

## 1. Purpose

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

## 2. Document and IRS Information

**The 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](http://irs.gov), or contact the IRS Tax Forms Withdrawal Center at (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](http://edd.ca.gov).

## 3. Eligibility to Withdraw Funds

### 401(k) Plan Pre-Tax and Roth

You must meet the following criteria to receive payment from your 401(k) Plan:

1. Separated from state employment; or
2. Attainment of age 59½, regardless of your employment status.

If you meet any of the following criteria, you can receive payment from your 401(k) Plan without an additional 10% tax for early withdrawal:

1. Separated from state employment during or after the year you turned age 55; or
2. Separated from state employment during or after the year you turned age 50 if you are a public safety employee; or
3. Attainment of age 59½, regardless of your employment status.

### 457(b) Plan Pre-Tax and Roth

You must meet the following criteria to receive payment from your 457(b) Plan:

1. Separated from state employment; or
2. Attainment of age 59½ or older, regardless of your employment status.

### A note about 401(k) and 457(b) Plan Roth withdrawals

A Roth withdrawal will be tax free if the withdrawal is made 5 years or more after January 1 of the calendar year in which the first Roth contribution or Roth conversion was made and the withdrawal was made on account of death, disability, or attainment of age 59½.

### 401(k) and 457(b) In-Plan Roth Conversion

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 preparation 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, become disabled, 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 Roth conversion was made. Withdrawal of your In-Plan Roth converted assets before requirements are met may result in taxation of your earnings.
- **Recapture Tax (401(k) only):** A 10% recapture tax may apply to your withdrawal if specific age and time requirements are not met. Each In-Plan Roth Conversion will have its own time requirements, so the recapture tax may apply to a portion of the withdrawal even if the withdrawal would be considered to be a qualified withdrawal.

Savings Plus will verify eligibility to withdraw from your 401(k) Plan and 457(b) Plan before we issue a payment.

## 4. General Information

### Public Safety Employees' 10% Early Withdrawal Tax Exception

Certain state and local public safety employees, age 50 and older, who have separated from state employment are not subject to the additional 10% early withdrawal tax. You must declare that you are a public safety employee in section 9 of the application to not be subject to the additional 10% early withdrawal tax. If you do not declare that you are a public safety employee in section 9 of the application, you will be subject to the additional 10% early withdrawal tax. This exception does not apply to any IRA assets that are rolled into the plan.

*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.*

## 4. General Information (continued)

### PCRA

If you have a Personal Choice Retirement Account (PCRA), it may be necessary to transfer your PCRA assets into your core investment options to satisfy the amount of your withdrawal request and maintain the required minimum in your core account.

### Payment Dates

We issue payment within 3-5 business days of receipt of a properly completed form. 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 fee deducted from your account) to your address on file.

**To issue payment via direct deposit to your financial institution, you must provide the following information:**

- Name and 9-digit routing number of your financial institution
- Account number and account type

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

If your financial institution, account number, or routing number changes, you must complete a new **Direct Deposit/Debit Authorization Form**. Submission of a new **Direct Deposit/Debit Authorization Form** replaces any previous direct deposit/debit authorization 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 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 via overnight mail for a \$25 fee. The fee is deducted from your account.

### 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 contact the Savings Plus Solutions Center so that a replacement check can be issued.

### Lost or Stolen Checks

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

### Specific Money Source or Investment Option Designation

You may request to have your payment issued from a specific money source or investment option.

Savings Plus issues all payments proportionately among your core investments options unless you request otherwise in section 5 of the application.

## 5. Payment Methods

### 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.

### Recurring Payments

Reoccurring payments of a fixed dollar amount or that extend over a fixed period of time, will be issued until the total account balance has been paid.

Fixed Period and Fixed Amount payments that continue beyond age 72 will remain the same and any residual Required Minimum Distribution (RMD) due to you will be paid out as part of the normal RMD processing.

- **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 RMD.

### Required Minimum Distribution (RMD)

Your RMD is the minimum amount you must withdraw from your account each year and will begin in the later of the calendar year in which you attain age 72 or the calendar year in which you retire. However, for the first RMD, you may elect to defer this payment until April 1 of the following calendar year. If you make this election, you will be required to receive two RMD payments for that calendar year. The IRS imposes an excise tax of 50% of the amount not distributed as required.

### Direct Rollover

If you would like to roll your account over to an Individual Retirement Account (IRA), or to another eligible retirement plan, please contact the Savings Plus Solutions Center. If applicable, Savings Plus must issue your RMD before we process your application. If you return to employment, contact Savings Plus.

## 6. Tax Withholding Information

### Federal Income 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/Governing Documents and Reports** tab at [savingsplusnow.com](https://savingsplusnow.com).

- **Direct Payments and Recurring 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 section 7 of the application.
- **Recurring Payments for 10 Years or More:** Recurring 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 elect otherwise by completing section 7 of the application.

