

1. Purpose

This booklet contains information and a payment application to help you select a payment method. Your decisions regarding distributions from your beneficiary account may have income tax implications. You may wish to obtain the advice of a tax advisor before you request a payment.

2. Document and IRS Information

The Beneficiary Benefit Payment Application (BPA) is enclosed in this booklet

The instructions contained in this booklet summarize the major provisions of federal and State of California tax rules applicable to your payment. Tax rules are complex and contain conditions and exceptions not included in these instructions. You may find more specific information on the tax treatment of payments drawn from retirement plans in the Internal Revenue Service (IRS) Publication 575 - *Pension and Annuity Income*, and IRS Publication 590 - *Individual Retirement Arrangements*. These publications are available from your local IRS office, the IRS website at irs.gov, or the IRS Tax Forms Distribution Center by calling (800) 829-3676. For more information on California state tax withholding, refer to *Withholding From Pensions, Annuities, and Certain Other Deferred Income*, available at edd.ca.gov.

3. General Information

Participant Account Information

If the participant was age 70½ or older and had not met his or her Required Minimum Distribution (RMD) for the year, distributions made payable to the beneficiaries of the deceased participant will be issued.

Supporting Documentation and Application

A copy of the Death Certificate is required and must be submitted along with the completed Beneficiary Benefit Payment Application. A certified copy of the Death Certificate is required for claims greater than \$100,000.00.

Attach a copy of the Death Certificate to your completed application and mail to:

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

Transfer Confirmation

After you submit a completed application a beneficiary account will be established for you within 3-5 business days and a confirmation letter will be sent to you. The account will be invested in the same funds and in the same percentages as in the decedent's account. You may reallocate these funds after the account is established.

Payment Dates

We issue payment within 3-5 business days of receipt of properly completed application or by December 31 of the year following the year of death, based upon your election. Delivery of payment may vary depending on the type of payment method you request in Section 6 of the application.

Payment Information

Payments are issued via direct deposit, at no charge, to one financial institution of your choice or via check (\$2.00 fee - deducted from your account) to your address on file.

To issue payment via direct deposit, you must provide the following information:

- Name and 9-digit ABA (routing) number of your financial institution
- Account number and account type
- Copy of a voided check (checking account) or a letter from the financial institution (savings account) for verification of account information

NOTE: Direct Deposit ACH is not available to financial institutions outside of the United States.

If you change financial institutions, change your account number, or automated clearing house (ACH) routing number, you must complete a new Direct Deposit Form. Submission of a new Direct Deposit Form replaces any previous direct deposit information on file. This change may take up to 3-5 business days to become effective.

If any of the required information is incomplete, invalid, or not provided, you will be mailed a check.

Check Fee

A \$2.00 processing fee is charged for each payment you choose to have issued by check. This fee is deducted from your account.

Overnight Mail

If you receive payment by check, you may request to have your check sent to your home address in overnight mail for a \$25.00 fee. The fee is deducted from your account.

All information contained in this booklet was current as of the print date. The Plan reserves the right to amend any of the procedures or plan provisions outlined in this booklet or the Plan Document. Such changes may be enacted without prior announcement or the express consent or agreement of plan participants. The Plan Document will govern if any contradiction arises between the terms of the Plan Document and this booklet.

3. General Information (continued)

Uncashed Checks

Checks are valid for 120 days from the date of issuance. If uncashed after 120 days the check may not be negotiated by your financial institution. In the event you have a check which remains uncashed for more than 120 days, you must call the Savings Plus Service Center so that a replacement check can be issued.

Lost or Stolen Checks

You may call the Savings Plus Service Center to report a check as lost or stolen if you do not receive it within 14 days from the issue date.

4. Tax Withholding Information

Federal Tax Withholding

Federal income taxes are withheld based on the payment method. Refer to the 402(f) *Special Tax Notice Regarding Plan Payments* located in the "Forms/Publications/Support" tab at savingsplusnow.com.

