

Application for Withdrawal of Contributions or Deferred Retirement

Leaving Employment

If your employment ends before you are eligible to retire, you have several options for your contributions and interest earned. As you evaluate your options, keep in mind that Tacoma Employees' Retirement System (TERS) staff is not authorized to provide tax advice. Please consult your tax advisor or the IRS before deciding how to take payment of your tax-deferred funds.

Members with less than five years of TERS service credit and no portability

If you leave employment with fewer than five years of service, and do not have portability with another eligible Washington state retirement system, you have three options for your retirement contributions:

- 1. Apply for rollover of your contributions and interest into another qualified plan.
- Apply for a refund of your contributions and interest. A portion or all the accumulated contributions and interest refunded to you by TERS may be subject to IRS federal income tax. Under federal law, a mandatory 20 percent withholding tax will be deducted when taxable lump sum payments that are eligible for rollover are paid directly to members.
- 3. If you are 60 years or older, you may choose to leave your contributions and interest in TERS and defer your retirement to a future date.

Members with five years or more of TERS service credit and/or have portability with another WA State system If you leave employment and have more than five years of service, or have portability with another eligible Washington state retirement system, you have three options for your retirement contributions:

- 1. You may leave your funds in TERS and defer your retirement until you reach retirement eligibility (See the Retirement Handbook for eligibility can be found on TERS website). A retirement will provide a monthly payment for life for the member when an application for retirement has been completed.
- 2. Apply for rollover of your contributions and interest into another qualified plan.
- Apply for a refund of your contributions and interest. A portion or all the accumulated contributions and interest refunded to you by TERS may be subject to IRS federal income tax. Under federal law, a mandatory 20 percent withholding tax will be deducted when taxable lump sum payments that are eligible for rollover are paid directly to members.

Please advise the Retirement Department if you have portability with another Washington state pension system or are going to be employed with another Washington State entity that has a retirement system with portability.

Refunds

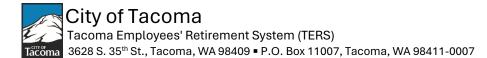
If you are under-age 59½, at the time of distribution, and do not rollover your contributions, you may have to pay an additional 10 percent income tax penalty on early distributions/withdrawals. Members who terminate employment at age 55 or later will not have to pay the penalty.

You can still decide to rollover all or part of the tax-deferred contributions to an IRA or another eligible retirement plan that accepts rollovers, if you have withdrawn funds paid to you. If you decide to rollover your funds, you must make the rollover within 60 days of the date the payment was issued.

Refunds are processed on the last business day of each month following a 30-day waiting period after employment is terminated and Application for Withdrawal has been submitted to the Retirement Department. Forms must be received in the Retirement Department by the 10th of the month; after that date, your refund will be issued the following month.

Application

Please fill out the attached form indicating how you wish the Retirement Department to handle your contributions. <u>This form must be notarized if withdrawing funds</u>. Notarization is not required if deferring.



Contribution Withdrawal or Deferred Retirement Election Form

Member Information							
Last Name F		First Name	First Name		МІ	SSN (last four)	
Mailing Address			City		L	State	Zip Code
Phone Number	Email			□s	tal Status ingle larried/Domes	tic Partner	Separation Date

Choose One of the Five Options Below

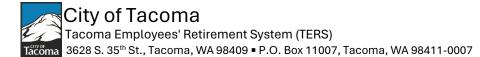
- **1.** Refund I elect a total refund of my contributions and interest that is eligible for rollover and am aware of the 20 percent IRS withholding tax provision. *(See page 3)*.
- 2. Partial Refund / Transfer I elect a partial refund and a partial transfer of my contributions and interest. Withholding tax provision will apply to the amount that is refunded. (See page 3 & 4)
- 3. Transfer I elect a transfer of eligible funds to a qualified pension plan. (See page 4)
- 4. Roth Transfer I elect a transfer of eligible funds to a Roth IRA. I am aware that this is a taxable transfer and request voluntary withholding of ______ percent. (See page 4)
- 5. Deferred Retirement (vested with 5 or more years of Service Credit, Age 60, or Portability with an eligible WA State Retirement System) I elect to leave my contributions in TERS and am eligible to receive a deferred retirement upon eligibility. I am a dual member of the following retirement system: ______.

