollover checks are made payable to the new IRA company or new retirement plan.**
- **Rollover checks are mailed to you.**
- **Rollover amounts cannot be sent electronically.**

This is the longest section of the form. You will need to decide how much you want to withdraw and how you would like to have it paid. You will be asked to provide your withdrawal instructions for each type of money you have in the plan - pretax, after-tax and Roth.

### What's the difference between pretax, after-tax and Roth accounts?

- *Pretax accounts* include contributions, earnings and any rollover amounts that have not yet been taxed. Employer contributions to your account are also considered *pretax accounts*.
- Your plan may have allowed you to make *after-tax contributions and rollovers* to your account. These after-tax contributions are different from Roth contributions (see the next bullet point for the descriptions of Roth contributions). After-tax contributions can be withdrawn tax free but the earnings on these contributions are still taxable. Therefore, you can choose to have your after-tax contributions paid one way and the earnings on the after-tax contributions paid a different way.
- *Roth contributions* are a special form of after-tax contributions. Both Roth and after-tax contributions are similar in tax treatment as you make contributions to the plan. The primary difference occurs when you take a withdrawal. Qualified distributions of Roth funds, including the earnings, are tax free.

For more information about the difference between pretax, after-tax and Roth contributions or information about other rollover options, refer to the attached 402(f) Notice of Special Tax Rules on Distributions.

### How will the withdrawal be paid?

You will need to decide whether you want to have your withdrawal:

- Paid directly to you, or
- Rolled over to continue to save for retirement.

You can do both and have a portion paid to you and roll over the rest.

### Choosing an amount to pay to yourself

You can choose to withdraw:

- Your entire account balance.
- A specific percentage of your account or a specific dollar amount. **Do not enter both.** If your account balance is less than the dollar amount you requested, 100% will be distributed.

### Choosing an amount to roll over

You can choose to roll over:

- Your entire account balance.
- The remaining amount that is not paid directly to you.

- A specific percentage of your account or a specific dollar amount. **Do not enter both.** If your account balance is less than the dollar amount you requested, 100% will be distributed.

#### **What types of rollovers are allowed?**

- *Pretax and after-tax funds* can be rolled over to an eligible retirement plan (401(a), 401(k), 403(b)) or a Traditional IRA. You can also roll over this money to a Roth IRA. However, if you choose to roll over this money to a Roth IRA, **these amounts will become subject to federal and state tax withholding. We will not withhold the taxes and you will be responsible for making the tax payments when you file your tax return.** The taxable withdrawal will be reported on IRS Form 1099-R.
- *Pretax funds* may also be rolled into a governmental 457(b) plan. However, you cannot roll over the after-tax contributions to a governmental 457(b) plan.
- *Roth funds* can **only** be rolled over to a Roth IRA or an eligible retirement plan (401(k), 403(b), governmental 457(b)) that has a designated Roth account and will accept Roth money.

#### **Who will your rollover check be made payable to?**

Your rollover check will be made payable to either the IRA company that you choose or the name of the employer-sponsored retirement plan that you choose. We will include a notation on the check that this rollover is *For Your Benefit*.

#### **Will your rollover be automatically sent to the new account?**

In most cases, no. For security purposes and to prevent fraud on your account, your rollover check will be mailed to you at the address we have on file. **Please confirm that we have your correct address before you complete this form.** You will be responsible for forwarding the rollover payment to the new IRA provider or new employer plan in a timely manner. Rollover amounts cannot be sent electronically.

This Withdrawal Form is only used to make the withdrawal from your account with us. **Please contact your new IRA provider or new employer to open your rollover account. You will need this information before you complete this form.**

#### **Empower IRA options**

Empower offers multiple types of IRA accounts:

- Mutual fund IRAs that invest in mutual funds only
- Brokerage IRAs that allow you to invest in individual stock and other securities
- To establish a new traditional or Roth **Empower Premier IRA** contact the retirement solutions center at 1-877-804-6257 to open an account by phone OR complete an Empower Premier IRA application at [empowerinvesting.com](http://empowerinvesting.com). A minimum vested balance of \$500 is required.
- To establish a new **Empower Personal Strategy IRA** call 1-877-534-4569. If you already have an account open and have questions, contact your assigned advisor.

