

Payment Schedule Change Packet 457/401 Plans



This booklet contains the following forms:

- *Form #1: Payment Schedule Change Form*
- *Form #2: One-Time Payment Form*
- *Form #3: Payment Schedule Postpone or Stop Form*

Please note:

- Use the enclosed forms to make a change to a previously requested payment schedule.
- You should also review the *Special Tax Notice Regarding Plan Payments* prior to requesting a change to your withdrawal schedule.

Payment Schedule Change Packet – 457/401 Plans

Use the enclosed forms to make a change to a previously requested payment schedule. We encourage you to read all of the information in the packet and the *Special Tax Notice Regarding Plan Payments* prior to making a change to your withdrawal schedule.

Form #	Form Name	Purpose	Page #
1	<i>Payment Schedule Change Form</i>	Make a change to a previously requested withdrawal schedule (e.g., change your monthly payment amount, change the payment frequency).	5
2	<i>One-Time Payment Form</i>	Request a one-time payment from your account.	9
3	<i>Payment Schedule Postpone or Stop Form</i>	Postpone or stop previously requested withdrawals from your account.	11

Changing Your Payment Schedule

You can change your payment schedule at any time, before or after payments begin. We recommend that you submit your change request at least two weeks prior to the date when you hope the change to be effective.

Other Withdrawal Requests

The forms in this packet should only be used as noted above. For all other withdrawal requests (e.g., withdrawals while you are still employed, purchase of service credits from a defined benefit plan, etc.), please contact ICMA-RC for the appropriate forms.

Mail or Fax Completed Forms to ICMA-RC

Mail:

ICMA-RC
ATTN: Workflow Management Team
P.O. Box 96220
Washington, DC 20090-6220

Fax:

ICMA-RC ATTN: Workflow Management Team
202-682-6439

You should consider consulting with a tax advisor prior to requesting any withdrawals.

Timeframe for Receipt of Payments

One-time payments will be distributed within one to two business days following the receipt of a request in good order.

Installment payments will be sent on the Wednesday following the first, second, third or fourth Tuesday of each month.

Contact ICMA-RC

If you have any questions or need help completing the forms, please contact ICMA-RC's Investor Services at 800-669-7400, Monday through Friday, between 8:30 a.m. and 9:00 p.m., Eastern Time.

IRS Required Minimum Distributions (RMDs)

After you reach the age of 70½ (or separate from service, *if later*), the IRS requires that you withdraw at least a minimum amount from your 457/401 plan account each year. The required minimum distribution (RMD) amount is calculated by ICMA-RC using your balance in the plan at the end of the previous year and a life expectancy factor provided by the IRS.

Provided that ICMA-RC has been notified of your separation from service, we will review your account annually to ensure you are satisfying your RMD. ICMA-RC may increase your payment amounts (or send you an additional payment) to ensure that you meet the RMD each year.

If you only wish to withdraw the minimum amount from your account each year, select the "Payments of the Required Minimum Distribution (RMD) amount only" on Form #1 (Option 6 in Section 3). Payments from your account will begin after you reach the age of 70½.

Failure to withdraw the RMD amounts may result in IRS penalty taxes equal to 50% of the amount that was not withdrawn from the account within the required timeframe.

VantageTrust Retirement IncomeAdvantage Fund

If your plan offers the VantageTrust Retirement IncomeAdvantage Fund (the Fund), any assets you have invested in the Fund will be excluded from withdrawals requested using the forms in this packet. If you would like to initiate withdrawals from the Fund, please contact ICMA-RC for the appropriate withdrawal forms.

You can transfer assets from the Fund to other investment options available in your plan if you would like to have them distributed with your withdrawal request. However, you should be aware that withdrawals from the Fund prior to Lock-In proportionately reduce guaranteed values. After Lock-In, Excess Withdrawals will proportionately reduce and potentially terminate available guarantees. For additional information, please review the *VantageTrust Retirement IncomeAdvantage Fund Important Considerations* document.

Taxation and Withholding Requirements

The information in this section is intended to summarize the tax withholding rules that apply to distributions from your plan. Please review the *Special Tax Notice Regarding Plan Payments* for additional information regarding tax withholding and your ability to roll-over assets to another eligible plan.

