



ICMA Retirement Corporation
Payment Schedule Change Form for 457 and 401 Plan Participants
Instructions

- THIS IS A THREE PAGE FORM. PLEASE READ ALL INFORMATION CAREFULLY BEFORE COMPLETING, SIGNING AND SUBMITTING THE FORM TO ICMA-RC.
- Please use blue or black ink.

The Economic Growth and Tax Relief Reconciliation Act of 2001 ("Tax Relief Act") allows significant flexibility for 457 deferred compensation plan participants in making changes to their benefit payments. Beginning January 1, 2002, participants in 457 plans (including those who were receiving payments or had a beginning payment date in place prior to January 1, 2002) will be able to change their payment schedules as desired, to better meet their retirement needs. As always, 401 qualified retirement plan participants can change their schedules at any time.

Use this form to request a change to an existing payment schedule. For example: to stop, restart, increase or decrease your payment stream. If you have not yet requested payments from your ICMA-RC retirement plan account, you may not use this form. Instead, you must complete the 457 or 401 Plan *Withdrawal Form*, available from ICMA-RC at 1-800-669-7400.

Note: ICMA-RC cannot revise your existing beginning payment date or schedule of payments unless we receive instructions from you. If you have separated from service and are unsure of your existing beginning payment date selection, contact ICMA-RC Investor Services associates at 1-800-669-7400.

General Information

As you complete the *Payment Schedule Change Form*, keep the following points in mind:

If you have previously chosen a beginning payment date, ICMA-RC will honor that selection unless you request a change.

If you are a 457 participant who separated from service prior to January 1, 2002, but you did not name a beginning payment date within 60 days of separation from service, your beginning payment date has been set as the year you reach age 65. You may change this date at any time.

If, prior to January 1, 2002, you chose a beginning payment date to begin after January 1, 2002, but did not select a payment schedule, ICMA-RC will distribute \$100 per year from your account until you reach age 70 1/2. Of course, you may change this schedule at any time by contacting ICMA-RC.

If you are age 70 1/2 or older, your payment schedule must meet Minimum Required Distribution requirements. You may want to consult with a professional tax advisor to ensure that these requirements are met by your revised schedule. ICMA-RC does perform an annual test at the end of the year to verify the amount that you are required to take for the entire year.

ICMA-RC must withhold federal income tax equal to 20 percent of your distribution when the payment is made directly to you, unless the distribution (1) is part of a series of equal payments over a period of 10 years or longer, or (2) is a Minimum Required Distribution



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made after you reach age 70 1/2. If your distribution falls within (1) or (2), you must instruct ICMA-RC how much you wish to have withheld using IRS Form W-4P. Note that state withholding rules may also apply.

Important Rollover Information

Effective January 1, 2002, whether you are a 401 or 457 plan participant, you have the right to move your retirement assets into another retirement plan or Traditional IRA, including a Vantagepoint IRA with ICMA-RC. You may do this as a direct transfer or an indirect rollover. A "direct transfer" means that ICMA-RC will transfer your distribution directly to the trustee of your new retirement plan or IRA. An "indirect rollover" means that ICMA-RC pays the distribution to you; in turn, you deposit the assets with the trustee of your new retirement plan or IRA within 60 days from the date you received the payment from ICMA-RC.

Most plan participants who move assets to other plans find it more convenient to move the assets in the form of direct transfer. If you wish to transfer your funds as a direct transfer, please contact ICMA-RC.

You may only transfer/rollover distributions that qualify as "eligible rollover distributions". In general, an eligible rollover distribution is any payment other than those made in substantially equal amounts over a period of 10 years or more, or a Minimum Required Distribution after you reach age 70 1/2 (or retire, if later). In addition, if these payments are made directly to you, they will be subject to 20 percent federal income tax withholding.

If you request a payment that is part of a stream of equal payments for 10 years or more (or is a Minimum Required Distribution), you must instruct ICMA-RC how much you wish to have withheld using Form W-4P. If you do not provide your instructions on Form W-4P, ICMA-RC will withhold according to IRS guidelines. Contact ICMA-RC for additional information. Note that state withholding rules may also apply.

