



### Post-DROP RETIREMENT APPLICATION CHECKLIST

THIS FORM SHOULD BE SIGNED AND RETURNED. APPLICATIONS RECEIVED WITHOUT THE PROPER PAPERWORK FILLED OUT COMPLETELY WILL DELAY PROCESSING OR BE RETURNED AS INCOMPLETE. PLEASE INCLUDE THE FOLLOWING WITH YOUR RETIREMENT APPLICATION:

**Name:**

***Forms REQUIRED for an eligible member to apply for regular retirement.***

	*Request for DROP Distribution Form.
	*Direct Rollover Request Form, if they are rolling over the DROP funds – If applicable
	*Request to transfer form from the institution accepting the DROP funds if they are rolling over the DROP funds – If applicable
	*Original Employer Form ( <i>for each current employer</i> )
	*Original Authorization for Direct Deposit Form
	*Voided Check or Letter from Bank
	*Original W4P
	*Copy of Beneficiary's Driver's License or other Government Issued Identification
	*Copy of Beneficiary's Social Security Card
	*Copy of Leave Records if converting leave
	*Please provide the member's normal work schedule. For example, M-F 8AM-5PM, 4 (10s) if shift work, please describe in detail.
<b><i>Date of Retirement and Last Date of Active Service</i></b>	
	Confirm that date of retirement and last day of active service are NOT the same.

I hereby confirm that all items on this checklist are included in this application. I acknowledge that any omissions or incomplete information may result in processing delays, or the application being returned as incomplete.

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Signature of Member

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Date

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Signature of Employer

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Date

## **RETIREMENT APPLICATION CHECKLIST EXPLAINED**

### **Original Notarized Post-DROP Retirement Application - If applicable.**

- The member must choose a benefit option in Section 2.
- If the member is married at the time of applying, the spouse is REQUIRED to sign Section 2 indicating they agree to the option regardless of which option the member chooses.
- If an option other than the Maximum is chosen, Section 3 must be completed with the beneficiary's information.
- A notary MUST complete the Notary section.

### **Request for DROP Distribution Form**

- The member must indicate if their employment will continue or terminate.
- The member must choose a payment option for the Post-DROP funds.
- The member must sign and date the form

### **Direct Rollover request form**

- Needed if member is rolling over DROP funds.
- Must be completed by the member and the financial institution accepting the forms.
- Letter of acceptance from the financial institution.

### **Original Employer Form**

- The employer MUST complete the sections labeled "to be completed by employer."
- The member and an appointing authority for the employer must sign the form.
- If a member intends to convert unused and unpaid leave to retirement credit, the number of days to convert MUST be noted on the form. Leave conversion is subject to the provisions of the employer's leave policy.

### **Original Maximum Affidavit**

- ONLY if the Maximum Option is chosen, the member and two witnesses MUST sign the form.

### **Original Direct Deposit Form**

- MUST include voided check or letter from bank.

### **Original W4P**

- Even if no taxes withheld.

### **Copy of Leave Records if converting leave**

- A copy of the members' leave records for at least the previous 12 months indicating the amount of leave available for their use at the time of retirement MUST be submitted.

### **Date of Retirement and Last Date of Active Service**

- If these dates are the same, the application will have delayed processing for further verification or be returned as incomplete.



## REQUEST FOR DROP DISTRIBUTION

## **\*\*IMPORTANT NOTICE\*\***

Before completing this form, please read the included **SPECIAL TAX NOTICE REGARDING PLAN PAYMENTS**.

MEMBER/RETIREE INFORMATION		
First Name:	Middle (or Maiden) Name:	Last Name:
Social Security Number:	Date of Birth:	Telephone:
Mailing Address:		City, State, Zip:
Email Address:		
Employer:	DROP Ending Date:	
Employment will:	Continue	Terminate

If “Continue” is chosen, do not complete #1- #3.