- To establish a new traditional or Roth **Empower Brokerage IRA** contact Empower Brokerage 1-844-644-0112. A minimum vested balance of \$500 is required.

#### **Exception from early withdrawal penalty for public safety officers**

- If you are a qualified public safety officer who separated from employment before December 30, 2022:
  - The exception to the 10% additional tax for early distribution applies if you separated from employment on or after the year in which you reached age 50.
- If you are a qualified public safety officer who separated from employment on or after December 30, 2022, the exception to the 10% additional tax for early distribution is expanded to apply if you separate from employment on or after you reach age 50 or you have 25 years of service under the plan, whichever is earlier.
  - The individuals who are eligible for this exception now also include firefighters covered by private sector plans and state or local government employees who provide services as corrections officers or as a forensic security employee providing care, custody, and control of forensic patients.

For more information, refer to IRS Publication 575 or speak with your tax advisor.

## **Step 4: Tax withholding**

### Quick tips:

- **Attach IRS Form W-4R to elect your federal withholding, if applicable.**
- **Attach state withholding form, if applicable.**

### **Please read the attached 402(f) Notice of Special Tax Rules on Distributions.**

#### **How to elect tax withholding calculated?**

Your withholding rate is determined by the type of payment you will receive.

- For a rollover eligible withdrawal, **the default withholding is 20%** federal tax. You can enter a rate greater than 20% by entering the amount on the form. You may not choose a rate less than 20%. Enter the rate as a whole number (no decimals).
- For all other payments, **we will automatically withhold 10%** federal tax.

If you have too little tax withheld, you will generally owe tax when you file your tax return and may owe a penalty unless you make timely payments of estimated tax. If too much tax is withheld, you will generally be due a refund when you file your tax return. Your withholding choice (or an election not to have withholding) will generally apply to any future payment from the same plan or IRA.

You may use the table to help you select the appropriate withholding rate for this withdrawal. Add your income from all sources and use the column that matches your filing status to find the corresponding rate of withholding. See page 2 of the **IRS Form W-4R** found on **irs.gov** on how to use this table.

Any state tax withholding is based on your state of residence.

### **Special notes about state withholding, if applicable.**

If you are making this withdrawal in a state that has different tax withholding laws from the state you live in, we encourage you to consult with your tax advisor before making your withholding elections.

If you would like to withhold taxes differently than your state's rate and your state allows you to, you must include a completed state income tax withholding form with your Withdrawal Form. You can obtain your state's income tax withholding form on the state's website.

If the form is required for your withdrawal and you do not include it or do not complete it accurately, the withdrawal will be taxed according to applicable state regulations.

**There is no withholding on amounts you choose to roll over on this form.**

## **Step 5: Delivery options**

### **Quick tips:**

- **Choose your delivery option.**
- **Note any applicable fees.**
- **Checks are mailed to the address we have on file.**
- **Electronic deposits (ACH) are made to the bank account we have on file.**
- **Address and banking information must be on file for at least 15 days.**
- **To add your bank account, you can set it up by going to your account online or by calling us at the number listed on this form.**

Your payment will not be delivered until the withdrawal process is complete. This includes receiving your request in good order and any required information or approvals from East Bay Regional Park District.

### **Delivery options for *Pay it to me* amounts**

- Regular mail
- Express mail
- Electronic deposit (ACH) (See *Important information about electronic delivery* below.)

### **Delivery options for *Rollover* amounts**

- Regular mail
- Express mail

**All payments sent by regular or express mail will be sent to the address we have on file.** This is for your security and to help prevent fraud on your account.

You may not use this form to update your mailing address. If you need to update your mailing address, call us at 1-800-551-4218 for instructions.

If an option is not selected, all transactions will be sent by regular mail.

### **Delivery fees**

- There is a \$40.00 fee for each type of check (pretax, after-tax and Roth) sent to you by express mail.
- There is a \$15.00 fee for each type of deposit (pretax, after-tax and Roth) sent by electronic deposit (ACH).
- Any delivery fee is non-refundable and will be deducted from the withdrawal amount.
- Express delivery will occur Monday through Friday, with no signature required.

### **Important information about electronic delivery**

- If requested, your funds can be delivered electronically to your bank account through the Automated Clearing House (ACH) network. By choosing electronic delivery, you are authorizing us to deposit and withdraw funds to and from your account as necessary, including any



adjustments that may be needed. Also, you are authorizing your bank to receive deposits and allow withdrawals, including adjustments, in the same manner.

