



# Application Packet Cover Sheet

## Fire & Police Pension Association of Colorado

FPPAco.org • 5290 DTC Parkway, Suite 100 • Greenwood Village, Colorado 80111-2721  
(303) 770-3772 in the Denver Metro area • (800) 332-3772 toll free nationwide • (303) 771-7622 fax

<i>For Members Of The</i>	<b>Statewide Defined Benefit Plan</b>						
<i>Application</i>	<b>Termination Packet</b>						
<i>Applying For</i>	<b>Normal, Vested or Early Retirement Exiting DROP</b>						
	<p><b>This Packet Applies To:</b> Members who have participated in the Deferred Retirement Option Plan (DROP) and are now ready to leave the job and exit the DROP.</p> <p><b>Please Remember:</b></p> <ul style="list-style-type: none"> <li>• Keep and submit the forms together in the groups outlined below.</li> <li>• Have your signature notarized, where applicable.</li> </ul> <p><b>Questions?</b> Contact an FPPA Retirement Coordinator at the phone numbers listed above.</p> <p><b>Send all completed forms to:</b> FPPA Retirement Coordinator at the address listed above.</p> <p><i>Please make copies for your files of the forms you fill out prior to submitting them to FPPA.</i></p>						
<b>Forms &amp; Publications</b>	<p>In this application packet you will find the following forms and information needed to process your application. <i>Check the box to the LEFT as you complete each of the forms.</i></p>						
	<table border="0" style="width: 100%;"> <tr> <td style="width: 15%;"></td> <td style="width: 70%;">Instruction Memo</td> <td style="width: 15%; text-align: right;"><b># of Pages</b></td> </tr> <tr> <td></td> <td></td> <td style="text-align: right;">1</td> </tr> </table>		Instruction Memo	<b># of Pages</b>			1
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<input type="checkbox"/>	Electronic Funds Transfer/Direct Deposit <span style="float: right;">1</span>						
<b>GROUP B</b>	Money Purchase Component and Deferred Retirement Option Plan (DROP) Information <span style="float: right;">2</span>						
<input type="checkbox"/>	FPPA Defined Benefit System Termination of DROP Participation <span style="float: right;">1</span>						



# Application Packet

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<b>Forms &amp; Publications</b>	In this application packet you will find the following forms and information needed to process your application. <i>Check the box to the LEFT as you complete each of the forms.</i>	<b># of Pages</b>
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<input type="checkbox"/>	Withholding/Rollover Election Form For Eligible Rollover Distributions	1
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	Special Tax Notice Regarding Plan Payments	4
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## Instructions Memo

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Congratulations on your retirement! You have worked a long time to get to this point and FPPA wants to make this application process as simple as possible.

In order to assist you we have put together the following information packet. We have grouped the forms together according to the type of distribution (i.e. pension, SRA, DROP, or 457 deferred compensation.). When you submit the completed forms please keep them grouped together by the type of distribution. This is necessary because some of the forms are exact duplicates and it is important that we apply the appropriate forms to each benefit.

The enclosed Special Tax Notice Regarding Plan Payments applies to an SRA distribution only.

Please read the following instructions carefully and adhere to any specific deadlines.



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## GROUP A - Retirement - Defined Benefit Information

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You may begin receiving your monthly pension benefit via direct deposit in the month following the month of your termination of participation in the DROP.

The defined benefit amount you will receive was determined at the time you elected to enter the DROP and was based on your retirement benefit calculation and the benefit option that you elected.

Pension payroll is issued on the 21st of each month. If the 21st falls on a weekend or holiday, the payroll is issued on the last business day prior to the 21st.

To begin your pension payments, the following forms need to be completed and returned to FPPA. All forms must be received by the 10th of the month to be included in the current month's payroll cycle.

#### *Form W-4P – Monthly Pension Distributions*

This is your tax withholding election form for your monthly pension. This form is mandatory. Until it is received, FPPA is required by the IRS to withhold taxes at a rate of married with three (3) deductions. This pension is fully taxable. Please contact your tax advisor if you have questions concerning the appropriate amount to withhold.

#### *Electronic Funds Transfer / Direct Deposit*

FPPA requires that your monthly pension payment be directly deposited into your bank or credit union account(s). The information on this form is necessary to establish the direct deposit. Each month you will receive a Deposit Advice showing the amount of the deposit, deductions, etc.

If you do not wish to have your payment directly deposited into your account, you may apply for a waiver for good cause. The waiver form may be obtained by calling the FPPA office.

In the future, if you choose to change your tax withholding or direct deposit account, the forms are available from FPPA's office or web site ([www.fppaco.org](http://www.fppaco.org)). Changes received by the 10th of the month will be included in the current month's payroll cycle.