Federal Law permits a rollover of the lump sum DROP payment to an IRA or to another qualified retirement plan. If payment of this lump sum is not made directly to an IRA or to another qualified retirement plan, the Parochial Employees' Retirement system is required by Federal Law to withhold 20% of this payment.

**PLEASE CHECK ONE:**

1. I elect to have my lump sum DROP payment made directly to me 20% withheld in federal taxes.
  
2. I elect to rollover my lump sum DROP payment. (If this line is checked, please provide the name and address of the financial institution that will be accepting the rollover.) \*\*

<b>FINANCIAL INSTITUTION ACCEPTING THE ROLLOVER INFORMATION</b>	
Institution Name:	
Mailing Address:	City, State, Zip:

3. I elect the true annuity based upon my DROP account as computed by the System Actuary.

**Note:** At least 30 days' notice is required for processing annuity withdrawals from the System.

\*\* IF YOU ELECT TO ROLLOVER YOUR LUMP SUM, PLEASE INCLUDE THE DIRECT ROLLOVER REQUEST FORM. \*\*

We must have this form before processing your distribution.

**By signing, I hereby verify that I have read the Special Tax Notice and all the above statements are true and correct.**

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**Signature of Member/Retiree**

Date

# SPECIAL TAX NOTICE

## YOUR ROLLOVER OPTIONS

You are receiving this notice because all or a portion of a payment you are receiving from the Parochial Employees' Retirement System (the "Plan") is eligible to be rolled over to an IRA or an employer plan. This notice is intended to help you decide whether to do such a rollover.

This notice describes the rollover rules that apply to payments from the Plan that are not from a designated Roth account (a type of account with special tax rules in some employer plans). If you also receive a payment from a designated Roth account in the Plan, you will be provided a different notice for that payment, and the Plan administrator or the payor will tell you the amount that is being paid from each account. Rules that apply to most payments from a plan are described in the "General Information About Rollovers" section. Special rules that only apply in certain circumstances are described in the "Special Rules and Options" section.

## GENERAL INFORMATION ABOUT ROLLOVERS

### **How can a rollover affect my taxes?**

You will be taxed on a payment from the Plan if you do not roll it over. If you are under age 59½ and do not do a rollover, you will also have to pay a 10% additional income tax on early distributions (unless an exception applies). However, if you do a rollover, you will not have to pay tax until you receive payments later and the 10% additional income tax will not apply if those payments are made after you are age 59½ (or if an exception applies).

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### **Where may I roll over the payment?**

You may roll over the payment to either an IRA (an individual retirement account or individual retirement annuity) or an employer plan (a tax-qualified plan, section 403(b) plan, or governmental section 457(b) plan) that will accept the rollover. The rules of the IRA or employer plan that holds the rollover will determine your investment options, fees, and rights to payment from the IRA or employer plan (for example, no spousal consent rules apply to IRAs and IRAs may not provide loans). Further, the amount rolled over will become subject to the tax rules that apply to the IRA or employer plan.

### **How do I do a rollover?**

There are two ways to do a rollover. You can do either a direct rollover or a 60-day rollover.

If you do a direct rollover, the Plan will make the payment directly to your IRA or an employer plan. You should contact the IRA sponsor or the administrator of the employer plan for information on how to do a direct rollover.

If you do not do a direct rollover, you may still do a rollover by making a deposit into an IRA or eligible employer plan that will accept it. You will have 60 days after you receive the payment to make the

deposit. If you do not do a direct rollover, the Plan is required to withhold 20% of the payment for federal income taxes (up to the amount of cash and property received other than employer stock). This means that, in order to roll over the entire payment in a 60-day rollover, you must use other funds to make up for the 20% withheld. If you do not roll over the entire amount of the payment, the portion not rolled over will be taxed and will be subject to the 10% additional income tax on early distributions if you are under age 59½ (unless an exception applies).