- Your electronic deposit (ACH) banking information must have been previously submitted to us and verified for your protection; otherwise, we will send the check to your address on file. If you are using banking information for an installment payment, please log in to your account and verify your banking information or call us at the number listed on page 1.
- You authorize and direct your financial institution not to hold any overpayments on your behalf, or on behalf of your estate or any current or future joint account holder, if applicable.

## Step 6: Signatures and consent

---

### Quick tips:

- **Don't forget to sign your form!**
- **Consider the impact of market fluctuations in case your request is delayed.**

- We encourage you to consult with your tax or legal advisor as needed.
- The Withdrawal Form and instruction guide are not intended to provide tax or legal advice.
- It is your responsibility to make sure your elections on the Withdrawal Form are accurate. Your elections must meet the tax requirements of the Internal Revenue Code. If you are requesting a rollover to another employer's plan, you must be certain the plan will accept the rollover.
- You are responsible for any income tax and penalties assessed by the IRS and state tax authorities based on your chosen elections.
- For your protection, we may hold your withdrawal for additional security verification.
- If any section of the Withdrawal Form is incomplete or inaccurate, your request may not be processed and may require a new form or additional information before it can be processed.
- You should be aware that fund companies may charge fees on your withdrawal if you have not been invested for the required minimum amount of time. To learn more, please request and read the fund's prospectus and disclosure documents.
- Your withdrawal may be subject to other delivery fees or loss of interest, or both, based on your investment options, your length of time in the plan and other possible considerations. To learn more, contact us for a withdrawal quote at 1-800-551-4218.

**Although we make every effort to keep the information in this instruction guide current, it is subject to change without notice. Federal, state, and local tax laws may be revised, and new plan provisions may be adopted by the plan. For the most up-to-date version of this instruction guide, please call 1-800-551-4218. The TTY number is 1-800-345-1833.**

## **402(f) NOTICE OF SPECIAL TAX RULES ON DISTRIBUTIONS**

For payments not from a designated Roth account

### **YOUR ROLLOVER OPTIONS**

You are receiving this notice because all or a portion of a payment you are receiving from the East Bay Regional Park District 457(b) Deferred Compensation Plan (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 in some employer plans that are subject to special tax). 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 (generally, distributions made before age 59½), 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 to the 10% additional income tax applies).

#### **What types of retirement accounts and plans may accept my rollover?**

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, IRAs are not subject to spousal consent rules, 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. Generally, 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 (if you were born before July 1, 1949), after age 72 (if you were born after June 30, 1949 and before January 1, 1951), after age 73 (if you were born after December 31, 1950 and before January 1, 1960), or after death;
- Hardship distributions;
- Payments of employee stock ownership plan (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); and
- Distributions of certain premiums for health and accident insurance.

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 applies to the part of the distribution that you must include in income and 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 plan made after you separate from service if you are a qualified public safety employee and you (1) will be at least age 50 in the year of the separation or (2) have at least 25 years of service under the Plan;
- Payments from a tax-qualified plan or section 403(b) plan made after you separate from service if you are an employee who provides firefighting services, and you (1) will be at least age 50 in the year of the separation or (2) have at least 25 years of service under the Plan;
- Payments of up to \$5,000 made to you from a defined contribution plan if the payment is a qualified birth or adoption distribution;
- Payments made due to disability;
- Payments made while you are terminally ill;
- Payments after your death;
- Payments of ESOP dividends;
- Corrective distributions of contributions that exceed tax law limitations;

## **SPECIAL RULES AND OPTIONS**

- 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 (without regard to whether you itemize deductions for the taxable year);
- 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;
- Payments of up to \$22,000 made in connection with federally-declared disasters;
- Phased retirement payment made to federal employees;
- Payments for emergency personal expenses, up to the lesser of (1) \$1,000, or (2) the excess of your vested benefit over \$1,000; and
- Payments to domestic abuse victims, up to the lesser of (1) \$10,000 (or such higher amount the IRS announces for years after 2024), or (2) 50% of your vested benefit.

### **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 on the part of the distribution that you must include in income, 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:

- The exceptions for payments made after you separate from service if you will be at least age 55 in the year of the separation (or age 50 or following 25 years of service for qualified public safety employees and employees providing firefighting services) do not apply;
- 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); and
- 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.

