

# *Singing River Health System Employees' Retirement Plan and Trust*

## DISTRIBUTION ELECTION FORM

**Complete and return this form along with a copy of your driver's license or other state or federal identification (must show date of birth) in order to receive a return of your employee contributions from the above named plan. Payment will not be processed without identity verification. If you prefer, you can visit the Human Resources office of SRHS to present identification.**

Section A: Personal Information	Section B: Lump Sum Payment Instructions
	Section C: Member Signature

### ***Section A: Personal Information – Please print in black ink.***

Plan <b style="text-align: center;">Singing River Health System Employees' Retirement Plan and Trust</b>			
Member Name (first)	(middle initial)	(last)	
Member Address (street)	(city)	(state)	(ZIP)
Social Security Number		Date of Birth	
Phone Number		E-mail Address	

### ***Section B: Lump Sum Payment Instructions***

You have choices for receiving your distribution. The choice you make will determine if income tax will be withheld by the plan custodian.

- Pay the benefit **directly to me**. (20% of the payment will automatically be withheld for payment of federal income tax.)
- Pay the benefit in a **direct rollover** to the trustee/custodian/issuer of the Individual Retirement Arrangement (IRA) or employer sponsored plan indicated below.
- Split the payment** as follows:
 

_____ % or \$ _____	paid directly to <u>me</u> directly.
_____ % or \$ _____	paid in a direct <u>rollover</u> . (The rollover amount must be at least \$500.)

If you elected a direct rollover to a trustee/custodian/issuer of an Individual Retirement Arrangement (IRA) or employer sponsored plan above, you must complete the following information:

Name of IRA or Employer Plan to Receive Payment	Account Number (if known)
Name, Address and Phone Number of Trustee/Custodian	

If you listed an employer qualified plan for your rollover you must submit documentation that the plan is an employer qualified plan eligible to accept a direct rollover on your behalf under Section 401(a)(31) of the Internal Revenue Code.

- Check this box if you have elected a direct rollover to a Roth IRA. The amount of the payment rolled over will be taxed.

**Section C: Member Signature**

I understand the relationship between my benefit election(s) and income tax withholding and have consulted a tax advisor if necessary. I certify the information I provided on this form is accurate and complete. This election cancels any prior election I made under this Plan.

Member Signature X	Date
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Return this form and supporting documentation to:

SRHS Retirement Plan  
c/o MCG Consulting Group  
13725 Metcalf Avenue #423  
Overland Park KS 66223

Or via e-mail to [Troy@mcgkc.com](mailto:Troy@mcgkc.com)



Residency Information – Non-Periodic Payment

Plan Name SINGING RIVER HEALTH SYSTEM EMPLOYEE RETIREMENT PLAN

Bank/Pay Group 001-979072

**If this form is not completed and sent with payment request the payment will not be processed**  
**Please complete all items in Sections A and B**

**A. Participant Information**

Name: \_\_\_\_\_ Social Security#: \_\_\_\_\_ Date of Birth: \_\_\_\_\_  
Home/Tax Address: \_\_\_\_\_  
City: \_\_\_\_\_ State: \_\_\_\_\_ Zip Code: \_\_\_\_\_  
Mailing Address: \_\_\_\_\_  
City: \_\_\_\_\_ State: \_\_\_\_\_ Zip Code: \_\_\_\_\_

**B. Participant Residency Information**

Please check the correct tax status:

\_\_\_\_\_ U. S. Citizen/Resident Alien \_\_\_\_\_ Non-Resident Alien

Is payment to be delivered to an address or account outside the United States? \_\_\_\_\_ Yes \_\_\_\_\_ No

If you are a Non-Resident Alien, please complete the IRS Form W8-BEN by following the instructions provided, and include with the payment request. **If IRS Form W8-BEN is not included, withholding will be processed at 30% of the gross payment.**

If you are a U. S. Citizen/Resident Alien, withholding will be calculated at 20% of any Eligible Rollover Distribution paid directly to you. Additional withholding can be requested by completing IRS form W-4P.