Pre-tax contributions and associated earnings will be taxable in the year of the distribution. The earnings portion of a distribution of Roth assets, if applicable, may also be taxable (See the "Roth Assets" Section for more information). Taxable amounts will be reported on a Form 1099-R, which you will receive in January following the year of the distribution, and will need to be included in your gross income when you file your taxes.

Federal Tax Withholding

The Internal Revenue Code requires a mandatory 20% federal income tax withholding be applied to any withdrawal that qualifies as an eligible rollover distribution, unless the payment is transferred directly to another eligible plan. If your payments are not eligible rollover distributions, ICMA-RC will withhold federal taxes based on the instructions you provide in Section 5 of Form #1 or #2. If no withholding instructions are provided, ICMA-RC will withhold taxes according to the applicable federal and/or state requirements.

NOTE – Normally, payments made over long periods of time (i.e., a period of ten years or more) are not eligible rollover distributions.

Non U.S. Citizens: Generally, nonresident aliens (individuals who are not U.S. citizens and residing outside of the United States) are subject to 30% federal tax withholding. A reduced rate, including exemption, may apply if there is a tax treaty between your country of residence and the United States.

State Tax Withholding

Several states have mandatory tax withholding requirements. ICMA-RC automatically withholds taxes for states which require withholding from retirement plan withdrawals and will honor requests for withholding in other states based on the instructions you provide in Section 5 of Form #1 or #2. Income taxation of payments from retirement plans varies from state-to-state. You should seek state tax advice from the appropriate state department of revenue if you have questions regarding state tax withholding requirements.

Regardless of your withholding election, you are ultimately responsible for the payment of applicable federal and state income taxes on the distributions you receive.

Roth Assets

If your account balance includes Roth assets (contributions and associated earnings), you should give careful consideration to how these assets are withdrawn. The requirements for a qualified (tax-free) distribution of Roth assets are shown below. In Section 4c of Form #1 or #2, you will indicate whether Roth assets or non-Roth assets will be distributed to you first. If no election is made, **non-Roth** assets will be distributed first, as this helps to ensure that Roth assets are not distributed prior to the time when the distribution will be qualified, unless specifically requested by you.

Qualified "Tax-Free" Distributions

Distributions of Roth assets will be tax-free if five years have passed since January 1 of the year of your first Roth contribution (including rollovers), **and** you are over the age of 59½ (or disabled or deceased). If the five year requirement is not met, the distribution will not be qualified, and *the earnings portion* of the distribution will be taxable as income.

Other After-Tax Assets (401 Plans Only)

If your account balance includes other (non-Roth) after-tax assets, these assets will be distributed after other assets in your account. You can request that your after-tax assets be distributed prior to pre-tax assets by selecting Option 2 or 3 in Section 4c of Form #1 or #2. The earnings attributable to after-tax contributions will be taxable in the year of the distribution.

Withdrawal Penalties

457 Plans

457 plan contributions and associated earnings that remain in the plan until paid are not subject to the early withdrawal penalty tax. However, rolled-in assets may be subject to the 10% early withdrawal penalty tax if withdrawn prior to age 59½, unless an exception to the penalty applies.

401 Plans

401 plan assets are subject to the 10% early withdrawal penalty tax if withdrawn from your account prior to age 59½, unless an exception to the penalty applies. For example, if you separate from service in the year you attain age 55, you can withdraw your funds without penalty.

Exceptions to the 10% Penalty

If you withdraw equal (or almost equal) payments at least annually over your life expectancy, the distributions will not be subject to a 10% early withdrawal penalty. Please review the *Special Tax Notice Regarding Plan Payments* for additional exceptions to the 10% early withdrawal penalty.

Paying Penalties

ICMA-RC does not withhold any portion of your payment to cover potential tax penalties. The calculation and payment of any such penalty is your responsibility and will be carried out when you file your tax return. Additional information on early withdrawal penalties is available in IRS Publication 575, which is available on the IRS website at www.irs.gov or by calling 800-829-3676.