- **Direct Payments and Periodic Payments of Less Than 10 Years:** The payment is reported to the IRS as ordinary income and is subject to mandatory 20% federal withholding. You may not waive this withholding. If you wish to increase the federal tax withholding, complete a *Withholding Certificate for Pension or Annuity Payments (W-4P)*.
- **Periodic Payments for 10 Years or More:** Periodic payments that extend for a period of 10 years or more are reported to the IRS as ordinary income. Federal income taxes are withheld at the rate that applies to married with three allowances unless you request otherwise by completing a *Withholding Certificate for Pension or Annuity Payments (W-4P)*.

Federal Withholding Certificate for Pension or Annuity Payments (W-4P)

A W-4P allows you to modify the amount of federal income tax withholding from your payment(s). You are not permitted to specify a dollar-amount withholding on the W-4P. However, you may elect to supplement your withholding amount by designating an additional dollar amount to be withheld.

If you choose to modify the amount of federal income tax withholding with a W-4P, the modification will only apply to the withdrawal request to which the W-4P is attached. If the withdrawal request to which the W-4P is attached sets up periodic payments, the W-4P will apply to all of those payments. The W-4P form is available at irs.gov or call the Savings Plus Service Center to request to have one mailed to you.

Special withholding rules apply to payments to non-U.S. citizens. Please refer to IRS Publication 505, *Tax Withholding and Estimated Tax*, IRS Publication 515, *Withholding of Tax on Nonresident Aliens and Foreign Entities*, and IRS Publication 519, *U.S. Tax Guide for Aliens* for further information.

State Tax Withholding

All California residents are subject to California state income tax withholding at the rate of 10% of federal withholding unless you request otherwise by completing a *California State Withholding Certificate for Pension or Annuity Payments (DE 4P)*.

California State Withholding Certificate for Pension or Annuity Payments (DE 4P)

A DE 4P allows you to modify the amount of California state income tax withholding from your payment(s). You are not permitted to specify a dollar-amount withholding on the DE 4P. However, you may elect to modify your withholding amount by designating an additional dollar amount to be withheld, or claiming exempt.

If you choose to modify the amount of state income tax withholding with a DE 4P, the modification will only apply to the withdrawal request to which the DE 4P is attached. If the withdrawal request to which the DE 4P is attached sets up periodic payments, the DE 4P will apply to all of those payments. If you live outside California, consult your state taxing authority for more information. The DE 4P form is available at edd.ca.gov or call the Savings Plus Service Center to have one mailed to you.

Required Minimum Distribution (RMD)

The rate of federal tax withholding on your RMD is 10% unless you complete a W-4P to elect otherwise. However, RMD payments made in installments on a periodic basis of 10 years or more will have federal income tax withheld as if you are married claiming three withholding allowances unless you complete a W-4P to elect otherwise.

NOTE: Tax withholding for the portion of the payment that is not the RMD will follow the rules described in this Tax Withholding section.

1099-R Tax Document

For tax reporting, a 1099-R will be issued by January 31 of the year following your payment.

5. Beneficiary Payment Information

You have the option to take a one time payment or periodic payments, however you may be required to begin your payment no later than December 31 of the year following the participant's death.

Rules for Beneficiary Distribution:

Distribution to Surviving Spouse

If a Participant dies and his or her sole Beneficiary is his or her surviving spouse, the required beginning date is the later of: December 31 of the calendar year immediately following the calendar year in which the Participant died, or December 31 of the calendar year in which the Participant would have attained age 70½. If a Participant dies before his or her required beginning date and his or her sole Beneficiary is his or her surviving spouse, distributions after the Participant's death shall be made at least as rapidly as over the life expectancy of the Participant's surviving spouse and determined each year under the Single Life Table.