## How much may I roll over?

If you wish to do a rollover, you may roll over all or part of the amount eligible for rollover. Any payment from the Plan is eligible for rollover, except:

- Certain payments spread over a period of at least 10 years or over your life or life expectancy (or the lives or joint life expectancy of you and your beneficiary)
- Required minimum distributions after age 70½ (or after death)
- Hardship distributions
- ESOP dividends
- Corrective distributions of contributions that exceed tax law limitations
- Loans treated as deemed distributions (for example, loans in default due to missed payments before your employment ends)
- Cost of life insurance paid by the Plan
- Contributions made under special automatic enrollment rules that are withdrawn pursuant to your request within 90 days of enrollment
- Amounts treated as distributed because of a prohibited allocation of S corporation stock under an ESOP (also, there will generally be adverse tax consequences if you roll over a distribution of S corporation stock to an IRA). The Plan administrator or the payor can tell you what portion of a payment is eligible for rollover.

**If I don't do a rollover, will I have to pay the 10% additional income tax on early distributions?** If you are under age 59½, you will have to pay the 10% additional income tax on early distributions for any payment from the Plan (including amounts withheld for income tax) that you do not roll over, unless one of the exceptions listed below applies. This tax is in addition to the regular income tax on the payment not rolled over.

The 10% additional income tax does not apply to the following payments from the Plan:

- Payments made after you separate from service if you will be at least age 55 in the year of the separation
- Payments that start after you separate from service if paid at least annually in equal or close to equal amounts over your life or life expectancy (or the lives or joint life expectancy of you and your beneficiary)
- Payments from a governmental defined benefit pension plan made after you separate from service if you are a public safety employee and you are at least age 50 in the year of the separation
- Payments made due to disability
- Payments after your death
- Payments of ESOP dividends
- Corrective distributions of contributions that exceed tax law limitations
- Cost of life insurance paid by the Plan

- Contributions made under special automatic enrollment rules that are withdrawn pursuant to your request within 90 days of enrollment
- Payments made directly to the government to satisfy a federal tax levy
- Payments made under a qualified domestic relations order (QDRO)
- Payments up to the amount of your deductible medical expenses
- Certain payments made while you are on active duty if you were a member of a reserve component called to duty after September 11, 2001 for more than 179 days
- Payments of certain automatic enrollment contributions requested to be withdrawn within 90 days of the first contribution.

**If I do a rollover to an IRA, will the 10% additional income tax apply to early distributions from the IRA?**

If you receive a payment from an IRA when you are under age 59½, you will have to pay the 10% additional income tax on early distributions from the IRA, unless an exception applies. In general, the exceptions to the 10% additional income tax for early distributions from an IRA are the same as the exceptions listed above for early distributions from a plan. However, there are a few differences for payments from an IRA, including:

- There is no exception for payments after separation from service that are made after age 55.
- The exception for qualified domestic relations orders (QDROs) does not apply (although a special rule applies under which, as part of a divorce or separation agreement, a tax-free transfer may be made directly to an IRA of a spouse or former spouse).
- The exception for payments made at least annually in equal or close to equal amounts over a specified period applies without regard to whether you have had a separation from service.
- There are additional exceptions for (1) payments for qualified higher education expenses, (2) payments up to \$10,000 used in a qualified first-time home purchase, and (3) payments after you have received unemployment compensation for 12 consecutive weeks (or would have been eligible to receive unemployment compensation but for self-employed status).

**Will I owe State income taxes?**

This notice does not describe any State or local income tax rules (including withholding rules).

**SPECIAL RULES AND OPTIONS**

**If your payment includes after-tax contributions**

After-tax contributions included in a payment are not taxed. If a payment is only part of your benefit, an allocable portion of your after-tax contributions is generally included in the payment. If you have pre-1987 after-tax contributions maintained in a separate account, a special rule may apply to determine whether the after-tax contributions are included in a payment.