**FPPA**

Fire & Police Pension Association  
 5290 DTC Parkway  
 Greenwood Village, Colorado 80111  
 (303) 770-3772 or toll free (800) 332-3772  
 www.FPPAco.org

FEDERAL / STATE  
 Withholding Certificate for  
 Pension or Annuity Payments

Form W-4P  
 Monthly Pension  
 Distributions

		XXX-XX- <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/>
▲Type or print your full name		▲Your social security number (last 4 digits only)
▲Address		▲Area code and telephone number
▲City or town, state, and ZIP code		▲Email Address

**DIRECTIONS** Please select **ONLY ONE** of the options listed below.  
 Please complete all of the information requested for the option you select.

**OPTION A** I elect to have **NO STATE OR FEDERAL TAXES WITHHELD.**

**OPTION B** I elect to have the following amount withheld for **FEDERAL TAX** each month  
  
 \$ \_\_\_\_\_ (Please enter a dollar amount above. Percentage figures cannot be accepted.)

I elect to have the following amount withheld for **COLORADO STATE TAX** each month  
 \$ \_\_\_\_\_ (Please enter a dollar amount above. Percentage figures cannot be accepted.)

**OPTION C** I elect to have my monthly tax withholding figured using the number of allowances and the marital status shown below.

FEDERAL TAX	COLORADO STATE TAX
<ul style="list-style-type: none"> <li>• Marital Status  <input type="checkbox"/> Married <input type="checkbox"/> Single</li> <li>• Total number of allowances _____</li> <li>• Additional Amount (optional)            \$ _____            (Dollar amount only. No percentages.)</li> </ul>	<ul style="list-style-type: none"> <li>• Marital Status  <input type="checkbox"/> Married <input type="checkbox"/> Single</li> <li>• Total number of allowances _____</li> <li>• Additional Amount (optional)            \$ _____            (Dollar amount only. No percentages.)</li> </ul>
<input type="checkbox"/> <b>Do not withhold.</b>	<input type="checkbox"/> <b>Do not withhold.</b>

\_\_\_\_\_  
 Signature of Pensioner or Legal Representative

\_\_\_\_\_  
 Date

**For office use only**

## ELECTRONIC FUNDS TRANSFER / DIRECT DEPOSIT

\_\_\_\_\_  
Last Name (please print)      \_\_\_\_\_  
First Name      \_\_\_\_\_  
Middle Initial      \_\_\_\_\_  
Social Security Number (last 4 digits)      XXX-XX-

\_\_\_\_\_  
Mailing Address      \_\_\_\_\_  
Email Address      \_\_\_\_\_

\_\_\_\_\_  
City      \_\_\_\_\_  
State      \_\_\_\_\_  
Zip      \_\_\_\_\_  
Phone Number      (\_\_\_\_\_) - \_\_\_\_\_ - \_\_\_\_\_

### Direct Deposit Bank Information

- You may have your benefit payment deposited in up to five accounts. Use another sheet for more than two accounts.
- You must be an authorized signer on all accounts listed.
- **Power Of Attorney Information:** If you have power of attorney for an FPPA member, you must include a certified copy\* of the power of attorney documents before this form can be processed.  
\* A copy that is compared to the original document and attested to by a notary.

Please attach a voided check or deposit slip for EACH account listed.

1. Bank Name \_\_\_\_\_ Checking  - OR - Savings   
Account # \_\_\_\_\_ Account Routing # \_\_\_\_\_  
Deposit the Full Amount  - OR - Amount to Deposit \$ \_\_\_\_\_

2. Bank Name \_\_\_\_\_ Checking  - OR - Savings   
Account # \_\_\_\_\_ Account Routing # \_\_\_\_\_  
Deposit the Full Amount  - OR - Amount to Deposit \$ \_\_\_\_\_

### Deposit Advice Mailing Options

When selecting your mailing option, please remember retirees may access all of their pension benefit information including deposit advices 24 hrs a day / 7 days a week by logging on to the Member Account Portal (MAP) located on the FPPA web site at www.FPPAco.org. Your option election may be changed at any time (by form or on MAP).

- Option A Deposit Advice Mailed ONLY When Net Amount Changes** - No Monthly Fee Charged  
Deposit advices will be mailed only in the event of a change in the net benefit amount.
- Option B Deposit Advice Mailed Monthly** - \$3.00 Monthly Mailing Fee Charged  
Retirees will be mailed a deposit advice and have a \$3.00 Monthly Mailing Fee deducted from their pension benefit amount every month regardless if there is a change in the net benefit amount or not.
- Option C Deposit Advice Never Mailed** - No Monthly Fee Charged  
Retirees will not receive a deposit advice monthly regardless if there is a change in the net benefit or not.

I hereby authorize the FPPA to automatically deposit my pension payment into the account(s) listed. I understand that my benefit payment will be credited to my account(s) on the 21st of each month. If that date occurs on a weekend or holiday, my account will then be credited on the preceding business day.