Additional exceptions apply for payments from an IRA, including:

- Payments for qualified higher education expenses;
- Payments up to \$10,000 used in a qualified first-time home purchase;
- 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); and
- Payments of net income attributable to an excess IRA contribution made in a calendar year where such amounts are distributed by tax return deadline for the year (including extensions) and no deduction is allowed for the excess contribution.

### **Will I owe State income taxes?**

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

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

After-tax contributions included in a payment are not taxed. If you receive a partial payment of your total 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 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.

Similarly, if you do a 60-day rollover to an IRA of only a portion of a payment made to you, the portion 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, 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. Under certain circumstances, you may claim eligibility for a waiver of the 60-day rollover deadline by making a written self-certification. Otherwise, to apply for a waiver from the IRS, 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 to 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, generally, the 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 outstanding amount of the loan, typically when your employment ends. The offset amount is treated as a distribution to you at the time of the offset. Generally, you may roll over all or any portion of the offset amount. Any offset amount that is not rolled over will be taxed (including the 10% additional income tax on early distributions, unless an exception applies). You may roll over offset amounts to an IRA or an employer plan (if the terms of the employer plan permit the plan to receive plan loan offset rollovers).

How long you have to complete the rollover depends on what kind of plan loan offset you have. If you have a qualified plan loan offset, you will have until your tax return due date (including extensions) for the tax year during which the offset occurs to complete your rollover. A qualified plan loan offset occurs when a plan loan in good standing is offset because your employer plan terminates, or because you sever from employment. If your plan loan offset occurs for any other reason (such as a failure to make level loan repayments that results in a deemed distribution), then you have 60 days from the date the offset occurs to complete your rollover.

**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 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 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. In general, the 10% additional income tax on early distributions will not apply. However, if you take the amount rolled over out of the Roth IRA within the five-year period that begins on January 1 of the year of the rollover, the 10% additional income tax will apply (unless an exception applies).

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 do a rollover to a designated Roth account in the Plan**

You cannot roll over a distribution to a designated Roth account in another employer’s plan. However, you can roll the distribution over into a designated Roth account in the distributing Plan. If you roll over a payment from the Plan to a designated Roth account in the Plan, the amount of the payment rolled over (reduced by any after-tax amounts directly rolled over) will be taxed. In general, the 10% additional tax on early distributions will not apply. However, if you take the amount rolled over out of the Roth IRA within the five-year period that begins on January 1 of the year of the rollover, the 10% additional income tax will apply (unless an exception applies). You are not required to take required minimum distributions from a designated Roth account during your lifetime.

If you roll over the payment to a designated Roth account in the Plan, later payments from the designated Roth account that are qualified distributions will not be taxed (including earnings after the rollover). A qualified distribution from a designated Roth account is a payment made both after you are age 59½ (or after your death or disability) and after you have had a designated Roth account in the Plan for at least 5 years. In applying this 5-year rule you count from January 1 of the year your first contribution was made to the designated Roth account. However, if you made a direct rollover to a designated Roth account in the Plan from a designated Roth account in a plan of another employer, the 5-year period begins on January 1 of the year you made the first contribution to the designated Roth account in the Plan or, if earlier, to the designated Roth account in the plan of the other employer. Payments from the designated Roth account 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). With respect to taxable years beginning after 2023, you are not required to take required minimum distributions from a designated Roth account during your lifetime.

**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 deceased 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 were born before July 1, 1949), age 72 (if you were born after June 30, 1949, and before January 1, 1951), or after age 73 (if you were born after December 31, 1950, and before January 1, 1960).

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 participant was born before July 1, 1949), age 72 (if participant was born after June 30, 1949, and before January 1, 1951), or age 73 (if the participant was born after December 31, 1950, and before January 1, 1960).

**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 QDRO.** If you are the spouse or former spouse of the participant who receives a payment from the Plan under a QDRO, you generally have the same options and the same tax treatment that 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). However, 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 federal income taxes. However, you may do a 60-day rollover. Unless you elect otherwise, a mandatory cash-out 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 cash-out 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 \$7,000 (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 on special rollover rights related to the U.S. Armed Forces, see IRS Publication 3, *Armed Forces' Tax Guide*. You also may have special rollover rights if you were affected by a federally declared disaster (or similar event), or if you received a distribution on account of a disaster. For more information on

special rollover rights related to disaster relief, see the IRS website at [www.irs.gov](http://www.irs.gov).