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

Printed Name: \_\_\_\_\_

***For Fifth Third Use Only***

Input by: \_\_\_\_\_

Verified by: \_\_\_\_\_

## SPECIAL TAX NOTICE REGARDING PLAN PAYMENTS

This notice explains how you can continue to defer federal income tax on your retirement plan savings in the Plan and contains important information you will need before you decide how to receive your Plan benefits. All references to “the Code” are references to the Internal Revenue Code of 1986, as amended. This notice summarizes only the federal (not state or local) tax rules which apply to your distribution. Because these rules are complex and contain many conditions and exceptions which we do not discuss in this notice, you may need to consult with a professional tax advisor before you receive your distribution from the Plan.

### A. TYPES OF PLAN DISTRIBUTIONS

**Eligibility for rollover.** The Code classifies distributions into two types: (1) distributions you may roll over (“eligible rollover distributions”) and (2) distributions you may not roll over. See “Distributions not eligible for rollover.” below. You also may receive a distribution under which part of the distribution is an eligible rollover distribution and part is not eligible for rollover. A rollover is a payment by you or the Plan Administrator of all or part of your benefit to another plan or IRA that allows you to continue to postpone taxation of that benefit until it is paid to you (except for a rollover from a pre-tax account to a Roth IRA, described in the last paragraph of Section B below). The Plan Administrator will assist you in identifying which portion of your distribution is an eligible rollover distribution and which portion is not eligible for rollover.

**Plans that may accept a rollover.** You may roll over an eligible rollover distribution (other than Roth 401(k) plan deferrals and earnings) either to a Roth IRA (provided for distributions before January 1, 2010, your adjusted gross income for the taxable year of the distribution does not exceed \$100,000 and you are not married filing a separate income tax return), to a traditional IRA or to an eligible employer plan that accepts rollovers. An “eligible employer plan” includes a plan qualified under Code §401(a), including a 401(k) plan, profit sharing plan, defined benefit plan, stock bonus plan (including an ESOP), or money purchase plan; a §403(a) annuity plan; a 403(b) plan; and an eligible §457(b) plan maintained by a governmental employer (governmental 457 plan). **YOU MAY NOT ROLL OVER ANY DISTRIBUTION TO A SIMPLE IRA OR A COVERDELL EDUCATION SAVINGS ACCOUNT (FORMERLY KNOWN AS AN EDUCATIONAL IRA).**

**Deciding where to roll over a distribution.** An eligible employer plan is not legally required to accept a rollover. Before you decide to roll over your payment to another employer plan, you should find out whether the plan accepts rollovers and, if so, the types of distributions it accepts as a rollover. Even if a plan accepts rollovers, it might not accept rollovers of certain types of distributions, such as after-tax amounts. If this is the case, and your distribution includes after-tax amounts, you may wish instead to roll your distribution over to an IRA or to split your rollover amount between the employer plan in which you will participate and an IRA. You also should find out about any documents you must complete before a receiving plan or IRA sponsor will accept a rollover. If an employer plan accepts your rollover, the plan may restrict subsequent distributions of the rollover amount or may require your spouse’s consent for any subsequent distribution. A subsequent distribution from the plan that accepts your rollover also may be subject to different tax treatment than distributions from this Plan. Check with the administrator of the plan that is to receive your rollover, regarding subsequent distributions and taxation of the amount you will roll over, prior to making the rollover.

**Distributions not eligible for rollover.** An eligible rollover distribution means any distribution to you of all or any portion of your account balance under the Plan except: (1) a distribution which is part of a series of substantially equal periodic payments; (2) a required minimum distribution; (3) a hardship distribution; (4) an ESOP dividend; (5) a corrective distribution; or (6) a loan treated as a distribution.

*Substantially equal periodic payments.* You may not roll over a distribution if it is part of a series of substantially equal payments made at least once a year and which will last for: (1) your lifetime (or your life

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expectancy), (2) your lifetime and your beneficiary's lifetime (or life expectancies), or (3) a period of 10 years or more.

*Required minimum distributions.* Beginning in the year in which occurs the later of your retirement or your attainment of age 70½, the Code may require the Plan to make "required minimum distributions" to you. You may not roll over the required minimum distributions. Special rules apply if you own more than 5% of the Employer.

*Hardship distributions.* A hardship distribution is not eligible for rollover.

*ESOP dividends.* Cash dividends paid to you on employer stock held in an employee stock ownership plan cannot be rolled over.

*Corrective distributions.* A distribution from the plan to correct a failed nondiscrimination test or because legal limits on certain contributions were exceeded cannot be rolled over.