\_\_\_\_\_  
Signature of Retiree or Legal Representative      \_\_\_\_\_ / \_\_\_\_\_ / \_\_\_\_\_  
Date

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**GROUP B -  
Deferred Retirement Option Plan (DROP) and  
Separate Retirement Account (SRA)  
Transferred to Fidelity & Information**

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Due to the date of your termination and the timing of the receipt of final contributions, funds invested at Fidelity may not be available for distribution for approximately 30-90 days after separation of service.

**FPPA Defined Benefit System Termination of DROP Participation**

This form is mandatory and must be completed before any distributions can take place. If you received this form from your employer and have already completed and returned it to FPPA, there is no need to complete it again. If not, please complete and return the enclosed copy. This notifies FPPA that you are no longer an active employee and are therefore eligible to take distribution of your retirement pension, SRA, DROP and 457 Deferred Compensation, if applicable. This form must be signed by you and your employer.

If you choose to begin distribution of the funds in your account at this time, please contact Fidelity Investments at the number listed below to choose your withdrawal date and method of payment and to request distribution form(s). Once you receive the distribution form(s) from Fidelity, please sign and forward to FPPA for approval.

**Fidelity Investments - 1-800-343-0860**

Retirement Specialists are available Monday-Friday 6:00 a.m. to 10:00 p.m. MST

You may choose from a variety of benefit payment options; each option will have various tax consequences, depending on your particular situation. Please seek qualified tax advice before making your selection.

Your payment options are:

1. defer payment(s) from your account until a later start date with the latest possible benefit commencement date as April 1st of the calendar year following the year in which you turn 70 ½;
2. a lump sum payment;
3. periodic payments designating an amount;
4. periodic payments for a designated period of time;
5. IRS life expectancy calculation for minimum distribution;
6. a combination of lump sum and periodic payments; or
7. an annuity.
8. purchase a monthly FPPA defined benefit (contact an FPPA Retirement Coordinator for estimates, forms and procedures).

NOTE: Periodic payments are not guaranteed for life and are made for as long as there is money in your DROP or SRA account.

The entire balance in your DROP account is taxable and is, therefore, eligible for a rollover to another eligible employer plan, traditional IRA or tax-sheltered annuity.

# **FPPA** Application Packet

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- continued -

Eligible employer plans include: 401(a), 401(k), 403(b), and 457(b) (governmental plans only). An eligible employer plan is not legally required to accept a rollover. Before you decide to roll over your before-tax contributions to another eligible employer plan, you should find out whether the plan accepts rollovers and, if so, the types of distributions it accepts as a rollover. You should also find out about any documents that are required to be completed before the receiving plan will accept a rollover. Your before-tax contributions are considered a 401(a) retirement plan.

To purchase a monthly benefit, you may elect to transfer all or a part of your account balance from the DROP and/or your SRA account balance to the Defined Benefit to purchase an additional fixed lifetime monthly benefit. (Funds may not be transferred from outside the Statewide Defined Benefit Plan to purchase a monthly benefit.) At retirement or separation of service, whichever comes later, you may make a one-time irrevocable election to purchase the benefit. The purchase must be in one lump sum.





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## GROUP C - Separate Retirement Account (SRA) Information

This section applies to SRA funds held at FPPA only. For funds held at Fidelity, please refer to Group B.

Upon retirement you are eligible to receive the funds in your SRA. You may elect to commence benefits at any time but payments must begin no later than the year in which you turn age 70 ½.

**If you fail to make a timely payment option election, FPPA shall distribute the balance of the SRA in a lump sum at age 70 ½.** Attached are the necessary forms and information to complete the process. Again, please keep completed forms grouped together by type of distribution. This is necessary because some of the forms used for the SRA and pension are duplicates and it is important that we apply the appropriate forms to each benefit.

### *Special Tax Notice Regarding Plan Payments*

This is included for your information only. It does not need to be returned to FPPA. Please read this Special Tax Notice Regarding Plan Payments carefully! If you have tax questions that are not addressed in this document you are encouraged to consult your tax advisor. The entire balance in your SRA is taxable and is, therefore, eligible for a rollover to another eligible employer plan, traditional IRA or tax-sheltered annuity.

Eligible employer plans include: 401(a), 401(k), 403(b), and 457(b) (governmental plans only). An eligible employer plan is not legally required to accept a rollover. Before you decide to roll over your before-tax contributions to another eligible employer plan, you should find out whether the plan accepts rollovers and, if so, the types of distributions it accepts as a rollover. You should also find out about any documents that are required to be completed before the receiving plan will accept a rollover. Your before-tax contributions are considered a 401(a) retirement plan.

### *SRA Distribution Payment Option Selection*

This form is required for distribution of the SRA. The payment options are listed on this form. Please read this form carefully then complete Parts A and B. Your signature must be notarized in Part C.

### *Withholding/Rollover Election Form*

This form is only necessary if you elect to roll over any portion of your SRA. Please refer to the form for more specific instructions. If FPPA does not receive this form with your SRA Distribution Payment Option Selection form, we will assume that you do not want to roll over any portion of your SRA.