5. Beneficiary Payment Information (continued)

Rules for Beneficiary Distribution (continued):

Distribution to Surviving Spouse (continued)

An Intra-Plan Transfer (from one account in the plan to another account in the plan) is only permitted for a beneficiary who is the surviving spouse. For Intra-Plan Transfer, the beneficiary account must transfer to the same plan type (e.g., you can transfer your 401(k) Plan beneficiary account to your existing 401(k) Plan account). If this account contains PCRA funds and you are a spousal beneficiary, you may have options regarding an in-kind transfer. Please contact the Savings Plus Service Center for additional details

Distribution to Beneficiary other than Surviving Spouse

If a Participant dies and he or she has more than one Beneficiary or his or her sole Beneficiary is not the Participant's surviving spouse, the required beginning date is no later than December 31 of the calendar year following the calendar year of the Participant's death. If a Participant dies before his or her required beginning date and his or her Beneficiary is one or more individuals other than the Participant's surviving spouse, distributions after the Participant's death shall be paid no less rapidly than over the Beneficiary's life expectancy. The Beneficiary's life expectancy shall be determined under the Single Life Table.

Distribution to Trust

If the Beneficiary is a trust, estate or organization the entire remaining account balance shall be paid in a single lump sum no later than December 31 of the calendar year following the calendar year of the Participant's death.

Distribution to Multiple Beneficiaries

If the participant has multiple beneficiaries, individual beneficiary accounts will be established. The annual required distribution for the individual beneficiaries must begin no later than December 31 of the calendar year following the calendar year of the participant's death and will be calculated using each beneficiary's remaining life expectancy.

One Time Payment

A specific percentage or dollar amount paid directly to you. Savings Plus will report this payment to the IRS as ordinary income.

Periodic Payments

A reoccurring payment that extends over a fixed period of time, or for a fixed dollar amount.

- **Fixed Period:** Monthly, quarterly or annual payments calculated by dividing your account balance by the period of time (months/years) for which you wish to receive payments. Your payments will be recalculated annually, so that your account balance will be exhausted at the end of your payment schedule.
- **Fixed Amount:** Payments of the same amount monthly, quarterly or annually. If your payments are projected to continue beyond your life expectancy, you will receive an annual supplemental payment to meet the Required Minimum Distribution.

NOTE: To the extent periodic payments do not meet the amount required for an RMD, the additional amount required will be distributed to you prior to the end of the applicable calendar year.

Direct Rollover to a Traditional or Roth Individual Retirement Account (IRA) or Eligible Retirement Plan

As a spousal beneficiary, you can roll over your beneficiary account to a traditional or Roth IRA or another eligible retirement plan. As a non-spousal beneficiary, you can only roll over your beneficiary account to an inherited IRA.

- **Direct Rollover to a Traditional IRA or Eligible Retirement Plan:** will be reported as a non-taxable event to the IRS.
- **Direct Rollover from the traditional pre-tax account to a Roth IRA:** will be reported to the IRS as a taxable event, however; no taxes will be withheld from your distribution unless you specify otherwise.

ROLLOVER NOTES: The Rollover check will be mailed to the new carrier. The check will be made payable to the new carrier For the Benefit Of (FBO) your name. A Letter of Acceptance from the new carrier (financial institution) is required and MUST accompany this form to process your rollover request. If the rollover is to a Roth account the Letter of Acceptance must mention the acceptance of Roth funds.

6. Contact Information

Voice Response System: (855) 616-4776, 24 hours a day, 7 days a week

Savings Plus Service Center: (855) 616-4776, 5:00 a.m. – 8:00 p.m. (PT), Monday–Friday
To speak with a customer service representative, press *0.

Walk-In Center: Open 8:00 a.m. – 5:00 p.m. (PT), Monday–Friday
1810 16th Street
North Building
Sacramento, CA 95811

TTY: (800) 848-0833

Website: savingsplusnow.com



Beneficiary Benefit Payment Application

Phone: (855) 616-4776 • savingsplusnow.com

Processing will be completed within 3-5 business days of receipt of a properly completed, signed application.