Please review the *Special Tax Notice Regarding Plan Payments* for additional information regarding tax withholding, potential tax penalties and your ability to roll-over assets to another eligible plan.

FORM #1: PAYMENT SCHEDULE CHANGE FORM — Instructions

The information in this section is intended to help you complete the *Payment Schedule Change Form* in its entirety. Please carefully complete all sections of the form.

Section 1: Participant Information — Provide all of the requested information.

Section 2: Effective Date — Specify whether the change should be made as soon as possible (Option 1) or as of a future date (Option 2).

Section 3: Payment Schedule Change Options — Specify your desired payment options.

Section 4: Depletion Orders — These sections can be used to specify the investments and “source” of assets to be included with your installment payments.

4a: Fund Depletion Order — Complete this Section to request that your payments be withdrawn in a specific order from the funds in your account.

4b: 457 or Non-457 Rollover Assets Depletion Order — *If your 457 plan account contains rollover assets from another type of plan (e.g., 401(k), 403(b)), complete this Section to request that your payments be withdrawn in a specific order from your 457 or non-457 rollover assets.*

4c: Roth or Other After-Tax Assets Depletion Order — *If your account contains Roth or other after-tax assets, use this Section to request that your payments be withdrawn from non-Roth assets first (default option), or from Roth or other after-tax assets.*

Section 5: Tax Withholding Election — Specify the federal and state tax withholding for your distributions. Please review the “Taxation and Withholding Requirements” Section and the *Special Tax Notice Regarding Plan Payments* for information on mandatory withholding and more.

Section 6: Direct Deposit Authorization — Installment payments will be sent via direct deposit to your checking or savings account (at no cost to you). Your payment will be available three to five days earlier than a mailed check.

1. Complete Section 6.
2. Return a voided check with your completed *Payment Schedule Change Form*.

Please note that ICMA-RC must complete a successful test deposit with your bank, and incorrect or incomplete bank information will delay the processing of your request.

Section 7: Participant Signature — Please be sure to sign and date this Section of the form.

Please review the *Special Tax Notice Regarding Plan Payments* for additional information regarding tax withholding, potential tax penalties and your ability to roll-over assets to another eligible plan.



FORM #1: PAYMENT SCHEDULE CHANGE FORM — Page 1 of 2

- This form should be used to make a change to a previously requested withdrawal schedule.
- Please read the instructions in this packet and carefully complete all sections of the form.