#### **Postponement of Distribution Notice**

Generally, if your vested benefit exceeds \$1,000.00, you have the right to defer distribution of your vested account balance from the Plan. If you elect to defer your distribution, the Plan will not make a distribution to you without your consent until required by the terms of the Plan or by law. If you elect to defer your distribution, your vested account balance will continue to experience investment gains, losses and Plan expenses. As a result, the value of your vested account balance ultimately distributed to you could be more or less than the value of your current vested account balance. In determining the economic consequences of postponing your distribution, you should compare the administration cost and investment options (including fees) applicable to your vested account balance in the Plan if you postpone your distribution to the costs and options you may obtain with investment options outside the Plan.

Upon distribution of your vested account balance from the Plan, you will be taxed (except to the extent your vested account balance consists of after-tax contributions or qualified amounts held in a ROTH money source) on your vested account balance at the time of the distribution if you do not rollover your balance. As explained in greater detail in the 402(f) Notice of Special Tax Rules on Distributions, you can roll over your distribution directly or you may receive your distribution and roll it over within 60 days to avoid current taxation and to continue to have the opportunity to accumulate tax-deferred earnings. There are many complex rules relating to rollovers, and you should read the 402(f) Notice of Special Tax Rules on Distributions carefully before deciding whether a rollover is desirable in your circumstances. You should also note that a 10% penalty tax may apply to distributions made before you reach age 59½ unless another exception applies.

If you defer your distribution of your vested account balance, you may invest in the investment options available to active employees. If you do not defer distribution of your vested account balance, the currently available investment options in the Plan may not be generally available on similar terms outside the Plan. Fees and expenses (including administrative or investment-related fees) outside the Plan may be different from fees and expenses that apply to your vested account balance in the Plan. For more information about fees, expenses, and currently available Plan investment options, including investment related fees, refer to the prospectuses and/or disclosure documents regarding Plan investments and fees available from your Plan administrator and/or Plan service representative.

When considering whether to defer your distribution, carefully review the Plan Document and/or Plan's Summary Plan Description, including the sections on timing of distributions and available distributions.

#### **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.

#### **402(f) NOTICE OF SPECIAL TAX RULES ON DISTRIBUTIONS**

For payments from a designated Roth account

#### **YOUR ROLLOVER OPTIONS**

You are receiving this notice because all or a portion of a payment you are receiving from the East Bay Regional Park District 457(b) Deferred

Compensation Plan (the "Plan") is eligible to be rolled over to a Roth IRA or designated Roth account in an employer plan. This notice is intended to help you decide whether to do a rollover.

This notice describes the rollover rules that apply to payments from the Plan that are from a designated Roth account. If you also receive a payment from the Plan that is not from a designated Roth account, 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 designated Roth account 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?**

After-tax contributions included in a payment from a designated Roth account are not taxed, but earnings might be taxed. The tax treatment of earnings included in the payment depends on whether the payment is a qualified distribution. If a payment is only part of your designated Roth account, the payment will include an allocable portion of the earnings in your designated Roth account.

If the payment from the Plan is not a qualified distribution and you do not do a rollover to a Roth IRA or a designated Roth account in an employer plan, you will be taxed on the portion of the payment that is earnings. If you are under age 59½, a 10% additional income tax on early distributions (generally, distributions made before age 59½) will also apply to the earnings (unless an exception applies). However, if you do a rollover, you will not have to pay taxes currently on the earnings and you will not have to pay taxes later on payments that are qualified distributions.

If the payment from the Plan is a qualified distribution, you will not be taxed on any part of the payment even if you do not do a rollover. If you do a rollover, you will not be taxed on the amount you roll over and any earnings on the amount you roll over will not be taxed if paid later in a qualified distribution.

A qualified distribution from a designated Roth account in the Plan is a payment made after you are age 59½ (or after your death or disability) and after you have had a designated Roth account in the Plan for at least 5 years. In applying the 5-year rule, you count from January 1 of the year your first contribution was made to the designated Roth account. However, if you did a direct rollover to a designated Roth account in the Plan from a designated Roth account in another employer plan, your participation will count from January 1 of the year your first contribution was made to the designated Roth account in the Plan or, if earlier, to the designated Roth account in the other employer plan.