In the event you elect to roll over any part or all of your SRA, you will receive a check for the amount of the rollover, made payable to the trustee of your new plan. You will then be responsible for delivering the check to your new plan. If you choose to roll your SRA to Fidelity, FPPA will roll the funds for you. Any portion of your SRA that is not rolled over will be paid to you in accordance with your payment option, less any withholding.

### *Form W-4P Tax Withholding*

If you elect to roll over all of your SRA, you do not need to complete this form. Otherwise, please read the form carefully, complete and sign it. (This pertains to the portion of your account that is not paid as a direct rollover.) The SRA is fully taxable as you receive the funds.

### *Electronic Funds Transfer / Direct Deposit*

Any part of your SRA paid directly to you may be directly deposited into your bank or credit union account. Please complete and sign this form and attach a copy of your deposit slip or cancelled check for the account(s) listed.

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## SEPARATE RETIREMENT ACCOUNT (SRA) DISTRIBUTION Payment Option Selection

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### PART A - GENERAL INFORMATION

\_\_\_\_\_  
Last Name *(please print)*

\_\_\_\_\_  
First Name

\_\_\_\_\_  
Middle Initial

\_\_\_\_\_  
Mailing Address

\_\_\_\_\_  
Apt #

\_\_\_\_\_  
City

\_\_\_\_\_  
State

\_\_\_\_\_  
Zip

( \_\_\_\_\_ ) \_\_\_\_\_  
(Area Code) Home Telephone

( \_\_\_\_\_ ) \_\_\_\_\_  
(Area Code) Work Telephone

\_\_\_\_\_/\_\_\_\_\_/\_\_\_\_\_  
Social Security Number

\_\_\_\_\_/\_\_\_\_\_/\_\_\_\_\_  
Date of Birth (Month/Day/Year)

\_\_\_\_\_/\_\_\_\_\_/\_\_\_\_\_  
Retirement Date (Month/Day/Year)

\_\_\_\_\_  
Employer

As a retired member you may elect a distribution from your Separate Retirement Account (SRA).

- If you plan to take your SRA in on-going periodic payments (i.e. monthly or quarterly, etc.) your account must be first transferred to FPPA's outside recordkeeper, Fidelity Investments®. Once the funds are transferred to Fidelity, you may establish your periodic payment. You will also be responsible for self-directing the investment of the SRA; a variety of investment options are available.
- If you plan to take a lump sum or a partial lump sum (either as direct payment to you or as rollover to an outside investment) you may leave the funds invested with FPPA and FPPA will issue the lump sum payment(s). While the funds are housed at FPPA they will remain invested in the FPPA Member's Benefit Investment Fund.
- If you are not planning to take a distribution or a rollover at this time, you may still elect to have your SRA transferred to Fidelity for self-direction of your investments or you may leave it invested with FPPA.

**Please note:** If you return to work as a member of the Statewide Defined Benefit Plan with the same employer and have an SRA invested with FPPA; it will be transferred to Fidelity; any future SRA allocations will be deposited into a new SRA. (This is to protect the initial SRA from any potential future roll-backs that may be required to fund the SWDB plan.)

Each of the following elections will have various tax consequences, depending on your particular situation. Please seek qualified tax advice before making your selection.

You may choose to commence benefits at any time but payments must begin no later than the year in which you turn age 70½. **If you fail to make a timely payment option election, the funds shall be distributed in a lump sum at age 70½.**

**PART B - ELECTION** Check only ONE box on these two pages.**SECTION 1 - Payment options for funds held at FPPA.****Instructions: Check ONLY ONE box on these two pages.**

Then sign your name at the bottom of Page 3 in the presence of a notary.

**Full Payment**

- a. **Paid Directly To Me**  
I elect to have my entire account balance paid directly to me.  
If you select this option, please complete the following enclosed forms;  
• W4-P  
• & if applicable, Electronic Funds Transfer (EFT)

- b. **Rolled Over To A Qualified Plan**  
I elect to have my entire account balance rolled over to a qualified plan.  
If you select this option, please complete the following enclosed form;  
• Withholding/Rollover Election

- c. **Partially Paid Directly To Me / Partially Rolled Over To A Qualified Plan**  
I elect to have a portion of my account balance rolled over to a qualified plan and a portion paid directly to me.  
If you select this option, please complete the following enclosed forms;  
• Withholding/Rollover Election  
• W4-P  
• & if applicable, Electronic Funds Transfer (EFT)

**Partial or Deferred Payment**

- a. **Partially Paid Directly To Me / Remainder To Remain Invested With FPPA**  
I elect to have a portion of my account balance paid directly to me. The remaining balance is to remain at FPPA.  
If you select this option, please complete the following enclosed forms;  
• Withholding/Rollover Election  
• W4-P  
• & if applicable, Electronic Funds Transfer (EFT)

- b. **Partially Rolled Over To A Qualified Plan / Remainder To Remain Invested With FPPA**  
I elect to have a portion of my account balance rolled over to a qualified plan. The remaining balance is to remain at FPPA.  
If you select this option, please complete the following enclosed form;  
• Withholding/Rollover Election

- c. **Deferred Payments**  
I elect to defer payment of my account balance. I understand that I may begin payment of my account at any time after I terminate service, but no later than the latter of:
1. April 1st of the calendar year following the calendar year in which I attain 70 ½.
  2. 60 days after the date on which I separate service with the employer.