You may roll over to an IRA a payment that includes after-tax contributions through either a direct rollover or a 60-day rollover. You must keep track of the aggregate amount of the after-tax contributions in all of your IRAs (in order to determine your taxable income for later payments from the IRAs). If you do a direct rollover of only a portion of the amount paid from the Plan and a portion is paid to you, each of the payments will include an allocable portion of the after-tax contributions. If you do a 60- day rollover to an IRA of only a portion of the payment made to you, the after-tax contributions are treated as rolled over last. For example, assume you are receiving a complete distribution of your benefit which totals \$12,000, of which \$2,000 is after-tax contributions. In this case, if you roll over \$10,000 to an IRA in a 60-day rollover, no amount is taxable because the \$2,000 amount not rolled over is treated as being aftertax contributions.

You may roll over to an employer plan all of a payment that includes after-tax contributions, but only through a direct rollover (and only if the receiving plan separately accounts for after-tax contributions and is not a governmental section 457(b) plan). You can do a 60-day rollover to an employer plan of part of a payment that includes after-tax contributions, but only up to the amount of the payment that would be taxable if not rolled over.

### **If you miss the 60-day rollover deadline**

Generally, the 60-day rollover deadline cannot be extended. However, the IRS has the limited authority to waive the deadline under certain extraordinary circumstances, such as when external events prevented you from completing the rollover by the 60-day rollover deadline. To apply for a waiver, you must file a private letter ruling request with the IRS. Private letter ruling requests require the payment of a nonrefundable user fee. For more information, see IRS Publication 590, Individual Retirement Arrangements (IRAs).

### **If you were born on or before January 1, 1936**

If you were born on or before January 1, 1936 and receive a lump sum distribution that you do not roll over, special rules for calculating the amount of the tax on the payment might apply to you. For more information, see IRS Publication 575, Pension and Annuity Income.

### **If you roll over your payment to a Roth IRA**

You can roll over a payment from the Plan made before January 1, 2010 to a Roth IRA only if your modified adjusted gross income is not more than \$100,000 for the year the payment is made to you and, if married, you file a joint return. These limitations do not apply to payments made to you from the Plan after 2009. If you wish to roll over the payment to a Roth IRA, but you are not eligible to do a rollover to a Roth IRA until after 2009, you can do a rollover to a traditional IRA and then, after 2009, elect to convert the traditional IRA into a Roth IRA.

If you roll over the payment to a Roth IRA, a special rule applies under which the amount of the payment rolled over (reduced by any after-tax amounts) will be taxed. However, the 10% additional income tax on early distributions will not apply (unless you take the amount rolled over out of the Roth IRA within 5 years, counting from January 1 of the year of the rollover). For payments from the Plan during 2010 that are rolled over to a Roth IRA, the taxable amount can be spread over a 2-year period starting in 2011. If you roll over the payment to a Roth IRA, later payments from the Roth IRA that are qualified distributions will not be taxed (including earnings after the rollover). A qualified distribution from a Roth IRA is a payment made after you are age 59½ (or after your death or disability, or as a qualified first-time homebuyer distribution of up to \$10,000) and after you have had a Roth IRA for at least 5 years. In applying this 5-year rule, you count from January 1 of the year for which your first contribution was made to a Roth IRA. Payments from the Roth IRA that are not qualified distributions will be taxed to the extent of earnings after the rollover, including the 10% additional income tax on early distributions (unless an exception applies). You do not have to take required minimum distributions from a Roth IRA during your lifetime. For more information, see IRS Publication 590, Individual Retirement Arrangements (IRAs).

You cannot roll over a payment from the Plan to a designated Roth account in an employer plan.

### **If you are not a plan participant.**

**Payments after death of the participant:** If you receive a distribution after the participant's death that you do not roll over, the distribution will generally be taxed in the same manner described elsewhere in this notice. However, the 10% additional income tax on early distributions and the special rules for

public safety officers do not apply, and the special rule described under the section “If you were born on or before January 1, 1936” applies only if the participant was born on or before January 1, 1936.

### **If you are a surviving spouse.**

If you receive a payment from the Plan as the surviving spouse of a deceased participant, you have the same rollover options that the participant would have had, as described elsewhere in this notice. In addition, if you choose to do a rollover to an IRA, you may treat the IRA as your own or as an inherited IRA.