Any distribution from a pension-linked emergency savings account (PLESA), if offered by the Plan, is treated as a qualified distribution. Also, for purposes of determining the portion of a PLESA distribution that is attributable to contributions or earnings, the PLESA may be treated separate from the rest of your designated Roth account.

### **What types of retirement account and plans may accept my rollover?**

You may roll over the payment to either a Roth IRA (a Roth individual retirement account or Roth individual retirement annuity) or a designated Roth account in an employer plan (a tax-qualified plan, section 403(b) plan, or governmental section 457 plan) that will accept the rollover. The rules of the Roth IRA or employer plan that holds the rollover will determine your investment options, fees, and rights to payment from the Roth IRA or employer plan (for example, Roth IRAs are not subject to spousal consent rules, and Roth IRAs may not provide loans). Further, the amount rolled over will become subject to the tax rules that apply to the Roth IRA or the designated Roth account

in the employer plan. In general, these tax rules are similar to those described elsewhere in this notice, but differences include:

- If you do a rollover to a Roth IRA, all of your Roth IRAs will be considered for purposes of determining whether you have satisfied the 5-year rule (counting from January 1 of the year for which your first contribution was made to any of your Roth IRAs).
- If you do a rollover to a Roth IRA, you must keep track of the aggregate amount of the after-tax contributions in all of your Roth IRAs (in order to determine your taxable income for later Roth IRA payments that are not qualified distributions).
- Eligible rollover distributions from a Roth IRA can only be rolled over to another Roth IRA.

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

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

If you do a direct rollover, the Plan will make the payment directly to your Roth IRA or designated Roth account in an employer plan. You should contact the Roth 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 (generally within 60 days) into a Roth IRA, whether the payment is a qualified or nonqualified distribution. In addition, you can do a rollover by making a deposit within 60 days into a designated Roth account in an employer plan if the payment is a nonqualified distribution and the rollover does not exceed the amount of the earnings in the payment. You cannot do a 60-day rollover to an employer plan of any part of a qualified distribution. If you receive a distribution that is a nonqualified distribution and you do not roll over an amount at least equal to the earnings allocable to the distribution, you will be taxed on the amount of those earnings not rolled over, including the 10% additional income tax on early distributions if you are under age 59½ (unless an exception applies).

If you do a direct rollover of only a portion of the amount paid from the Plan and a portion is paid to you at the same time, the portion directly rolled over consists first of earnings.

If you do not do a direct rollover and the payment is not a qualified distribution, the Plan is required to withhold 20% of the earnings 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 to a Roth IRA, you must use other funds to make up for the 20% withheld.

### **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 joint lives or joint life expectancies of you and your beneficiary);
- Required minimum distributions;
- Hardship distributions;
- Payments of employee stock ownership plan (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 generally will be adverse tax consequences if S corporation stock is held by an IRA); and

- Distributions of certain premiums for health and accident insurance.

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 a payment is not a qualified distribution and you are under age 59½, you will have to pay the 10% additional income tax on early distributions with respect to the earnings allocated to the payment that you do not roll over (including amounts withheld for income tax), unless one of the exceptions listed below applies. This tax is in addition to the regular income tax on the earnings 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 joint lives or joint life expectancies of you and your beneficiary);
- Payments from a governmental plan made after you separate from service if you are a qualified public safety employee and you (1) will be at least age 50 in the year of the separation or (2) have at least 25 years of service under the Plan;
- Payments from a tax-qualified plan or section 403(b) plan made after you separate from service if you are an employee who provides firefighting services, and you (1) will be at least age 50 in the year of the separation or (2) have at least 25 years of service under the Plan;
- Payments of up to \$5,000 made to you from a defined contribution plan if the payment is a qualified birth or adoption distribution;
- Payments made due to disability;
- Payments made while you are terminally ill;
- 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 (without regard to whether you itemize deductions for the taxable year);
- 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;
- Payments of up to \$22,000 made in connection with federally-declared disasters;
- Payments for emergency personal expenses, up to the lesser of (1) \$1,000, or (2) the excess of your vested benefit over \$1,000; and
- Payments to domestic abuse victims, up to the lesser of (1) \$10,000 (or such higher amount the IRS announces for years after 2024), or (2) 50% of your vested benefit.