**For Retirement Benefits Only**

Please note: You may also elect to use all or a portion of your SRA account balance for the Purchase of a Monthly Lifetime Benefit. The converted monthly benefit will be considered a portion of your retirement pension under the payment option you have chosen. This choice is only available at the time of separation of service.

Please contact an FPPA Retirement Coordinator if you would like to explore this option.

**SECTION 2 - Payment options for funds held at FPPA to be transferred to Fidelity.**

**Instructions: Check ONLY ONE box on these two pages.**

Then sign your name at the bottom of this page in the presence of a notary.

**Full Transfer**

a. **Entire Balance Transferred To Fidelity**  
I elect to transfer my entire account balance to Fidelity. (I understand that I will self-direct my investments.)

- No additional forms needed.

**Partial Payment and Transfer**

b. **Partially Paid Directly To Me -OR- Rolled Over To A Qualified Plan / Remainder Transferred To Fidelity**  
I elect to have a portion of my account balance paid directly to me or rolled to a qualified plan and the remaining funds transferred to Fidelity. (I understand that I will self-direct my investments.)

If you select this option, please complete the following enclosed forms;

- Withholding/Rollover Election
- W4-P

You will be responsible for self-directing the investments of your SRA. The funds will be transferred to a default fund which is the Wells Fargo Advantage DJ Target Fund that most closely matches your retirement date. You may then wish to elect an alternative fund(s) for your SRA investment. Follow the instructions in the investment kit and call **Fidelity at 1(800) 343-0860** to establish your investment elections.

This transfer does not impact the administrative fee that is charged by FPPA. Your account will continue to be assessed an administrative fee each quarter. This will be reflected on your statement issued from Fidelity. The money management fee/expense ratio associated with the mutual fund(s) you select will apply in lieu of the fee that FPPA assesses for managing the assets. (See the enclosed FPPA Investment Options Performance Update; expense ratio column for the current expense ratio).

**Beneficiary Designation** You must designate a beneficiary with Fidelity. Call Fidelity to request that a beneficiary form be sent to you or you may designate your beneficiary on Fidelity's web site at [www.fidelity.com/atwork](http://www.fidelity.com/atwork) and access "Your Profile". If a beneficiary designation is not provided to Fidelity, upon your death, your account balance will be distributed according to the provisions of the plan.

**Payment Options available through Fidelity:**

- |  |   |
|--|---|
| <ol style="list-style-type: none"> <li>1. defer payment(s) from your account until a later start date with the latest possible benefit commencement date as April 1st of the calendar year following the year in which you turn 70 ½;</li> <li>2. a lump sum payment;</li> </ol> | <ol style="list-style-type: none"> <li>3. periodic payments designating an amount;</li> <li>4. periodic payments for a designated period of time;</li> <li>5. IRS life expectancy calculation for minimum distribution;</li> <li>6. a combination of lump sum and periodic payments; or</li> <li>7. an annuity</li> </ol> |
|--|---|

**PART C - MEMBER SIGNATURE**

\_\_\_\_\_  
Member's Full Legal Signature

\_\_\_\_\_  
Date

**NOTARY SPACE • This application will not be accepted without the signature of the applicant being notarized.**

STATE OF \_\_\_\_\_ }  
COUNTY OF \_\_\_\_\_ } ss

Subscribed and sworn to before me this \_\_\_\_ day of \_\_\_\_\_, year of \_\_\_\_\_.

Witness my hand and official seal.

My commission expires: \_\_\_\_\_.

\_\_\_\_\_  
Notary Public (SEAL)



**Withholding/Rollover Election Form  
 For Eligible Rollover Distributions**

**FEDERAL WITHHOLDING RULES**

If you have your plan benefits paid directly to you, the Plan Administrator is required to withhold 20% of your payment for federal income taxes. If you elect a direct rollover, no federal income taxes will be withheld on the amount rolled over.

**DIRECT ROLLOVER RULES**

You can have part of your Plan benefits paid directly to you and the rest paid as a direct rollover to a traditional IRA or an eligible employer plan.

**I -DIRECT ROLLOVER/PAYMENT ELECTION**

I elect to have \_\_\_\_\_ % of my Plan benefits paid directly to me\*. I understand that 20% of my distribution will be withheld for federal income taxes unless I have elected to have more than 20% withheld.