I attest that I have been advised of my options regarding the withdrawal of contributions or a deferred retirement. If I am eligible and elect a deferred retirement, I would be eligible for a pension benefit with monthly payments for life.

Retirement Waiver (Age 60 or more, vested with 5 or more years and/ or include portability or dual membership) Lacknowledge as a vested member that by electing a transfer or refund of my contributions and interest, I forfeit and waive my right to a future pension benefit for life and have been provided a retirement estimate.

Please check box if you elect to irrevocably waive your right to a lifetime retirement benefit.

Signature	Date			
	's election of the option specified is irrevocable. If my spouse has elected rement option but has not designated me as their beneficiary, I will not			
Spouse Signature	Date			
NOTARY REQUIRE	D ONLY IF WITHDRAWING CONTRIBUTIONS			
State of				
County of				
I certify that I know or have satisfactory evidence (is/are) the person(s) who appeared before me; a (his/her/their) free and voluntary act for the uses	and said person(s) signed this instrument and acknowledged it to be			
Date	Notary Public Signature			
(SEAL)	Print Name			
	My appointment expires:			



Electronic Deposit Authorization (Refund Only)

Form requires the following:

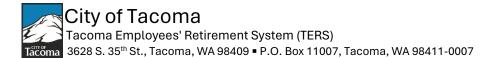
Handwritten Signature Only Attach Blank Voided Check or Supporting Bank Documentation								
Member Information								
Last Name	First Name			MI Birth Dat		te		SSN (last four)
Mailing Address			City			State		Zip Code
Phone Number	Email						Meml	ber No. (Office Use)
Bank Information								
Bank Name			Туре		Checking		🗌 Sa	ivings
Account Number			Routing N	umber				

Check box if the bank information listed above is the same account prior to separation. If so, blank voided check is NOT required. (City of Tacoma and Tacoma Public Library Employees Only)

I authorize the Tacoma Employees' Retirement System to make a deposit into my bank or credit union account listed above.

Signature	Date

Attach blank voided check OR Supporting bank documentation



Contribution Transfer Election Form

Participant Information:								
Last Name	First Name		MI S		SSN			
						-		
Mailing Address		City			State	Zip Code		
Phone Number	E-mail							

Transfer / Rollover to Account				
Account Type (select one)	Rollover Amount			
Traditional IRA Roth IRA Inherited IRA Eligible Plan	100% Specific Amount \$			
Name of Financial Institution / Trustee / Custodian / Insurer				
Financial Institution Mailing Address	on Mailing Address City			Zip Code
Financial Institution Phone number Financial Institution Email Address				
Financial Institution Routing Number (ACH Deposit if applicable)	Financial Institution Account Number (ACH Deposit if applicable)			
Participant's Account Number				

TRANSFER AUTHORIZATION:

I request that the Tacoma Employees' Retirement System plan transfer my contributions to the Trustee, Custodian, or Insurer of a qualified plan or IRA as soon as reasonably possible after receiving this Transfer Election Form.

I have determined that the qualified plan or IRA listed above accepts direct Transfers. If the transfer is to a Roth IRA, I have determined that I meet any applicable income limitations on such transfer.

I have notified the Trustee, Custodian, or Insurer of that IRA that I am directing the Trustee of the Tacoma Employees' Retirement System Plan (the Plan) to directly transfer my Plan distribution to the IRA listed above.

I confirm that the information on this Transfer Election Form is complete and accurate. The Plan Trustee may conclusively rely on this Transfer Election Form without further inquiry.

Signature	Date

NOTE: A transfer to a conventional IRA is a nontaxable rollover. A transfer to a Roth IRA is a taxable distribution.