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

If you receive a payment from a Roth IRA when you are under age 59½, you will have to pay the 10% additional income tax on early

distributions on the earnings paid from the Roth IRA, unless an exception applies or the payment is a qualified distribution. In general, the exceptions to the 10% additional income tax for early distributions from a Roth IRA listed above are the same as the exceptions for early distributions from a plan. However, there are a few differences for payments from a Roth IRA, including:

- The exceptions for payment made after you separate from service if you will be at least age 55 in the year of the separation (or age 50 or following 25 years of service for qualified public safety employees and employees providing firefighting services) do not apply;
- 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 a Roth IRA of a spouse or former spouse); and
- 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.

Additional exceptions apply for payments from an IRA, including:

- Payments for qualified higher education expenses;
- Payments up to \$10,000 used in a qualified first-time home purchase;
- 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); and
- Payments of net income attributable to an excess IRA contribution made in a calendar year where such amounts are distributed by tax return deadline for the year (including extensions) and no deduction is allowed for the excess contribution.

**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 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. Under certain circumstances, you may claim eligibility for a waiver of the 60-day rollover deadline by making a written self-certification. Otherwise, to apply for a waiver from the IRS, 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 to Individual Retirement Arrangements (IRAs)*.

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

If you receive a payment that is not a qualified distribution and you do not roll it over, you can apply a special rule to payments of employer stock (or other employer securities) that are 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 included in the earnings in the payment will not be taxed when distributed to you from the Plan and will be taxed at capital gain rates when you sell the stock. If you do a rollover to a Roth IRA for a nonqualified distribution that includes employer stock (for example, by selling the stock and rolling over the proceeds within 60 days of the distribution), you will not have any taxable income and the special rule relating to the distributed employer stock will not apply to any subsequent payments from the Roth IRA or, generally, the Plan. Net unrealized appreciation is generally the increase in the value of the employer stock after it was acquired by

the Plan. The Plan administrator can tell you the amount of any net unrealized appreciation.

If you receive a payment that is a qualified distribution that includes employer stock and you do not roll it over, your basis in the stock (used to determine gain or loss when you later sell the stock) will equal the fair market value of the stock at the time of the payment from the Plan.

**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 outstanding amount of the loan, typically when your employment ends. The offset amount is treated as a distribution to you at the time of the offset. Generally, you may rollover all or any portion of the offset amount. If the distribution attributable to the offset is not a qualified distribution and you do not roll over the offset amount, you will be taxed on any earnings included in the distribution (including the 10% additional income tax on early distributions, unless an exception applies). You may rollover the earnings included in the loan offset to a Roth IRA or designated Roth account in an employer plan (if the terms of the employer plan permit the plan to receive plan loan offset rollovers). You may also roll over the full amount of the offset to a Roth IRA.

How long you have to complete the rollover depends on what kind of plan loan offset you have. If you have a qualified plan loan offset, you will have until your tax return due date (including extensions) for the tax year during which the offset occurs to complete your rollover. A qualified plan loan offset occurs when a plan loan in good standing is offset because your employer plan terminates, or because you sever from employment. If your plan loan offset occurs for any other reason (such as failure to make level repayments that results in a deemed distribution), then you have 60 days from the date the offset occurs to complete your rollover.

**If you receive a nonqualified distribution and 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 is not a qualified distribution and that you do not roll over, special rules for calculating the amount of the tax on the earnings in 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 receive a payment that is not a qualified distribution and you do not roll it over, you will not have to pay the 10% additional income tax on early distributions with respect to the earnings allocated to the payment that you do not roll over, 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 that is not a qualified distribution made before age 59½ will be subject to the 10% additional income tax on earnings allocated to the payment (unless an exception applies). Other differences include 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 receive a nonqualified distribution, are an eligible retired public safety officer, and your 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 nonqualified distributions paid 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 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, whether the payment is a qualified distribution generally depends on when the participant first made a contribution to the designated Roth account in the Plan. Also, 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 receive a nonqualified distribution and 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 a Roth IRA, you may treat the Roth IRA as your own or as an inherited Roth IRA.