**\* If you have part of your plan benefits paid directly to you, please complete the attached Form W4-P.**

I elect to have \_\_\_\_\_ % of my Plan benefits paid as a direct rollover to:

Trustee \_\_\_\_\_

Account Number \_\_\_\_\_

The above plan is (check one):

An eligible employer plan.

1) Eligible employer plans are not legally required to accept a rollover.

2) Eligible employer plans include: 401(a), 401(k), 403(b), and 457(b) - (governmental plans only).

**3) Please check with your plan administrator to determine if the plan accepts a rollover of distributions from a 401(a) retirement plan before making your decision.**

Transfer to the Money Purchase Component of the Statewide Hybrid Plan.

A traditional IRA.

FPPA's 457 Plan. **This must be an existing account.**

Statewide Money Purchase Plan.\* (For transfers from the Statewide Defined Benefit Plan only.)

Date of Hire \_\_\_\_ / \_\_\_\_ / \_\_\_\_ Employer \_\_\_\_\_

**\*You must be employed by a department that covers its members under the Statewide Money Purchase Plan.**

**II -PARTICIPANT INFORMATION**

Participant's Name (please print) \_\_\_\_\_

\_\_\_\_\_-\_\_\_\_\_-\_\_\_\_\_  
 Social Security Number

Mailing Address \_\_\_\_\_

(\_\_\_\_\_)\_\_\_\_\_-\_\_\_\_\_  
 Phone Number

City, State, Zip \_\_\_\_\_

**III -SIGNATURE**

I have received and read the *Special Tax Notice Regarding Plan Payments* summarizing withholding and direct rollover rules which apply to my Plan distribution. I have checked the appropriate boxes above to indicate my elections for my distribution(s) from this Plan. I understand that if I do not make an affirmative election, the Plan Administrator will assume I want my Plan benefits paid to me and will withhold the 20% federal withholding.

Participant's Signature \_\_\_\_\_ Date \_\_\_\_ / \_\_\_\_ / \_\_\_\_

**FPPA**

Fire & Police Pension Association  
 5290 DTC Parkway  
 Greenwood Village, Colorado 80111  
 (303) 770-3772 or (800) 332-3772  
 www.FPPAco.org

FEDERAL / STATE  
 Withholding Certificate for  
 Pension Payments

**Form W-4P**  
**Refund of Contributions,**  
**SRA or DROP**  
**Distributions**

▲ Type or print your full name

XXX-XX-      
 ▲ Your social security number (last 4 digits only)

▲ Home address (number and street or rural route)

▲ Area code and telephone number

▲ City or town, state, and ZIP code

If you elected a **Direct Rollover**, you DO NOT need to fill out this form as no federal or state taxes will be withheld on the amount rolled over.

If you elected a **Lump Sum Distribution**, and it is paid directly to you, it is **mandatory that 20% be withheld for federal taxes.**

If you elected **Periodic Payments**, it is **mandatory that 20% be withheld for federal taxes** if the amount of your periodic payment will cause your account balance to be depleted in **less** than 10 years. If you are applying for a refund of contributions, you are not eligible for periodic payments.

The 20% mandatory withholding will automatically be implemented where necessary. Please select the manner in which you would like federal and state taxes withheld from your lump sum pension or monthly payment by choosing from the options below.

**FEDERAL INCOME TAX WITHHOLDING**

- \_\_\_\_\_ A lump sum distribution or periodic payments will cause my account balance to be depleted in **less** than 10 years. This will implement **20% MANDATORY** withholding for federal taxes.
- \_\_\_\_\_ I elect to have the following amount, **IN EXCESS OF THE 20% MANDATORY**, withheld for federal income tax purposes \$ \_\_\_\_\_.
- \_\_\_\_\_ I elect to have the following percentage, **IN EXCESS OF THE 20% MANDATORY**, withheld for federal income tax purposes \_\_\_\_\_%.
- \_\_\_\_\_ Periodic payments from my account will continue for **more** than 10 years. I elect to have the following: percentage \_\_\_\_\_% **OR** amount \$ \_\_\_\_\_ withheld for federal income tax purposes.

**COLORADO STATE INCOME TAX WITHHOLDING**

- \_\_\_\_\_ I elect to have state income tax withheld at 5%.
- \_\_\_\_\_ I elect to have the following amount withheld for state income tax purposes \$ \_\_\_\_\_.
- \_\_\_\_\_ I elect to have the following percentage withheld for state income tax purposes \_\_\_\_\_%.
- \_\_\_\_\_ I do not wish to have state income tax withheld.

