



**DEATH BENEFIT
DISTRIBUTION CLAIM**

DEATH BENEFIT DISTRIBUTION CLAIM

INSTRUCTIONS AND OPTIONS

Your distribution options depend on whether the participant died before or after their Required Beginning Date (RBD). The RBD is April 1st of the calendar year following the calendar year in which the participant reaches (or would have reached) age 70½.

Death before RBD

If the participant dies prior to reaching the RBD, there are two options for distributions:

- a.) Payments must begin by the end of the calendar year following the calendar year of the date of death. The payments are made based on the beneficiary's life expectancy using the IRS single life expectancy table.

OR

- b.) If not using method "a", or there is no Designated Beneficiary, the account must be distributed by the end of the calendar year of the 5th anniversary of the date of death.

Death after RBD

If the participant dies after reaching the RBD, payments must begin by the end of the calendar year following the calendar year of the date of death. The payments are based on the longer of:

- a.) The beneficiary's life expectancy

OR

- b.) The remaining life expectancy of the deceased participant reduced by "1" each year. This is the only option if there is no Designated Beneficiary.

Special Rule for Spousal Beneficiaries

A spousal beneficiary may elect to defer taking distributions until the deceased participant would have turned age 70½.

Who is a Designated Beneficiary?

A Designated Beneficiary is an identifiable person or certain types of trusts. Estates and charities are not considered Designated Beneficiaries.

Additional Note if Participant Died after RBD

Unless it was already distributed, the applicable RMD for the year of death must be taken.

Can I Roll Over the Account?

Yes. The distribution rules vary for spousal and non-spousal beneficiaries.

Keep in mind

Unless the spouse or non-spousal beneficiary requests to begin their distributions at a later date, payments to the beneficiary must begin by December 31 of the calendar year following the year of the participant's death, or the Five-Year Rule applies.

NOTE: It is important that you discuss the income tax rules with your own tax advisor before making any final decisions regarding your inherited Plan account.

BENEFIT PAYMENTS TO A BENEFICIARY WHO IS A NON-INDIVIDUAL

When Must Benefits Begin

If the Participant was **less than age 70½** when he or she died, benefit payments to a non-individual beneficiary, such as a charity, trust or institution, may be delayed until December 31st in the fifth year following the Participant's death. The entire balance of the Participant's Plan account must be paid to the non-individual beneficiary no later than December 31st of the fifth year, even if the initial payment is delayed until that date.

If the Participant was **age 70½ or older** when he or she died and had begun to receive benefit payments from the Plan, benefit payments to a non-individual beneficiary may be delayed until December 31st of the calendar year immediately following the calendar year in which the Participant's death occurred. Benefit payments may be made over a period of time not to exceed the remaining life expectancy of the Participant had he or she not died as determined from an actuarial table prepared by the United States Department of the Treasury.

BENEFIT PAYMENT OPTIONS

There are numerous ways in which you may receive your benefit payments. You may take a one-time Full Distribution of the Plan Account balance, a Partial Distribution of the Plan Account balance, establish regular Periodic Payments of benefits or defer receiving your benefits until a later date or when distributions are required by law. As long as there is a balance in the Plan Account, you may change your payment option by contacting the HELPLINE or an Account Executive. The following is a brief description of each benefit payment option.

Full Distribution

This option provides that the entire Plan Account balance be paid to you in one Lump Sum. Should you take a Lump Sum payment you will no longer be a Participant in the NYSDCP.

Partial Distribution

This option provides for a Partial Lump Sum payment of the Plan Account balance. The remainder may be paid through regular Periodic Payments that you select. You may also defer payment of the remainder of the Plan Account balance and take additional Partial Lump Sum payments when you need additional funds, subject to the time limitations during which you may receive benefit payments as previously outlined. Up to 12 additional Partial Distributions may be taken each year and each must be at least \$100.

Periodic Payments

This option allows you to establish a regular payment schedule for distributions. You may select Periodic Payments to be made monthly, quarterly, semi-annually or annually.

If you select a Periodic Payment option, you should be aware of the following:

- A Fixed Dollar payment involves the selection of a specific dollar amount to be received in a designated frequency. The minimum Fixed Dollar distribution is \$100 per payment. Payments continue in the same amount until the account balance is exhausted or you die. An additional annual payment will be paid to any beneficiary with Fixed Dollar payments who have not received their Required Minimum Distribution (RMD). An additional payout option to evenly distribute their RMD over the course of the year is also available.
- For a Fixed Period payment, the amount of each benefit payment will be calculated by dividing your Account balance on the date of the payment by the number of payments remaining. Depending on the change in the market value of your Account, the benefit payment may change with each payment. Should the calculated benefit payment be less than \$100, a \$100 minimum payment will be made.
- If your Account has more than one fund, the Periodic Distribution amount will be prorated among each of the funds in your Account, or you may elect to have payments taken from the Stable Income Fund only.
- The period of time over which distributions may be received cannot exceed your life expectancy established in the Single Life Expectancy table that is prepared by the United States Department of the Treasury. Information regarding the life expectancy of a person of your age and situation can be obtained by calling the HELPLINE at

1-800-422-8463 and speaking to a HELPLINE Representative or Account Executive, or you can access the table on the Plan Web site at www.nysdep.com.