1 Participant Information	<p>Employer Plan Number _____ Employer Plan Name _____ Marital Status <input type="checkbox"/> Married <input type="checkbox"/> Single</p> <p>Social Security Number _____ Date of Birth _____ Daytime Phone Number _____ <small>Month / Day / Year (Area Code)</small></p> <p>Full Name _____ <small>Last First M.I.</small></p> <p>Permanent Mailing Address/Street _____</p> <p>City _____ State _____ Zip Code _____</p> <p>Email Address: _____</p>
2 Effective Date	<p>1. <input type="checkbox"/> As soon as possible (Default Election)</p> <p>2. <input type="checkbox"/> ____/____/____ <small>Month Day Year</small></p>
3 Payment Schedule Change Options	<p>Check all that apply (if no option is selected in a particular section, no change will be made):</p> <p>1. <input type="checkbox"/> Payment Frequency Change (Check One) <input type="checkbox"/> Monthly <input type="checkbox"/> Quarterly <input type="checkbox"/> Semi-Annual (6-month intervals) <input type="checkbox"/> Annual</p> <p>2. <input type="checkbox"/> Payment Cycle Change (Check One) <input type="checkbox"/> Cycle 1 <input type="checkbox"/> Cycle 2 <input type="checkbox"/> Cycle 3 <input type="checkbox"/> Cycle 4 <i>Your payments will be sent on the Wednesday following the first (Cycle 1), second, third or fourth Tuesday of the month, depending on the payment cycle you select.</i></p> <p>3. <input type="checkbox"/> Payment Amount Change (Check One)</p> <p style="margin-left: 20px;"><input type="checkbox"/> Option 1 – Payments of \$ _____ until the account is exhausted</p> <p style="margin-left: 20px;"><input type="checkbox"/> Option 2 – Payments that will exhaust the account over exactly _____ years Note: <i>The amount of each installment payment under this option will vary based on changes in your account balance, since each payment is calculated separately using the value of your account and the number of remaining payments.</i></p> <p style="margin-left: 20px;"><input type="checkbox"/> Option 3 – Payments of the Required Minimum Distribution (RMD) amount only</p> <p>4. <input type="checkbox"/> Additional Payment Options (Check all that apply)</p> <p style="margin-left: 20px;"><input type="checkbox"/> Cost of Living Adjustment (COLA) Change – COLA increases are based on the Consumer Price Index for All Urban Consumers (CPI-U) and take effect in January. Select the "Add COLA" option if you would like your installment payments to increase automatically each year, or the "Remove COLA" option if you previously selected this option and would like to remove it.</p> <p style="margin-left: 40px;"><input type="checkbox"/> Add COLA <input type="checkbox"/> Remove COLA</p> <p style="margin-left: 20px;"><input type="checkbox"/> Payment schedule is 72(t) compliant. Check this box if you are withdrawing qualified plan assets over a period of at least five (5) years or until age 59½, whichever is longer. Any subsequent change to your payment schedule, prior to the end of this period, may result in a 10% early withdrawal penalty.</p>
4a Fund Depletion Order <i>(Optional)</i>	<p>If you wish to redeem your Installment Payments in a certain order, please list those funds below. You can select a maximum of three (3) funds. The full balance of the first fund will be depleted first; the full balance of the second fund will be depleted second; the full balance of the third fund will be depleted third; then withdrawals will be prorated among all of your remaining funds.</p> <p>First Fund _____ Second Fund _____ Third Fund _____</p> <p>If you do not complete this section, withdrawals from your account will be taken pro-rata from all funds.</p>



FORM #1: PAYMENT SCHEDULE CHANGE FORM — Page 2 of 2

- This form should be used to make a change to a previously requested withdrawal schedule.
- Please read the instructions in this packet and carefully complete all sections of the form.

Employer Plan Number _____

Social Security Number _____

4b 457 or Non-457 Rollover Assets Depletion Order	<p>457 Plans Only. This Section only applies if your 457 plan account contains assets from another type of plan (e.g., 401(k), 403(b)).</p> <ol style="list-style-type: none"> <input type="checkbox"/> Distribute 457 assets first, followed by non-457 rollover assets. (Default Election) <input type="checkbox"/> Distribute 457 assets only. (Payments will cease when all 457 assets have been distributed.) <input type="checkbox"/> Distribute non-457 rollover assets only. (Payments will cease when all non-457 rollover assets have been distributed.)
4c Roth or Other After-Tax Assets Depletion Order	<p>Roth Assets (457 and 401(k) Plans Only) and Other After-Tax Assets (401 Plans Only) – if applicable This Section only applies if your account contains Roth (or other after-tax) assets. Check one option below.</p> <ol style="list-style-type: none"> <input type="checkbox"/> Distribute non-Roth assets first, followed by Roth (or other after-tax) assets. (Default Election) <input type="checkbox"/> Distribute Roth (or other after-tax) assets first, followed by non-Roth assets. <input type="checkbox"/> Distribute other after-tax assets (non-Roth) only. (401 Plans Only)
5 Tax Withholding Election	<p>Regardless of your election, ICMA-RC may be required to withhold federal and state income tax from your payments. You are ultimately liable for the payment of applicable federal and state income taxes. If no withholding instructions are provided, ICMA-RC will withhold taxes according to the applicable required federal and/or state rules. Please select whole percentages only.</p> <p><input type="checkbox"/> Withhold FEDERAL income tax at the rate of _____% OR <input type="checkbox"/> no withholding</p> <p><input type="checkbox"/> Withhold STATE income tax at the rate of _____% OR <input type="checkbox"/> no withholding</p> <p>• Please declare your residency state if different from your permanent address _____</p>
6 Direct Deposit Authorization Required	<p>Select one box below:</p> <ol style="list-style-type: none"> <input type="checkbox"/> Initial authorization. Check this box if you have not previously provided Direct Deposit Authorization and complete the information below. <input type="checkbox"/> Change. Replace the direct deposit information on file for my account with the below information. <input type="checkbox"/> No change. Use the direct deposit information already on file for my account. <p>FINANCIAL INSTITUTION INFORMATION</p> <p>Name of Financial Institution _____</p> <p>Routing # (9 digits) _____ Telephone Number _____ – _____ – _____ Type of Account: <input type="checkbox"/> Checking <input type="checkbox"/> Savings</p> <p>Account Number _____</p> <p>Please contact your bank to confirm the above information. Incorrect information will delay electronic deposit processing. Note that the first payment may be issued as a check rather than an electronic deposit. All subsequent deposits will be completed electronically. Please attach a voided check.</p> <p>This authorization will remain in force and effect until cancelled by you. In the event that funds to which you are not entitled are inadvertently deposited into your account, the bank is authorized to return the funds.</p>
7 Participant Signature	<p>By signing this form, I acknowledge that I have received and reviewed the <i>Special Tax Notice Regarding Plan Payments</i>. I direct ICMA-RC to distribute funds from my account in accordance with the options selected on this form. As required by law and under penalty of perjury, I certify that the Social Security Number (Taxpayer Identification Number) I provided for myself is correct. I am aware that once my payment requests are processed I will not be able to return the distributions to ICMA-RC to have them cancelled.</p> <p>Participant Signature: _____ Date: _____ / _____ / _____ Month Day Year</p> <p>I am a U.S. citizen. <input type="checkbox"/> Yes <input type="checkbox"/> No</p>