An IRA you treat as your own is treated like any other IRA of yours, so that payments made to you before you are age 59½ will be subject to the 10% additional income tax on early distributions (unless an exception applies) and required minimum distributions from your IRA do not have to start until after you are age 70½.

If you treat the IRA as an inherited IRA, payments from the IRA will not be subject to the 10% additional income tax on early distributions. However, if the participant had started taking required minimum distributions, you will have to receive required minimum distributions from the inherited IRA. If the participant had not started taking required minimum distributions from the Plan, you will not have to start receiving required minimum distributions from the inherited IRA until the year the participant would have been age 70½.

### **If you are a surviving beneficiary other than a spouse.**

If you receive a payment from the Plan because of the participant’s death and you are a designated beneficiary other than a surviving spouse, the only rollover option you have is to do a direct rollover to an inherited IRA. Payments from the inherited IRA will not be subject to the 10% additional income tax on early distributions. You will have to receive required minimum distributions from the inherited IRA. Payments under a qualified domestic relations order. If you are the spouse or former spouse of the participant who receives a payment from the Plan under a qualified domestic relations order (QDRO), you generally have the same options the participant would have (for example, you may roll over the payment to your own IRA or an eligible employer plan that will accept it). Payments under the QDRO will not be subject to the 10% additional income tax on early distributions.

### **If you are a nonresident alien.**

If you are a nonresident alien and you do not do a direct rollover to a U.S. IRA or U.S. employer plan, instead of withholding 20%, the Plan is generally required to withhold 30% of the payment for federal income taxes. If the amount withheld exceeds the amount of tax you owe (as may happen if you do a 60-day rollover), you may request an income tax refund by filing Form 1040NR and attaching your Form 1042-S. See Form W-8BEN for claiming that you are entitled to a reduced rate of withholding under an income tax treaty. For more information, see also IRS Publication 519, U.S. Tax Guide for Aliens, and IRS Publication 515, Withholding of Tax on Nonresident Aliens and Foreign Entities.

### **Other special rules**

If a payment is one in a series of payments for less than 10 years, your choice whether to make a direct rollover will apply to all later payments in the series (unless you make a different choice for later payments).

If your payments for the year are less than \$200 (not including payments from a designated Roth account in the Plan), the Plan is not required to allow you to do a direct rollover and is not required to withhold for federal income taxes. However, you may do a 60-day rollover.

Unless you elect otherwise, a mandatory cashout of more than \$1,000 (not including payments from a designated Roth account in the Plan) will be directly rolled over to an IRA chosen by the Plan administrator or the payor. A mandatory cashout is a payment from a plan to a participant made

before age 62 (or normal retirement age, if later) and without consent, where the participant's benefit does not exceed \$5,000 (not including any amounts held under the plan as a result of a prior rollover made to the plan). You may have special rollover rights if you recently served in the U.S. Armed Forces.

For more information, see IRS Publication 3, Armed Forces' Tax Guide.

#### **FOR MORE INFORMATION**

You may wish to consult with the Plan administrator or payor, or a professional tax advisor, before taking a payment from the Plan. Also, you can find more detailed information on the federal tax treatment of payments from employer plans in: IRS Publication 575, Pension and Annuity Income; IRS Publication 590, Individual Retirement Arrangements (IRAs); and IRS Publication 571, Tax-Sheltered Annuity Plans (403(b) Plans). These publications are available from a local IRS office, on the web at [www.irs.gov](http://www.irs.gov), or by calling 1-800-TAX-FORM.



**Please provide a copy of the following:**

1. DROP Distribution or Refund of Contributions Form
2. Request to Transfer form with payment instructions from your financial institution.