\_\_\_\_\_  
 Signature

\_\_\_\_\_  
 Date

**For office use only**

## ELECTRONIC FUNDS TRANSFER / DIRECT DEPOSIT

\_\_\_\_\_  
Last Name (please print)      \_\_\_\_\_  
First Name      \_\_\_\_\_  
Middle Initial      \_\_\_\_\_  
Social Security Number (last 4 digits)      XXX-XX-

\_\_\_\_\_  
Mailing Address      \_\_\_\_\_  
Email Address      \_\_\_\_\_

\_\_\_\_\_  
City      \_\_\_\_\_  
State      \_\_\_\_\_  
Zip      \_\_\_\_\_  
Phone Number      (\_\_\_\_\_) - \_\_\_\_\_ - \_\_\_\_\_

### Direct Deposit Bank Information

- You may have your benefit payment deposited in up to five accounts. Use another sheet for more than two accounts.
- You must be an authorized signer on all accounts listed.
- **Power Of Attorney Information:** If you have power of attorney for an FPPA member, you must include a certified copy\* of the power of attorney documents before this form can be processed.  
\* A copy that is compared to the original document and attested to by a notary.

Please attach a voided check or deposit slip for EACH account listed.

1. Bank Name \_\_\_\_\_ Checking  - OR - Savings   
Account # \_\_\_\_\_ Account Routing # \_\_\_\_\_  
Deposit the Full Amount  - OR - Amount to Deposit \$ \_\_\_\_\_

2. Bank Name \_\_\_\_\_ Checking  - OR - Savings   
Account # \_\_\_\_\_ Account Routing # \_\_\_\_\_  
Deposit the Full Amount  - OR - Amount to Deposit \$ \_\_\_\_\_

### Deposit Advice Mailing Options

When selecting your mailing option, please remember retirees may access all of their pension benefit information including deposit advices 24 hrs a day / 7 days a week by logging on to the Member Account Portal (MAP) located on the FPPA web site at www.FPPAco.org. Your option election may be changed at any time (by form or on MAP).

- Option A Deposit Advice Mailed ONLY When Net Amount Changes** - No Monthly Fee Charged  
Deposit advices will be mailed only in the event of a change in the net benefit amount.
- Option B Deposit Advice Mailed Monthly** - \$3.00 Monthly Mailing Fee Charged  
Retirees will be mailed a deposit advice and have a \$3.00 Monthly Mailing Fee deducted from their pension benefit amount every month regardless if there is a change in the net benefit amount or not.
- Option C Deposit Advice Never Mailed** - No Monthly Fee Charged  
Retirees will not receive a deposit advice monthly regardless if there is a change in the net benefit or not.

I hereby authorize the FPPA to automatically deposit my pension payment into the account(s) listed. I understand that my benefit payment will be credited to my account(s) on the 21st of each month. If that date occurs on a weekend or holiday, my account will then be credited on the preceding business day.

\_\_\_\_\_  
Signature of Retiree or Legal Representative      \_\_\_\_\_ / \_\_\_\_\_ / \_\_\_\_\_  
Date

# FPPA Special Tax Notice Regarding Your Rollover Options

*Under a  
governmental  
401(a) plan.*

*Updated  
January 2010.*

*Page 1 of 1*

Fire  
and  
Police  
Pension  
Association  
of Colorado

**FPPA**

5290 DTC Parkway  
Suite 100  
Greenwood Village  
Colorado 80111-2721

(303) 770-3772

toll free (800) 332-3772  
fax (303) 771-7622

www.FPPAco.org

You are receiving this notice because all or a portion of a payment you are receiving from a 401(a) qualified plan administered by the Fire and Police Pension Association (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.

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 59 ½ and do not do a rollover, you will also have to pay a 10% additional income tax on early distributions (unless an exception applies).

If you do a rollover to a traditional IRA or an eligible employer plan, you will not have to pay tax until you receive payments later from the IRA or plan, and the 10% additional income tax will not apply if those payments are made after you are age 59 ½ (or if an exception applies).

If you do a rollover to a Roth IRA, you will be taxed on the amount rolled over (reduced by any after-tax amount). However, if you are under age 59 ½ at the time of the rollover, the 10% additional income tax will not apply. See the section below titled "If you roll over your payment to a Roth IRA" for more details.

### 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 section 401(a) plan, section 403(b) plan, or governmental section 457(b) deferred compensation 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 of the rolled over amount in the future. 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**, the Plan is required to withhold 20% of the payment for federal income taxes. 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. 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 59 ½ (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.) (This means that your lifetime monthly benefits are not eligible for rollover.)
- Required minimum distributions after age 70 ½ (or after death.)

The Plan administrator or the payor can tell you what portion of a payment is eligible for rollover.

If any portion of your payment is taxable but cannot be rolled over, the mandatory withhold-

*continued*

ing rules described above do not apply. In this case, you may elect not to have withholding apply to that portion. If you do nothing, an amount will be taken out of this portion of your payment for federal income tax withholding. To elect out of withholding, ask the Plan administrator for the election form and related information.

#### **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 59 ½, 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
- Corrective distributions of contributions that exceed tax law limitations
- 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

#### **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 59 ½, 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 & 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 after-tax 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

*continued*

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. The Plan administrator is not responsible for verifying your eligibility to make a rollover to a Roth IRA. (IRS Notice 2008-30)

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 59 ½ (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.