This form allows you to modify the amount of federal income tax withholding from your payment(s). You are not permitted to specify a total dollar amount for withholding. However, you may elect to supplement your withholding amount by designating an additional percentage or dollar amount to be withheld.

For direct payments, if you choose to modify the amount of federal income tax withholding with this form, the modification will only apply to that specific payment. For recurring payments, the modification will apply to all of those payments.

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 Income 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.

For direct payments, 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 recurring 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](https://edd.ca.gov) or contact the Savings Plus Solutions Center to have one mailed to you.

### Required Minimum Distribution (RMD)

The rate of federal tax withholding on your RMD is 10% unless you elect otherwise in section 7 of the application. However, RMD payments made in installments on a recurring basis of 10 years or more will have federal income tax withheld as if you are married claiming three withholding allowances unless you elect otherwise in section 7 of the application.

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

### Form 1099-R Tax Document

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

## 7. Contact Information

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

**Savings Plus Solutions Center:** (855) 616-4776, 5 a.m. – 8 p.m. (PT), Monday–Friday  
To speak with a Customer Service Representative, press \*0

**Walk-In Center:** Open 8 a.m. – 5 p.m. (PT), Monday–Friday  
1810 16th Street  
North Building  
Sacramento, CA 95811-6606

**TTY:** (800) 848-0833

**Website:** [savingsplusnow.com](https://savingsplusnow.com)

## 8. Submission Instructions

You may submit your completed application by mail or fax, or you may be able to submit via DocuSign.

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

**By Fax:** (877) 677-4329

**By DocuSign:** Contact the Savings Plus Solutions Center

**NOTE:** If you submit your completed application by mail, please send the original with wet signatures and keep a copy for your records. If you submit it by fax, please keep the original with wet signatures for your records.



# Benefit Payment Application

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

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

## 1. Participant Information

Name: \_\_\_\_\_ Account Number or SSN: \_\_\_\_\_

Email: \_\_\_\_\_ Preferred Phone: \_\_\_\_\_

Phone Type:  Home  Work  Cell

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

401(k)  457(b) **NOTE:** If a plan type is not selected, processing will be delayed.

## 3. Payment Event Type (select one)

- Initiate payment - Complete all sections of this form.
- Change method of payment - Skip ahead to section 6 and complete the form.
- Stop payment - Skip ahead to section 9 and complete the form.

## 4. Payment Type (select one)

- One-Time Payment:** Paid directly to you.
  - Total account balance:** (100%) If you select this option, you will be liquidating your entire account.  
**NOTE:** Skip ahead to section 6 and complete the form. You do not need to complete section 5 since you have elected for your total account balance to be paid to you.
  - Partial withdrawal:** \$ \_\_\_\_\_ (minimum \$25 including tax withholding)
  
- Recurring Payments (select only one frequency and EITHER Fixed Amount OR Fixed Period, not both):**  
**Frequency:**  Monthly  Quarterly  Annually **Start Date:** \_\_\_\_\_  
**NOTES:** If Frequency is not selected, payments will be made monthly. If Start Date is not provided, the payment start date will be the date your request is processed.
  - Fixed Amount** \$ \_\_\_\_\_ (minimum \$25 including tax withholding)  
Total account balance paid to you in increments of the specified amount until your account balance is zero (final payment may be less). The number of payments you receive will vary depending on the earnings (gains/losses) for your account.
  - Fixed Period** \_\_\_\_\_ years (in whole years only)  
Total account balance paid to you for the number of years selected. The actual dollar amount will vary depending on your account earnings (gains/losses), and the duration requested. Payments will be recalculated annually.
  
- Required Minimum Distribution (RMD):** You may select this option in the later of: 1) the calendar year you turn age 72; or 2) the calendar year in which you retire from state employment. RMD payments are issued annually.  
**Start Date:** \_\_\_\_\_  
**Beneficiary Information for RMD**  
 If your spouse is your sole primary beneficiary and is more than 10 years younger than you, your RMD calculation may be different. Attach proof of your beneficiary's date of birth.
  
- Defer Initial RMD:** You may select this option if you wish to defer your initial RMD until April 1 of the year following the later of: 1) the calendar year you turn age 72; or 2) the calendar year in which you retire from state employment. If you defer your initial payment, you will receive two RMDs in the same calendar year. All subsequent annual payments will be issued in November unless you subsequently change your method of payment and your RMD is satisfied.  
**Beneficiary Information for RMD**  
 If your spouse is your sole primary beneficiary and is more than 10 years younger than you, your RMD calculation may be different. Attach proof of your beneficiary's date of birth.

Form continued on next page

**5. Withdrawal Direction (select one)**

If an option is not selected, your assets will be withdrawn proportionately from all money sources and investment options. If you indicate a percentage, you must use whole percents only.