FORM #2: ONE-TIME PAYMENT FORM

Instructions

The information in this section is intended to help you complete the *One-Time Payment Form* in its entirety.

Section 1: Participant Information — Provide all of the requested information.

Section 2: Payment Option — Indicate whether you want a one-time payment of a specified amount (Option 1) or a lump sum distribution of your entire account balance (Option 2). If you have other payments from your account already scheduled, you should indicate whether you want to stop those payments (Option 1.a) or have them continue as scheduled (Option 1.b).

Section 3: Effective Date — Specify whether the one-time payment should be distributed as soon as possible (Option 1) or as of a future date (Option 2).

Section 4: Depletion Orders — These sections can be used to specify the investments and “source” of assets to be included with your installment payments.

4a: Fund Depletion Order — Complete this Section to request that your payments be withdrawn in a specific order from the funds in your account.

4b: 457 or Non-457 Rollover Assets Depletion Order — *If your 457 plan account contains rollover assets from another type of plan (e.g., 401(k), 403(b)), complete this Section to request that your payments be withdrawn in a specific order from your 457 or non-457 rollover assets.*

4c: Roth or Other After-Tax Assets Depletion Order — *If your account contains Roth or other after-tax assets, use this Section to request that your payments be withdrawn from non-Roth assets first (default option), or from Roth or other after-tax assets.*

Section 5: Tax Withholding Election — Specify the federal and state tax withholding for your distributions. Please review the “Taxation and Withholding Requirements” Section and the *Special Tax Notice Regarding Plan Payments* for information on mandatory withholding and more.

Section 6: Send Payment To — Select where you would like your payment sent.

Section 7: Participant Signature — Please be sure to sign and date this Section of the form.

Please review the *Special Tax Notice Regarding Plan Payments* for additional information regarding tax withholding, potential tax penalties and your ability to roll-over assets to another eligible plan.



FORM #2: ONE-TIME PAYMENT FORM — Page 2 of 2

- This form should be used to request a one-time payment from your account.
- Please read the instructions in this packet and carefully complete all sections of the form.