1. Beneficiary Information

Name: _____ SSN: _____

Mailing Address: _____

City: _____ State: _____ Zip: _____

Date of Birth: _____ Email: _____

Preferred Phone: _____ Home Work Cell

2. Decedent Information

Name: _____ Account Number or SSN: _____

3. Plan Type (select one - complete a separate form for each plan type)

401(k) 457(b)

4. Beneficiary Instructions for Payout

Submit a certified copy of the Death Certificate with this form. If the beneficiary is a minor, legal guardianship papers must also be included. If there are multiple beneficiaries, each beneficiary must complete a form. Not all options are available for non-spousal beneficiaries. For more information, please call the Savings Plus Service Center.

Spousal Beneficiaries:

If you are the Spouse of the Participant and the Participant had not attained age 70½, you may defer your initial benefit payment to the later of:

- December 31 of the calendar year immediately following the calendar year in which the Participant's death occurred,
- or
- December 31 of the calendar year in which the Participant would have attained age 70½.

Non-Spousal Beneficiaries:

Beneficiaries who are named individuals, other than the Participant's Spouse, may defer the initial benefit payment until December 31 of the calendar year immediately following the calendar year in which the Participant's death occurred.

Non-Individual Beneficiaries:

A non-individual beneficiary is considered an estate, charity or an eligible trust. A non-individual beneficiary will be paid a single lump sum payment no later than December 31 of the calendar year following the calendar year in which the Participant's death occurred. Please call the Savings Plus Service Center.

Form continued on next page

6. Payment Method

Select One:

NOTE: Direct Deposit ACH is not available to financial institutions outside of the United States

- Direct Deposit ACH on file:** Funds will be sent to the financial institution that Savings Plus has on file.
- Mail Check:** Your check will be mailed first class to your address on record with Savings Plus. Allow 5-10 business days from process date for delivery. If no other option is selected, your payment will be issued by check and mailed. An additional \$2.00 fee will be deducted from your account.
- Overnight Check:** Your check will be mailed overnight at your expense to your address on record with Savings Plus. An additional \$25.00 fee will be deducted from your account. PO Box addresses are not eligible for overnight delivery and Saturday delivery may not be available in your area. Allow 2-4 business days from process date for delivery.
- New Direct Deposit ACH:** Funds will be sent to the financial institution that you indicate below.

Financial Institution Information:

Financial Institution _____

ABA (routing) Number _____

Account Number _____

Account Type: Checking Savings

If account type is not selected, checking will be used.

John Doe
123 Main Street Ph. (916) 555-1212
Hometown, CA 98765

Date _____ 1492

PAY TO THE ORDER OF _____ \$ _____
_____ DOLLARS

Money Bank, Inc.
321 Main Street
Hometown, CA 98765

MEMO _____

⑆ 123456789 ⑆ 000012345678 ⑆ 1492

9-digit ABA routing number Checking Account Number Check Number

NOTE: Direct Deposit is only offered through members of the Automatic Clearing House (ACH). A copy of a voided check (checking) or a letter from the financial institution (savings) must be included with this form to verify banking numbers if New Direct Deposit ACH is selected. We cannot accept a deposit slip or starter check for banking numbers. If ACH information is not completed correctly, a voided check is not provided or no option is selected, a check will be sent to your address on file.

Is this account associated with a brokerage firm or other investment firm? Yes No

If yes, have you confirmed that the ABA and account numbers are correct? Yes No

I hereby authorize Savings Plus to initiate automatic deposits to my account at the financial institution named above. In the event an error is made, I authorize Savings Plus to make a corrective reversal from this account. Further, I agree not to hold Savings Plus responsible for any delay or loss of funds due to incorrect or incomplete information which I supplied or due to an error from my financial institution in depositing funds to my account. This agreement will remain in effect until Savings Plus receives a written notice of cancellation from me or my financial institution, or until I submit a new direct deposit authorization form to Savings Plus. In the event this direct deposit authorization form is incomplete, contains incorrect information or a voided check is not provided, I understand a check will be issued to my address of record.