*Loans treated as taxable "deemed" distributions.* The amount of a plan loan that becomes a taxable deemed distribution because of a default cannot be rolled over. However, a loan offset amount is eligible for rollover, as discussed in Part C. below. Ask the Plan Administrator if distribution of your loan qualifies for rollover treatment.

**30-Day Notice Period/Waiver.** After receiving this notice, you have at least 30 days to consider whether to receive your distribution or have the distribution directly rolled over. If you do not wish to wait until this 30-day notice period ends before your election is processed, you may waive the notice period by making an affirmative election indicating whether or not you wish to make a direct rollover. Your distribution then will be processed in accordance with your election as soon as practical after the Plan Administrator receives your election.

## **B. DIRECT ROLLOVER**

**Direct rollover process.** You may elect a direct rollover of all or any portion of an eligible rollover distribution. If you elect a direct rollover, the Plan Administrator will pay the eligible rollover distribution directly to your IRA or to another eligible employer plan which you have designated. Alternatively, for the cash portion of your distribution, if any, the Plan Administrator may give you a check negotiable by the trustee or custodian of the recipient eligible employer plan or IRA. To complete the rollover, you must deliver the check to that trustee/custodian. A direct rollover amount is not subject to taxation at the time of the rollover, unless the direct rollover is from a pre-tax account to a Roth IRA. Except for a direct rollover of a pre-tax amount to a Roth IRA, the taxable portion of your direct rollover will be taxed later when you take it out of the IRA or the eligible employer plan. Depending on the type of plan, the later distribution may be subject to *different tax treatment* than it would be if you received a taxable distribution from this Plan. If you elect a direct rollover, your election form must include identifying information about the recipient IRA or plan.

**Treatment of periodic distributions.** If your Plan distribution is a series of payments over a period of less than ten years, each payment is an eligible rollover distribution. Your election to make a direct rollover will apply to all payments unless you advise the Plan Administrator of a change in your election. The Plan might not let you choose a direct rollover if your distributions for the year are less than \$200.

**Splitting a distribution/small distributions.** If your distribution exceeds \$500, you may elect a direct rollover of only a part of your distribution, provided the portion directly rolled over is at least \$500. If your distribution is \$500 or less, you must elect either a direct rollover of the entire amount or payment of the entire amount. The Plan might not let you choose a direct rollover if your distributions for the year are less than \$200.

**Change in tax treatment resulting from a direct rollover.** The tax treatment of any payment from the eligible employer plan or IRA receiving your direct rollover might be different than if you received your

benefit in a taxable distribution directly from the Plan. For example, if you were born before January 1, 1936, you might be entitled to ten-year averaging or capital gain treatment, as explained below. However, if you roll over your benefit to a 403(b) plan, a governmental 457 plan, or an IRA, your benefit no longer will be eligible for that special treatment. See the sections below entitled “10% penalty tax if you are under age 59½” and “Special tax treatment if you were born before 1936.”

**Taxation of direct rollover of pre-tax distribution to Roth IRA.** If you directly roll over a pre-tax distribution to a Roth IRA, the taxable portion of the distribution is subject to taxation for the taxable year in which the distribution occurs (except that a special taxation rule applies to distributions during 2010 that you roll over to a Roth IRA, under which the distribution can be subject to taxation ratably during 2011 and 2012). For distributions before January 1, 2010, you may not roll over a distribution from a pre-tax account to a Roth IRA if your adjusted gross income for the taxable year exceeds \$100,000. However, the adjusted gross income limit on direct rollovers from a pre-tax account to a Roth IRA does not apply to distributions after December 31, 2009.

### C. DISTRIBUTIONS YOU RECEIVE

**Taxation of eligible rollover distributions.** The taxable portion of an eligible rollover distribution which you elect to receive is taxable to you in the year you receive it unless, within 60 days following receipt, you roll over the distribution to an IRA or to another eligible employer plan.

**Withholding on eligible rollover distributions.** The taxable portion of your eligible rollover distribution is subject to 20% federal income tax withholding. You may not waive this withholding. For example, if you elect to receive a taxable eligible rollover distribution of \$5,000, the Plan will pay you only \$4,000 and will send to the IRS \$1,000 as income tax withholding. You will receive a Form 1099-R from the Plan reporting the full \$5,000 as a distribution from the Plan. The \$1,000 withholding amount applies against any federal income tax you may owe for the year. The direct rollover is the *only* means of avoiding this 20% withholding. Note that taxes and penalties with regard to the distribution may exceed the 20% withheld.