- 1. Proportionately** from all money sources and investment options **OR**
- 2. From Specific Money Sources** **AND/OR**  
 (Pre-tax, Roth, Rollover, etc. - indicate all that apply)
- |       |          |    |        |
|-------|----------|----|--------|
| _____ | \$ _____ | or | _____% |
| _____ | \$ _____ | or | _____% |
| _____ | \$ _____ | or | _____% |
| _____ | \$ _____ | or | _____% |
| _____ | \$ _____ | or | _____% |
- 3. From Specific Investment Options**  
 (Please list investment options)
- |       |          |    |        |
|-------|----------|----|--------|
| _____ | \$ _____ | or | _____% |
| _____ | \$ _____ | or | _____% |
| _____ | \$ _____ | or | _____% |
| _____ | \$ _____ | or | _____% |
| _____ | \$ _____ | or | _____% |

**6. Payment Method (select one)**

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

- Direct Deposit on file:** Assets 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 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 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 business days from process date for delivery.
- New Direct Deposit Authorization:** Assets will be sent to the financial institution that you indicate below.

**Financial Institution Information:**

\_\_\_\_\_

Financial Institution Name

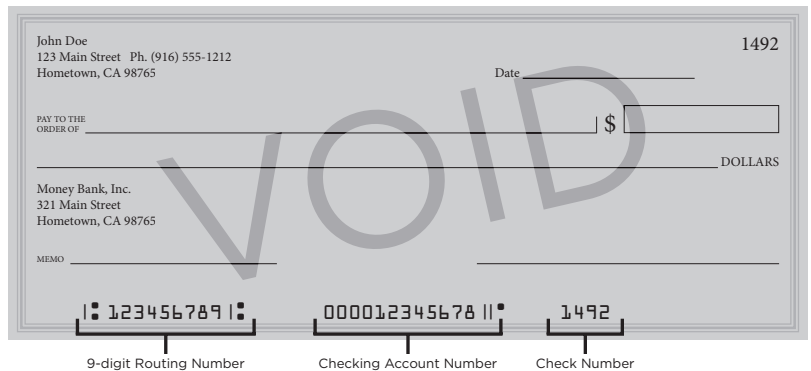
Account Type:  Checking  Savings  
 If account type is not selected, checking will be used.

\_\_\_\_\_

Routing Number

\_\_\_\_\_

Account Number



**NOTE:** If information is not completed correctly 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 routing and account numbers are correct?  Yes  No

I hereby authorize Savings Plus to initiate automatic direct 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 caused by my financial institution. This authorization will remain in effect until I submit a new **Direct Deposit/Debit Authorization Form** to Savings Plus to change or revoke this authorization or until Savings Plus receives a written notice of cancellation from my financial institution.

Form continued on next page

## 7. Federal and State Income Tax Withholding Information

**Federal income tax withholding:** Taxes will be withheld as stated in section 6 of the booklet unless you elect otherwise.

**Withholding election for direct payments and recurring payments (including RMD payments) lasting less than 10 years:** There is a mandatory 20% withholding (10% for RMD) for federal income taxes. You may elect to withhold an additional amount.

Line 1: Mandatory \_\_\_\_\_% 20 %

Line 2: Any additional amount \_\_\_\_\_% OR \$ \_\_\_\_\_

Add percents from Line 1 and Line 2 and carry down the dollar amount from Line 2 for line 3 Total.

Line 3: Total federal withholding \_\_\_\_\_% AND \$ \_\_\_\_\_

**Withholding election for recurring payments (including RMD payments) lasting 10 years or more:**

Federal income taxes are withheld at the rate that applies to married with three allowances unless you elect otherwise.

I elect to withhold \_\_\_\_\_% OR \$ \_\_\_\_\_ from each recurring payment.

I elect to opt-out of federal income tax withholding (0% withholding).

**State income 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)**. Information on the **DE 4P** can be found in section 6 of the booklet.

## 8. Tax ID Certification

**NOTE:** Backup withholding does not apply to retirement plan withdrawals. 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.

## 9. Signature

I request my withdrawal 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/Governing Documents and Reports** tab at **savingsplusnow.com**, and by signing, I waive the 30-day notice. I understand if I have an outstanding loan and I am requesting a total withdrawal of my account, the outstanding loan balance will be included as part of this withdrawal and reported to the IRS as taxable income on Form 1099-R by January 31 of the following year. I also understand that any pending loan payments may delay the processing of this withdrawal. I hereby certify under penalty of perjury that this information is true and accurate to the best of my knowledge.

I certify that I am a public safety employee and this withdrawal qualifies for the 10% early withdrawal tax exception.

**NOTE: If you are a public safety employee and you do not check this box, the tax exception will not be applied.** (More information is available in section 4 of the booklet)

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

Participant Signature: \_\_\_\_\_ Date: \_\_\_\_\_

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

## 10. Submission Instructions

You may submit your completed application by mail or fax, or you may be able to submit via DocuSign.

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

**By Fax:** (877) 677-4329

**By DocuSign:** Contact the Savings Plus Solutions Center