7. New Carrier Information for Rollovers

The Rollover check will be mailed to the carrier indicated below. The check will be made payable to the new carrier For the Benefit Of (FBO) your name.

A Letter of Acceptance from the new carrier (financial institution) is required and MUST accompany this form to process your rollover request. If the rollover is to a Roth account the Letter of Acceptance must mention the acceptance of Roth funds.

Carrier Name: _____ Account Number: _____

Mailing Address: _____

City: _____ State: _____ Zip: _____

Contact Name: _____ Phone: _____

- Overnight a check to the new carrier for a fee of \$25.00 which will be deducted from your account. Please note, we cannot offer overnight delivery to a PO Box and Saturday delivery may not be available in the requested area.

NOTE: If funds are to be distributed to more than one new carrier, attach an additional sheet with the information requested above as well as: your name and SSN; your signature; and the date.

8. Tax Information

Taxes will be withheld as stated in Section 4 of the Booklet unless you provide a W-4P (for federal withholding; available at irs.gov) and/or a DE 4P (for state withholding; available at edd.ca.gov).

Form continued on next page

9. Tax ID Certification

NOTE: Backup withholding does not apply to retirement plan distributions. FATCA does not apply as this is a U.S. account.

Under penalties of perjury, I certify that:

1. The Taxpayer Identification Number or Social Security Number listed on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me), and
2. I am not subject to backup withholding because:
 - a. I am exempt from backup withholding, or
 - b. I have not been notified that I am subject to backup withholding as a result of a failure to report all interest or dividends, or
 - c. The Internal Revenue Service has notified me that I am no longer subject to backup withholding, and
3. I am a U.S. citizen or other U.S. person, and
4. The FATCA code(s) entered on this form (if any) indicating that I am exempt from FATCA reporting is correct.

10. Signature

I request payment to be made in accordance with my election stated above. I certify that I have received the 402(f) *Special Tax Notice Regarding Plan Payments* located in the "Forms/Publications/Support" tab at savingsplusnow.com and, by signing, I waive the 30-day notice. I hereby certify under penalty of perjury that this information is true and accurate to the best of my knowledge. I have provided a certified copy of the Death Certificate.

The Internal Revenue Service does not require your consent to any provision of this document other than the certifications required to avoid backup withholding.

Beneficiary Signature: _____ **Date:** _____

You may call the Savings Plus Service Center for a hard copy of the 402(f) *Special Tax Notice Regarding Plan Payments*.

California Department of Human Resources Privacy Notice on Information Collection (rev. 7/16)

This notice is provided pursuant to the Information Practices Act of 1977. The California Department of Human Resources (CalHR), Savings Plus Program, is requesting the information specified on this form pursuant to California Government Code sections 19993 and 19999.5. The information collected will be used for identification of your account and will be disclosed to the Savings Plus Administrative Services Provider (Nationwide) for processing of your request as indicated on the form. Individuals should not provide personal information that is not requested or required. The submission of all information requested is mandatory unless otherwise noted. If you fail to provide the information requested, CalHR will not be able to process the action(s) indicated on the form as requested.

Department Privacy Policy - The information collected by CalHR is subject to the limitations in the Information Practices Act of 1977 and state policy. For more information on how we care for your personal information, please read our Privacy Policy at calhr.ca.gov/pages/privacy-policy.aspx.

Access to Your Information - Nationwide is responsible for maintaining collected records. You have a right to access records containing your personal information we maintain. To request access, contact: CalHR Privacy Officer, 1515 S Street 400N, Sacramento, CA 95811 / (916) 324-0455 / CalHRPrivacy@calhr.ca.gov or contact Nationwide at (855) 616-4776.

Mail the original application to Nationwide Retirement Solutions, PO Box 182797, Columbus, OH 43218-2797 or fax to (877) 677-4329.