CHANGING YOUR BENEFIT PAYMENT OPTION

While you are a Participant in the Plan, you may change your benefit payment schedule at any time by completing a Benefit Distribution Change form. Benefits can be increased or decreased or Partial Distributions may be taken in addition to your regular Periodic Payment if you need additional funds.

BENEFIT START DATE

Another important decision you must make is the date you would like your distribution to process. Generally the distribution will process within one to two business days of receipt of the form, so long as the form is in good order. If you are requesting a Periodic Payment, all future benefit distributions will process on the same date as the start date of the original distribution. However, if you would like to specifically choose the original distribution start date, please indicate the date on the form.

TAX WITHHOLDING

The amount of federal and state income tax that is withheld depends on which benefit payment option you select.

The following distribution options are subject to a mandatory 20% federal income tax withholding:

- Full or Partial Lump Sum Distributions
- Periodic Payments of less than ten years (except when this is a Required Minimum Distribution)

The following distribution options are subject to a 10% federal income tax withholding:

- Periodic Payments scheduled to continue for ten years or more
- Required Minimum Distributions

Please note: The 10% federal income tax withholding is not mandatory and can be adjusted to either a higher or lower amount. After the close of the year, a 1099R form will be sent to you for tax reporting purposes.

If you need more information concerning federal income tax withholding, please review the enclosed Special Tax Notice Regarding Plan Payments.

The Plan does not withhold for state income tax purposes unless you request a withholding rate for your state of residence.

New York State residents who are at least age 59½ are entitled to a New York State income tax deduction of up to \$20,000 per year on Periodic Payments received from their Plan Account.

DIRECT DEPOSIT

You may have your payments automatically deposited to your checking, savings or credit union account if your financial institution is a member of the Automatic Clearing House (ACH).

Generally speaking, a brokerage house or investment firm is not part of the ACH. They may, however, have a relationship with a member of the ACH and may be able to accept direct deposits. If you wish to use direct deposit for such an account, you must contact the institution and ensure you have all the necessary coding and documentation for an ACH transaction.

ADDITIONAL IMPORTANT NOTES

- If a Full Distribution is not selected, you may continue to transfer existing Plan investments from one investment fund to another while continuing to share in the performance of the fund(s).
- If you are a Spousal Beneficiary, you are able to designate a beneficiary.
- If you are an Alternate Payee or a Non-Spousal Beneficiary, you are not eligible to designate another beneficiary. Any account balance remaining at your death will be paid to your estate.

THERE IS HELP IF YOU NEED IT

We urge you to review this package carefully and to weigh all of your options before selecting your Benefit Distribution Option. While we do not give tax or legal advice, Representatives are available to assist you with this important decision by calling the HELPLINE at 1-800-422-8463.



DEATH BENEFIT DISTRIBUTION CLAIM

PARTICIPANT INFORMATION

Participant's Name (Please Print) _____ Participant's Social Security Number _____ Date of Participant's Death _____

BENEFICIARY INFORMATION

Beneficiary's Name (Please Print) _____ Relationship to Participant _____ Beneficiary's Social Security Number _____

Beneficiary's Address _____ Beneficiary's Date of Birth _____

City _____ State _____ Zip _____ Beneficiary's Phone Number _____

Each beneficiary is entitled to only the percentage of the account that was designated by the Participant.

BENEFIT PAYMENT OPTIONS (choose one)

I am not required to receive a benefit payment at this time and I wish to defer payments to a later date.

(Please check one option below and then proceed to the Authorization section)

- As a spousal beneficiary whose spouse was younger than 70½ at the time of death, I am entitled to defer my initial payment until December 31st of the calendar year immediately following the calendar year in which the Participant's death occurred, or until December 31st in the year that the Participant would have attained 70½, whichever is later.
- As a spousal beneficiary whose spouse was 70½ or older at the time of death, I am entitled to delay my initial payment until December 31st of the calendar year immediately following the calendar year in which the Participant's death occurred.
- As a non-spousal beneficiary, I can defer my initial payment until December 31st of the calendar year immediately following the calendar year in which the Participant's death occurred.

Distribution Setup

Full Distribution: A Full Distribution will deplete your Plan account from all money types in one Lump Sum. The earliest this can be received is 45 days after the date of the Participant's death. It will be sent as a check and is not eligible for direct deposit. *Please proceed to Tax Withholding section.*

Partial Distribution: Effective upon receipt. This can be done in combination with Periodic Payments.

Amount: \$ _____

Periodic Payments: Please select one option only.

