

1. Purpose

This document includes information and a form to help you with your In-Plan Roth Conversion election. An In-Plan Roth Conversion from your pre-tax Plan account involves complex income tax matters. This document lists some, but not all, of the items you must consider before submitting the ***In-Plan Roth Conversion Election Form***. You may wish to obtain the advice of a tax advisor to understand the impact this conversion may have on your estimated federal and state income tax payments, overall change in tax liability, and availability of funds to pay the taxes.

2. Eligibility for Roth Conversion

- Only Plan participants, their surviving spouse, or their spousal alternate payee are eligible for an In-Plan Roth Conversion.
- All pre-tax assets, not included in an outstanding loan or as part of balances in the Personal Choice Retirement Account (PCRA) through Charles Schwab, are eligible for an In-Plan Roth Conversion. If you want to include assets in your PCRA account, you will need to transfer the assets back to your core account first.

3. General Information

Election is Irrevocable

It is important to note that an In-Plan Roth Conversion is an irrevocable event. Once the ***In-Plan Roth Conversion Election Form*** is received in good order, the election cannot be canceled nor can the In-Plan Roth Conversion be reversed. There are no exceptions.

How the In-Plan Roth Conversion Works

You may convert up to 100% of your assets in pre-tax sources. The amount you elect will be converted and invested in the same manner it was distributed. Once the conversion is complete, the In-Plan Roth Conversion will be reported as a separate money sources in your account and your investment allocations will remain the same.

4. Tax Information

Tax Withholding at the Time of Conversion

Taxes will not be withheld at the time of the In-Plan Roth Conversion unless you are eligible for a withdrawal under the Plan rules. You may request federal income tax withholding on the form. See Publication 505: Tax Withholding and Estimated Tax.

Tax-Free Withdrawals

In order for your In-Plan Roth converted assets to be reported as tax-free at the time of withdrawal, certain criteria must be met. Consult with your tax professional for additional information.

Qualified Withdrawal

In order for your In-Plan Roth converted assets to be considered a qualified withdrawal, you must have attained age 59½, or have died AND it has been five years or more from January 1 of the calendar year in which your first Roth contribution or first In-Plan Roth Conversion was made. Withdrawal of your In-Plan Roth converted assets before requirements are met may result in taxation of your earnings.

5. Contact Information

Nationwide Solutions Center: 1-(855) 550-1757, 5 a.m. – 8 p.m. (PT), Monday–Friday
To speak with a Customer Service Representative, press *0
Website: www.cityofseattledeferredcomp.com



Once this form is received in good order, the election is irrevocable.

1. Participant Information

Plan Name: City of Seattle Voluntary Deferred Compensation Plan and Trust Plan ID: 0056120001

Name:

Account number or SSN: Date of Birth: Primary Phone:

Street Address:

City: State: ZIP:

Email:

How would you like to be contacted if additional information is required? Phone Email

2. Conversion Direction (select one)

Indicate the amount of assets to be converted into Roth from each source below. You may convert up to 100% of all pre-tax assets. If you indicate a percentage, you must use a whole percent

1. All Eligible Assets

2. From Specific Sources* (indicate all that apply)

AND/OR

3. From Specific Funds (please list funds)

Grid for conversion amounts: \$ or %

3. Income Tax Withholding Eligibility

You may wish to obtain the advice of a tax advisor to understand the impact this conversion may have on your estimated federal and state income tax payments, overall change in tax liability, and availability of funds to pay the taxes.

Are you at least 59 1/2 years old? Yes No

Are you converting Rollover assets only? Yes No

I am one of the following:

Separated from City of Seattle employment, a surviving spouse, or a spousal alternate payee Yes No

If the answer to each question is "No," you may NOT withhold taxes on your In-Plan Roth Conversion but you will still have tax liability at year end.

4. Tax Withholding (only available if you answered "Yes" to one of the questions in section 3)

Federal income tax withholding: Federal Income Taxes will be due for the year the direct rollover is made to the Roth portion of your Plan account. If you want the Plan to withhold for federal taxes, please indicate that amount below:

I elect to withhold % OR \$

5. Authorization

By executing this form, you are acknowledging your understanding of the tax implications of the transaction and have consulted with appropriate advisers. The Plan does not provide legal or tax advice.

Signature: Date:

NOTE: If you would like to confirm or update your beneficiary information, please visit www.cityofseattlederredcomp.com or contact our customer service center at 1-855-550-1757.

6. Form Return

By mail: Nationwide Retirement Solutions
PO Box 182797
Columbus, OH 43218-2797

By fax: 1-877-677-4329

By email: rpublic@nationwide.com