Internal Revenue Service (IRS) guidelines require ICMA-RC to give you a reasonable waiting period to consider your options before payment is made to you. The waiting period for 457 plans is 14 days. The waiting period for 401 plans is 30 days. However, if you wish to have your payment made sooner than this, you may waive the reasonable period in Part 5 of this *Payment Schedule Change Form*. This will enable ICMA-RC to process your request prior to the end of the waiting period.

Please note that these instructions summarize only the federal (not state or local) tax rules that might apply to your payment. The rules described above are complex. You should carefully consider your options prior to requesting a change in your payment schedule. Some individuals may want to contact a professional tax advisor, depending on the complexity of their situation.



**ICMA Retirement Corporation
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1 Participant Information

Employer Plan #: _____ **Employer Plan Name:** _____ **State:** _____

Social Security Number: _____ **Daytime Phone Number:** _____

Name of Participant:

_____ Last _____ First _____ M.I. _____

Birthdate _____ **Current Age:** _____ **Plan Type:** _____ 457 _____ 401

2 Check One

- Please stop my current benefit payments as soon as possible, until further notice. [If you select this option, the only other section you need to complete is Part 5 – Signature and Certification.]
- Please change my payment schedule or resume my schedule as directed below [Complete Parts 3, 4, and 5].

3 Mailing Address for Payment(s)

Complete this section only if you wish your payment(s) to be mailed to an address that is different from your permanent address currently on file with ICMA-RC. Note: If scheduled installment payments are to be directly deposited to your bank, please complete and return the *Direct Deposit Authorization Form*.

Mailing Address/Street _____

City _____ State _____ Zip _____

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Participant Name _____

Employer Plan # _____ **SSN** _____

4 New Payment Schedule*

Please establish my payment schedule as follows [Check one]:

- Scheduled installment payments [Complete A, B, & C]
 - A. Check one:
 - Monthly
 - Quarterly
 - Semi-annually (6-month intervals)
 - Annually
 - B. Check one:
 - Each payment in the amount of \$ _____
 - Payment amount projected to last _____ years
 - Fractional payments for a certain period of _____ years
 - Start payments in the amount of \$ _____, with cost-of-living adjustments made in January of each year.
 - C. Check which payment cycle you prefer:
 - 1st Cycle (Wednesday following first Tuesday of the month)
 - 2nd Cycle (Wednesday following second Tuesday of the month)
 - 3rd Cycle (Wednesday following third Tuesday of the month)
 - 4th Cycle (Wednesday following fourth Tuesday of the month)

OR

- Partial lump sum payment of \$ _____; leave remainder in account until further notice.

OR

- Issue a one-time amount of \$ _____ but keep my current periodic payment stream intact.

OR

- Lump sum payment – 100% of remaining account balance.

*Note: Payment requests must result in payments of \$100 or more. All payments will be made directly to you.



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Participant Name _____

Employer Plan # _____ **SSN** _____

5 Signature and Certification

I understand that:

- I have the right to roll any Eligible Rollover Distribution into another retirement plan or Traditional IRA. If I wish to perform a direct rollover of my funds, I should call ICMA-RC at 800-669-7400 and request the 457 or 401 Plan *Withdrawal Packet*.
- If my payment is considered an Eligible Rollover Distribution, but I do not elect to directly roll my funds into another retirement plan or Traditional IRA, ICMA-RC must withhold 20% of my distribution as federal income tax. State withholding may also apply.
- If my payment is not considered an Eligible Rollover Distribution, I must provide my withholding instructions to ICMA-RC on IRS Form W-4P (and an appropriate state withholding form, if applicable).
- Distributions made in the years following age 70-1/2 (or retirement, if later) must meet minimum requirements established by the IRS. I understand that ICMA-RC will automatically make payments to me, under these IRS rules, if I do not instruct otherwise prior to my attainment of age 70-1/2 (or my retirement, if later).
- I acknowledge that I received and reviewed the Important Rollover Information contained in the attached instructions. I hereby waive the "reasonable waiting period" required under IRS rules regarding payments from my retirement plan.
- As required by law and under penalty of perjury, I certify that the Social Security Number (Taxpayer Identification Number) I provided is correct.

Participant Signature

Date

*Please fax all three pages of this form to the ICMA Retirement Corporation
at (202) 962-4601, or mail to: ICMA Retirement Corporation * PO Box 96220 *
Washington, DC 20090-6220*