- a. Fixed Dollar Amount of \$ _____ **OR** Fixed Time Period of _____ years
- b. Frequency: Monthly Quarterly Semi-annually Annually
- c. Start Date: ____/____/____ (mm/dd/yyyy) *If a start date is not provided, the distribution start date will be the date your request is processed and therefore all subsequent distributions will process on the same date.*

Note: If you are age 70½ or older, you may be required to receive a Required Minimum Distribution (RMD). If you selected Periodic Payments and you do not meet your RMD, an additional check will be sent to you to meet your RMD during the calendar year.

For Partial or Periodic Distributions, please complete the items below:

Select Money Type

Pre-Tax Roth Rollover

If a Money Type is not selected, the distribution will be withdrawn from Pre-Tax funds. Please note that amounts taken from Roth or Rollover may have an additional 10% tax withholding.

Fund Distribution

Stable Income Fund Only Prorated from All Investments

Please note that if an option is not selected, or if the Stable Income Fund is selected but cannot fully fund the request, the distribution will be completed prorated from all investments.

Transfer Assets to another Eligible Retirement Account

(Please complete this section, and then proceed to the Authorization Section)

Transfer my full Plan Account Balance.

OR

Transfer part of my Plan Account Balance. Amount: \$ _____

Make check payable to: _____
Financial Institution

For Benefit of: _____
Name of Beneficiary

NOTE: A rollover institution representative must sign or provide a general letter of acceptance or your transaction will be delayed.

Please note that the check will be sent directly to the beneficiary address on record.

We sponsor a plan eligible under the Internal Revenue Code 457(b), 401(a), 401(k), 403(b), or an IRA account, and the plan (sponsor) receives direct rollovers.

Name of Authorized Personnel

Signature of Authorized Personnel of Accepting
Financial Organization

Direct Deposit Instructions (Not available for a Full Distribution)

Check only one option: * Checking Account Savings Account

* Please note: You must include verification from your bank confirming your account number and ABA number (ex: voided check for checking account or letter from bank confirming savings account and ABA number).

Bank/Credit Union Name Account Number

ABA NUMBER (First nine digits only) I: /_/_/_/_/_/_/_/_/_/ I:

Your ABA number appears at the bottom of your checks between the markings indicated above.

Bank or Credit Union Telephone Number: () _____

Note: Direct Deposit is only offered through members of the Automatic Clearing House (ACH).

Is this account associated with a brokerage firm or other investment firm? Yes No

If yes, have you confirmed that the ABA and account numbers are correct? Yes No

STAPLE VOIDED CHECK HERE

TAX WITHHOLDING

Federal Withholding: Indicate your distribution method by choosing option A or B.

A. **I am taking Periodic Payments of less than ten years, a Full Distribution or a Partial Distribution.**

The IRS requires the Plan to withhold 20% of the distribution. If you want the Plan to withhold a greater amount, please indicate that amount below:

_____% (any whole percentage above 20%)

B. **I am taking Periodic Payments of 10 years or longer or a Required Minimum Distribution.**

The IRS does not require a specific withholding rate. 10% will be withheld unless you choose an option below:

Please do not withhold taxes

I request a withholding rate **other** than 10%: _____% (any whole percentage)

State Withholding: The Plan is not required to withhold for state income tax purposes. If you want a portion of your distribution withheld for state income taxes, please complete the following:

I request a withholding rate of _____% for the State of _____.

I understand I have a right to receive and review the Special Tax Notice Regarding Plan Payments no less than 30 days and no more than 180 days prior to this distribution. However, if I elect to receive this distribution before the end of the 30-day minimum notice period, this election shall constitute a waiver of my rights to the 30-day notice requirement.

AUTHORIZATION

I hereby authorize the Plan's trustee to initiate automatic deposits from the Plan to the account referenced above with the financial institution named above. This authority will remain in effect until I have given the Plan written notice that I have terminated the above referenced account or until I have been notified that this deposit service has been terminated. I understand that I must give the Plan sufficient advance notice to allow for processing of these instructions. If an incorrect amount should be entered into my account by the Plan, I authorize the Plan to direct my bank to make the appropriate credit or debit adjustment.

I understand that mutual funds may impose a short-term trade fee and that I should read the underlying prospectuses carefully for more information.

I have read the instructions and understand the requirements. I understand that I may be subject to civil and criminal liability for any false statements on this form or any papers attached to or related to this form or my claim under the Plan.

Beneficiary's Signature

Date

Please return this form and a Certified Copy of the Participant's Death Certificate to:

New York State Deferred Compensation Plan
Administrative Service Agency
P.O. Box 182797
Columbus, OH 43218-2797

Overnight Address: New York State Deferred Compensation Plan
Administrative Service Agency, DSPF-F2
3400 Southpark Place, Suite A
Grove City, OH 43123-4856

Did you remember to:

- Select a payment method, frequency, and start date?**
- Include a voided check, if you are requesting direct deposit?**
- Sign and date the form?**
- Include all pages in the return envelope?**
- Include a Certified Death Certificate?**
- Allow up to three to four weeks for this change to be effective?**