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

For more information, see IRS Publication 590, Individual Retirement Arrangements (IRAs). You should consult your tax advisor if you are interested in rolling over your distribution to a Roth IRA.

**If you are an eligible retired public safety officer and your pension payment is used to pay for health coverage or qualified long-term care insurance**

If you retired as a public safety officer and your retirement was by reason of disability or was after normal retirement age, you can exclude from your taxable income plan payments paid directly as premiums to an accident or health plan (or a qualified long-term care insurance contract) that your employer maintains for you, your spouse, or your dependents, up to a maximum of \$3,000 annually. For this purpose, a public safety officer is a law enforcement officer, firefighter, chaplain, or member of a rescue squad or ambulance crew.

The Form 1099-R that you receive from the Plan administrator will report the deducted insurance premium as taxable. If you want to take advantage of this \$3,000 exclusion, you must report the amount claimed on Form 1040. The instructions to Form 1040 explain that the taxable amount received from the Plan, reduced by the amount of qualified premiums deducted and paid by the Plan (not to exceed \$3,000), must be entered on line 16b of the Form 1040. Next to the entry, in the margin, you must write the letters "PSO." This is an annual election—you will need to report the exclusion for each year in which you want to claim the exclusion.

**If you are not a plan member**

**Payments after death of the member.** If you receive a distribution after the member'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 member 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 member, you have the same rollover options that the member 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. Note that although state law in some jurisdictions may recognize same-sex domestic partners, a spouse for federal tax law purposes must be a person of the opposite sex to whom you are married.

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 59 ½ 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 70 ½.

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 member had started taking required minimum distributions, you will have to receive required minimum distributions from

*continued*

the inherited IRA. If the member 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 member would have been age 70 ½.

**If you are a surviving beneficiary other than a spouse.** If you receive a payment from the Plan because of the member'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 member who receives a payment from the Plan under a domestic relations order (DRO), you generally have the same options the member would have (for example, you may roll over the payment to your own IRA or an eligible employer plan that will accept it). If you are an alternate payee other than the spouse or former spouse of the member, you generally have the same options as a surviving beneficiary other than the spouse, so that the only rollover option you have is to do a direct rollover to an inherited IRA. Payments under the DRO 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, 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.

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.

#### **Notice Period**

Generally, payment cannot be made from the Plan until at least 30 days after you receive this notice. Thus, you have at least 30 days to consider whether or not to have your payment 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 payment will then be processed in accordance with your election as soon as practical after it is received by the Plan administrator.

#### **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 <http://www.irs.gov/>, or by calling 1-800-TAX-FORM.

**Fire & Police Pension Association of Colorado**

FPPAco.org • 5290 DTC Parkway, Suite 100 • Greenwood Village, Colorado 80111-2721  
(303) 770-3772 in the Denver Metro area • (800) 332-3772 toll free nationwide • (303) 771-7622 fax

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**GROUP D -  
FPPA 457 Deferred Compensation Plan Information**

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Due to the date of your termination and the timing of the receipt of final contributions, funds invested at Fidelity may not be available for distribution for approximately 30-60 days after separation of service.

If you choose to begin distribution of the funds in your account at this time, please contact Fidelity Investments at the number listed below to choose your withdrawal date and method of payment and to request distribution form(s). Once you receive the distribution form(s) from Fidelity, please sign and forward to FPPA for approval.

**Fidelity Investments** - 1(800) 343-0860

Retirement specialists are available Monday–Friday 6:00 am to 10:00 pm MST

You may choose from seven distribution methods:

1. defer payment(s) from your account until a later start date with the latest possible benefit commencement date as April 1st of the calendar year following the year in which you turn 70 ½;
2. a lump sum payment;
3. periodic payments designating an amount;
4. periodic payments for a designated period of time;
5. IRS life expectancy calculation for minimum distribution;
6. a combination of lump sum and periodic payments; and
7. an annuity.

Note: periodic payments are not guaranteed for life and are made for as long as there is money in your 457 deferred compensation account.

If you fail to make an election of commencement date and form of payment, your payments will automatically be paid to you in a lump sum no later than April 1st of the calendar year following the calendar year in which you attain age 70 ½.

Distributions will be fully taxable to you at the time of receipt, however, unlike a qualified pension plan, 457 plans are not subject to the 10% penalty tax.

The entire balance in your 457 Deferred Compensation account is taxable and is, therefore, eligible for a rollover to another eligible employer plan, traditional IRA or tax-sheltered annuity.

Eligible employer plans include: 401(a), 401(k), 403(b), and 457(b) (governmental plans only). An eligible employer plan is not legally required to accept a rollover. Before you decide to roll over your before-tax contributions to another eligible employer plan, you should find out whether the plan accepts rollovers and, if so, the types of distributions it accepts as a rollover. You should also find out about any documents that are required to be completed before the receiving plan will accept a rollover. Your before-tax contributions are considered a 457(b) retirement plan.