A Roth IRA you treat as your own is treated like any other Roth IRA of yours, so that you will not have to receive any required minimum distributions during your lifetime and earnings paid to you in a nonqualified distribution before you are age 59½ will be subject to the 10% additional income tax on early distributions (unless an exception applies).

If you treat the Roth IRA as an inherited Roth IRA, payments from the Roth IRA will not be subject to the 10% additional income tax on early distributions. An inherited Roth IRA is subject to required minimum distributions. You will not have to start receiving required minimum distributions from the inherited Roth IRA until the year the participant would have been age 70½ (if participant was born before July 1, 1949), age 72 (if participant was born after June 30, 1949 and before January 1, 1951), or age 73 (if the participant was born after December 31, 1950, and before January 1, 1960).

**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 Roth IRA. Payments from the inherited Roth IRA, even if made in a nonqualified distribution, will not be subject to the 10% additional income tax on early distributions. You will have to receive required minimum distributions from the inherited Roth IRA.

Payments under a QDRO. If you are the spouse or a former spouse of the participant who receives a payment from the Plan under a QDRO, you generally have the same options and the same tax treatment that the participant would have (for example, you may roll over the payment to your own Roth IRA or to a designated Roth account in an eligible employer plan that will accept it).

**If you are a nonresident alien**

If you are a nonresident alien, you do not do a direct rollover to a U.S. IRA or U.S. employer plan, and the payment is not a qualified distribution, the Plan is generally required to withhold 30% (instead of withholding 20%) of the earnings 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 (only including payments from the designated Roth account in the Plan) are less than \$200, the Plan is not required to allow you to do a direct rollover and is not required to withhold federal income taxes. However, you can do a 60-day rollover.

Unless you elect otherwise, a mandatory cash-out from the designated Roth account in the Plan of more than \$1,000 will be directly rolled over to a Roth IRA chosen by the Plan administrator or the payor. A mandatory cash-out 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 \$7,000 (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 on special rollover rights related to the U.S. Armed Forces, see IRS Publication 3, *Armed Forces' Tax Guide*. You also may have special rollover rights if you were affected by a federally declared disaster (or similar event), or if you received a distribution on account of a disaster. For more information on special rollover rights related to disaster relief, see the IRS website at [www.irs.gov](http://www.irs.gov).

### **Postponement of Distribution Notice**

Generally, if your vested benefit exceeds \$1,000.00, you have the right to defer distribution of your vested account balance from the Plan. If you elect to defer your distribution, the Plan will not make a distribution to you without your consent until required by the terms of the Plan or by law. If you elect to defer your distribution, your vested account balance will continue to experience investment gains, losses and Plan expenses. As a result, the value of your vested account balance ultimately distributed to you could be more or less than the value of your current vested account balance. In determining the economic consequences of postponing your distribution, you should compare the administration cost and investment options (including fees) applicable to your vested account balance in the Plan if you postpone your distribution to the costs and options you may obtain with investment options outside the Plan.

Upon distribution of your vested account balance from the Plan, you will be taxed (except to the extent your vested account balance consists of after-tax contributions or qualified amounts held in a ROTH money source) on your vested account balance at the time of the distribution if you do not rollover your balance. As explained in greater detail in the 402(f) Notice of Special Tax Rules on Distributions, you can roll over your distribution directly or you may receive your distribution and roll it over within 60 days to avoid current taxation and to continue to have the opportunity to accumulate tax-deferred earnings. There are many complex rules relating to rollovers, and you should read the 402(f) Notice of Special Tax Rules on Distributions carefully before deciding whether a rollover is desirable in your circumstances. You should also note that a 10% penalty tax may apply to distributions made before you reach age 59½ unless another exception applies.

If you defer your distribution of your vested account balance, you may invest in the investment options available to active employees. If you do not defer distribution of your vested account balance, the currently available investment options in the Plan may not be generally available on similar terms outside the Plan. Fees and expenses (including administrative or investment-related fees) outside the Plan may be different from fees and expenses that apply to your vested account balance in the Plan. For more information about fees, expenses, and currently available Plan investment options, including investment related fees, refer to the prospectuses and/or disclosure

documents regarding Plan investments and fees available from your Plan administrator and/or Plan service representative.

When considering whether to defer your distribution, carefully review the Plan Document and/or Plan's Summary Plan Description, including the sections on timing of distributions and available distributions.

### **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.