## DIRECT ROLLOVER REQUEST FORM

Check only one:

DROP Distribution

Refund of Contributions

### TO BE COMPLETED BY INSTITUTION THAT WILL BE ROLLING OVER FUNDS:

Name of Distributing Plan: **Parochial Employees' Retirement System**

Name of Employer:

Type of Plan: **401 (a)**

Address of Plan: **7905 Wrenwood Boulevard**

City/State/Zip: **Baton Rouge, LA 70809**

Name and telephone no. of contact at distributing plan: **Kristi Spinosa (225) 928-1361**

### TO BE COMPLETED BY MEMBER REQUESTING DIRECT ROLLOVER FROM PERS:

Name of Participant (First, Last):

Social Security No.:

Date of Birth:

Telephone:

Mailing Address:

City, State, Zip:

### \*\*\*\*\*ROLLOVER "OUT" INSTRUCTIONS\*\*\*\*\*

Directly roll over all of my balance to \_\_\_\_\_ in the manner listed below:

1. Please make a check payable to \_\_\_\_\_ (name of Accepting Organization) FBO (name of the individual requesting the rollover) as a Qualified Retirement Plan under IRC Sec. 401(a).
2. Account/Plan # \_\_\_\_\_
3. Address to mail rollover payment \_\_\_\_\_

### \*\*\*\*\*AGE 73 RESTRICTION\*\*\*\*\*

If this rollover is being made during or after the year in which you turn 73, you cannot roll over any distribution which would constitute a required minimum distribution from the distributing plan. Please check with your Plan Administrator for more information about required minimum distributions.

### \*\*\*\*\*TAX NOTICE ACKNOWLEDGEMENT\*\*\*\*\*

INDIVIDUAL: I have read and understand the IRC Sec. 402(h) Notice provided to me by the Plan Administrator. I understand any conditions applicable to direct rollovers and certify that I qualify for a direct rollover of the funds listed in the "Rollover Instructions" section of this Direct Rollover Request. Due to the important tax consequences of rolling funds over to another qualified plan, I have been advised to see a tax advisor. I hereby request payment from the plan designated above in the form of a direct rollover. I assume full responsibility for this direct rollover transaction and will not hold the Plan Administrator, Trustee, Custodian, Issuer or the Parochial Employees' Retirement System liable for any adverse consequences that may result.

Member/Retiree Signature \_\_\_\_\_

DATE \_\_\_\_\_

Name of Firm Accepting Rollover

Signature of Officer Accepting Rollover

Printed Name of Officer Accepting Rollover

Title of Officer Accepting Rollover

Date





PAROCHIAL EMPLOYEES'  
RETIREMENT SYSTEM OF  
LOUISIANA

**NOTICE:**  
All changes made after the  
15th will take effect in the  
following month.

## AUTHORIZATION FOR DIRECT DEPOSIT

**Must attach a VOIDED check or Direct Deposit Authorization Form from the Financial Institution**

### BENEFIT RECIPIENT'S INFORMATION

First Name:	Middle Initial:	Last Name:
Mailing Address:		
City:	State:	Zip Code:
Last 4 Digits of SSN:		Phone Number:
Email Address:		

### ACCOUNT INFORMATION

Name of Financial Institution:		
Type of Account: <input type="checkbox"/> Checking <input type="checkbox"/> Savings		
<b>Must attach a VOIDED check or Direct Deposit Authorization Form from the Financial Institution</b>		
Account Number:	Routing Number: (Must Be 9 Digits)	
Address of Financial Institution:		
City:	State:	Zip Code:
If Joint Account, Name of Joint Signer:		

I hereby authorize Parochial Employees' Retirement System (PERS) to deposit my net benefit payment to my account at the financial institution designated above and, if necessary, to initiate withdrawals to correct erroneous deposit entries to my account listed above. I understand that it is my responsibility to notify PERS should any changes occur to the above account specified. This authorization remains in effect until another signed Authorization for Direct Deposit is completed and received by PERS terminating or changing payment instructions. By signing below, I certify the following: 1) that the entire payment amount of my direct deposit is not ultimately deposited into a financial institution outside of the U.S.; 2) that I am entitled to the payment identified herein; and 3) that I understand the provisions and obligations contained herein.

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Signature of Benefit Recipient

Date of Signature