Employer Plan Number _____

Social Security Number _____

<p>5 Tax Withholding Election</p>	<p>Regardless of your election, ICMA-RC may be required to withhold federal and state income tax from your payments. You are ultimately liable for the payment of applicable federal and state income taxes. If no withholding instructions are provided, ICMA-RC will withhold taxes according to the applicable required federal and/or state rules. Please select whole percentages only.</p> <p><input type="checkbox"/> Withhold FEDERAL income tax at the rate of _____% OR <input type="checkbox"/> no withholding</p> <p><input type="checkbox"/> Withhold STATE income tax at the rate of _____% OR <input type="checkbox"/> no withholding</p> <p>• Please declare your residency state if different from your permanent address _____</p>
<p>6 Send Payment To</p>	<p><input type="checkbox"/> Permanent Address</p> <p><input type="checkbox"/> Direct deposit to the bank account information already on file. This option is ONLY available if you selected a one-time payment and you already receive installment payments by direct deposit. If direct deposit is selected with a lump-sum (total account balance) payment, a check will be mailed to your permanent address. If you submit new banking information or change your bank account information, your first payment following the change may be issued as a check rather than a direct deposit.</p> <p><input type="checkbox"/> Alternate address (if different from permanent address in Section 1):</p> <p>Alternate Address/Street: _____</p> <p>City: _____ State: _____ Zip Code: _____ - _____</p>
<p>7 Participant Signature</p>	<p>I acknowledge that I have received and read the general description of distribution rights provided in the instructions section of this packet. As required by law and under penalty of perjury, I certify that the Social Security Number (Taxpayer Identification Number) I provided for myself is correct. I am aware that once my payment request is processed I will not be able to return a distribution to ICMA-RC to have it cancelled.</p> <p>Participant Signature: _____ Date: _____ / _____ / _____ <small>Month Day Year</small></p> <p>I am a U.S. citizen. <input type="checkbox"/> Yes <input type="checkbox"/> No</p>



FORM #3: PAYMENT SCHEDULE POSTPONE OR STOP FORM

- This form should be used to postpone or stop previously requested withdrawals from your account.
- Please read the instructions in this packet and carefully complete all sections of the form.

Section 1: Participant Information — Provide all of the requested information.

Section 2: Postpone or Stop Payments — Specify whether you want your previously requested withdrawals to be postponed until a future date (Option 1), or stopped until further notice (Option 2).

Section 3: Effective Date — Specify whether the change should be made as soon as possible (Option 1) or as of a future date (Option 2).

Section 4: Participant Signature — Please be sure to sign and date this Section of the form.

1 Participant Information	<p>Employer Plan Number _____ Employer Plan Name _____</p> <p style="text-align: right;">Marital Status <input type="checkbox"/> Married <input type="checkbox"/> Single</p> <p>Social Security Number _____ Date of Birth _____ Daytime Phone Number _____ <small>Month / Day / Year (Area Code)</small></p> <p>Full Name _____ <small>Last First M.I.</small></p> <p>Permanent Mailing Address/Street _____</p> <p>City _____ State _____ Zip Code _____</p> <p>Email Address: _____</p>
2 Postpone or Stop Payments	<p>Select one option below</p> <p>1. <input type="checkbox"/> Postpone my current payment schedule until _____ / _____ / _____ <small>Month Day Year</small></p> <p>2. <input type="checkbox"/> Stop my current payment schedule until further notice</p>
3 Effective Date	<p>1. <input type="checkbox"/> As soon as possible (Default Election)</p> <p>2. <input type="checkbox"/> _____ / _____ / _____ <small>Month Day Year</small></p>
4 Participant Signature	<p>I acknowledge that I have received and read the <i>Special Tax Notice Regarding Plan Payments</i> and the general description of distribution rights provided in the form instructions. As required by law and under penalty of perjury, I certify that the Social Security Number (Taxpayer Identification Number) I provided for myself is correct. I am aware that once my payment request is processed I will not be able to return the distribution to ICMA-RC to have it cancelled.</p> <p>Participant Signature: _____ Date: _____ / _____ / _____ <small>Month Day Year</small></p> <p>I am a U.S. citizen. <input type="checkbox"/> Yes <input type="checkbox"/> No</p>



Building Retirement Security

ICMA RETIREMENT CORPORATION

P.O. BOX 96220

WASHINGTON, DC 20090-6220

TOLL FREE 800-669-7400

FAX 202-682-6439

PARA ASISTENCIA EN ESPAÑOL LLAME AL 800-669-8216

WWW.ICMARC.ORG

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