**60-day rollover option.** The direct rollover explained in Section B above is not the only way to make a rollover. If you receive payment of an eligible rollover distribution, you still may roll over all or any portion of the distribution to an IRA (including a Roth IRA, subject to the limitations described in Section A) or to another eligible employer plan that accepts rollovers.. If you decide to roll over the distribution, *you must make the rollover within 60 days of your receipt of the payment.* The portion of your distribution which you elect to roll over generally is not subject to taxation until you receive distributions from the IRA or eligible employer plan. However, see “Taxation of direct rollover of pre-tax distribution to Roth IRA,” above.

You may roll over 100% of your eligible rollover distribution even though the Plan Administrator has withheld 20% of the distribution for income tax withholding. If you elect to roll over 100% of the distribution, you must obtain *other money* within the 60-day period to contribute to the IRA or eligible employer plan to replace the 20% withheld. If you elect to roll over only the 80% which you receive, the 20% withheld will be subject to taxation.

*Example.* Assume the taxable portion of your eligible rollover distribution is \$5,000, and you do not elect a direct rollover. The Plan pays you \$4,000, withholding \$1,000 for income taxes. However, assume within 60 days after receiving the \$4,000 payment, you decide to roll over the entire \$5,000 distribution. To make the rollover, you will roll over the \$4,000 you received from the Plan and you will contribute \$1,000 from other sources (your savings, a loan, etc.). In this case, you will not have any tax liability with respect to the Plan distribution. The Plan will report a \$5,000 distribution for the year and you will report a \$5,000 rollover. When you file your income tax return, you may receive a refund of the \$1,000 withheld. If you roll over only the \$4,000 paid from the Plan, the \$1,000 you do not roll over is taxable. In addition, the \$1,000 you do not roll over may be subject to a 10% penalty tax. See “10 penalty tax if you are under age 59½” below. When you file

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your income tax return, you still may receive an income tax refund, but the refund likely will be smaller because \$1,000 of the distribution is taxable.

**Withholding on distributions not eligible for rollover.** The 20% withholding described above does not apply to any taxable portion of your distribution that is *not* an eligible rollover distribution. You may elect whether to have federal income tax withholding apply to that portion. If you do not wish to have any income taxes withheld on that portion of your distribution, or if you wish to have an amount other than 10% withheld, you will need to sign and date IRS Form W-4P, checking the box opposite line 1. The Plan Administrator will provide you Form W-4P if your distribution includes an amount that does not constitute an eligible rollover distribution. If you do *not* return the Form W-4P to the Plan Administrator prior to the distribution, the Plan Administrator will treat the failure to return the form as an *affirmative election* to have 10% withholding apply.

**10% penalty tax if you are under age 59½.** If you receive a distribution from the Plan before you reach age 59½ and you do not roll over the distribution, the taxable portion of your distribution is subject to a 10% penalty tax in addition to any federal income taxes unless an exception applies. For example, the 10% penalty tax does not apply if you separate from service with the Employer during or after the calendar year in which you attain age 55, and then receive a distribution. See IRS Form 5329 for more information on the 10% penalty tax.

If you directly roll over a pre-tax distribution to a Roth IRA, the 10% penalty will not apply to the taxable portion of the distribution. However, if a taxable amount you rolled over into a Roth IRA from a pre-tax account is distributed within five years, the 10% penalty will apply to the distribution as if the distribution were includible in gross income.

The 10% penalty tax will not apply to distributions from a governmental 457 plan, except to the extent the distribution (including earnings) is attributable to an amount you rolled over *to* that plan from another type of eligible employer plan or IRA. Any amount rolled over *from* a governmental 457 plan to another type of eligible employer plan or to a traditional IRA will become subject to the additional 10% tax if it is distributed to you before you reach age 59½, unless one of the exceptions applies.

**Government publications.** IRS Publication 575 and IRS Publication 590 provide additional information about the tax treatment of plan distributions and rollovers. These publications are available from your local IRS office, on the IRS's Internet Website at [www.irs.gov](http://www.irs.gov), or by calling 1-800-TAX-FORMS.