



Looking forward to new horizons.

severance packet

## Keep your money in the Plan and enjoy the benefits OSGP offers, including:

Low fees

Convenient and easy account access

Professional investment management

Dedicated Plan representatives

Flexible distribution options

If you have questions, Transition Counseling is a no-fee service available to you to help you understand your options and help you maximize your retirement savings opportunity. To speak with a Transition Counselor, call 800-365-8494.



## What requirements must I meet to be able to take payment from my OSGP account?

You must not work for any State agency or participating employer for a minimum of 30 consecutive days, including services as a temporary employee. In addition, you must have no intention to return to work. For this program, "intention to return to work" is defined as having, at the time of termination, a written or oral agreement to return to work with a State agency or current plan sponsor. If you are working a temporary assignment or do not have a break-in-service, you are not eligible to start receiving payment from this plan. If you plan to return to work on a temporary or part-time basis, call 888-320-7377.

## Must I take a payment or start a distribution now?

No. As long as your account balance is at least \$1,000, you can keep your money in the Oregon Savings Growth Plan until you are ready to begin taking payments. The latest date you may start your distribution, however, is April 1st following the year in which you reach age 70½.

## What can I do with my account balance in the Oregon Savings Growth Plan?

At the time you terminate your employment, if your account balance is \$1,000 or more and you are less than 70½ years of age, you have four choices:

1. Leave your money in your Oregon Savings Growth Plan account.
2. Roll additional assets in from other retirement plans — such as the PERS pension 401(a), 401(k), 403(b), 457, or IRA — to consolidate your retirement savings.
3. Select among several flexible payment choices, just like those in an IRA.
4. Roll your account assets over to an IRA or other eligible retirement plan.

## Why should I consider leaving my money in the Oregon Savings Growth Plan?

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There are a number of beneficial reasons, The OSGP offers:

- **Low Fees.** Benefit from some of the lowest plan fees in the country.
- **Simplicity.** You can roll your IAP assets, as well as other eligible retirement plans or IRAs, into a pre-tax or Roth after-tax OSGP account.
- **Convenience.** Keep track of all your retirement savings with one statement.
- **Easy access.** Start, stop, or adjust your payout whenever you want with a simple phone call.
- **Professional management.** Enjoy access to investments that are carefully selected and monitored by the Oregon Investment Council.
- **Satisfaction.** Keeping your money in the Plan helps you take advantage of some of the lowest plan fees in the country — without paying commissions or transaction fees.

## What are my choices if my balance is less than \$1,000 when I end my employment?

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This is the only circumstance where you must move money out of the Plan. You may choose to receive a lump-sum payment within one year of your severance, or you may roll your account balance into an IRA or other eligible plan.

## What are my choices if I am age 70½ or older?

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You must begin to receive payments from your account according to the IRS Required Minimum Distribution rules. This means that you must begin your distributions no later than April 1st following the year you turn age 70½. If you select this date, you may be required to take a double payment the first year. You may take higher and more frequent payments, but you must begin a distribution that satisfies the minimum requirements of the IRS.

## What happens if I have an outstanding loan?

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If you retire or terminate employment and still owe money on your OSGP loan, you will have until the last day of the quarter following the quarter in which your loan became due to pay the loan in full. Otherwise, the outstanding balance will be considered a distribution, and will be reported to the IRS as a taxable distribution. If you take a lump-sum payment, those taxes owed on the outstanding loan balance will be withheld from your lump-sum payment. If a portion of the loan was a rollover from a 401(k), 403(b), 401(a), or IRA, you may also be subject to a 10 percent penalty on the balance.

## Can I roll my PERS pension 401(a), 401(k), 403(b), or IRA accounts into my OSGP account?

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Yes. By keeping all your retirement assets in your OSGP account, you benefit from low cost investments overseen by the Oregon Investment Council and, when you wish to take payments, you have the same flexible payout options that are available with an IRA. For more information, visit [osgp.voya.com](https://osgp.voya.com) or call **800-365-8494** to request a *Transfer/Rollover Packet*.

## What are my options for taking money out of the Plan?

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### Lump-Sum Options

1. **Lump-Sum Payment.** A check is issued for the total balance in your account, less applicable federal and state taxes.
2. **Partial Lump-Sum Payment.** You may elect to receive a portion of your account balance in a single payment, less applicable federal and state taxes. You need to decide what to do with your remaining account balance. You may use any of the options below, or leave the money in your OSGP account.

### Specified Period (Systematic Withdrawal) Option

This option guarantees a specific number of monthly payments, but does not guarantee the dollar amount for any payment since the amount will vary, based on the performance of your investments and your account balance at the time the payment is processed. You must select a payment start date for this option, and you must schedule payments for at least two years.

### Specified Dollar Amount

This option will guarantee you a specified dollar amount payment, but does not guarantee the number of payments. You will need to select a payment start date for this option, and you must request a payment that is at least equivalent to \$100 per month.

### Minimum Distribution

This option will distribute the lowest amount required by federal law. The amount you will receive under this option is based on a life expectancy factor from the Uniform Life Expectancy Tables or Joint Life and Last Survivor Expectancy Table (if your spouse is more than 10 years younger than you). Your payments should begin during the year in which you turn age 70½, unless you are still working for your plan sponsor at that time.

**Please Note:** Upon distribution, your funds will be withdrawn on a pro-rata basis across all investment options, unless you choose to have your distributions taken from the Stable Value Option. If you do choose the Stable Value Option, it will be your responsibility to ensure that funds are available in that option by 1:00 p.m. Pacific Time on the date of each scheduled distribution. If you have a pre-tax and Roth after-tax account, your money will be distributed in the same manner in which it was contributed, unless you call the Plan Information Line at 800-365-8494.

### **Direct Rollover to an IRA or other eligible retirement plan**

By rolling money over to an eligible retirement plan such as a 401(k), 403(b) or an IRA, you may inherit some of those plans' limitations. For example, if you withdraw money from an IRA or most other retirement plans prior to age 59½, you may have to pay both regular state and federal income taxes on the payout, plus a 10 percent tax penalty. That tax penalty never applies to 457 plan-related assets remaining with the Oregon Savings Growth Plan.

Be certain to compare the fees of the Oregon Savings Growth Plan with the fees of an IRA or any other retirement plan. With OSGP, you have easy-to-understand investment options and low administrative and investment fees, with no commissions, transfer or account maintenance fees.

*Keep in mind that 457 deferred compensation accounts in the Oregon Savings Growth Plan may have more legal protection from creditors in personal bankruptcy than do assets in an IRA.*

If you are interested in this option, please request the *Transfer/Rollover Packet* by calling **800-365-8494**.

### **What are my options for money that I leave in the Oregon Savings Growth Plan?**

Please review information available on the OSGP website (or contact OSGP to request information) about the investment options that are available and how to make changes in those investment options, if you choose to do so.

### **How soon will the first payment take place?**

It may take 30 days or longer after the date you end employment to receive a distribution. Processing depends on your termination date, the date of receipt of your completed *Settlement Agreement*, and the distribution option selected.

1. Lump-Sum and Partial Lump-Sum Payments are processed upon request. Payment will depend on termination date and the date you wish to receive or begin payment.
2. Installment Payments (specified dollar amount, specified period of time and minimum distributions) are processed for payment one time per month. Those payments will be processed the last week of each month. The *Settlement Agreement* should be received no later than the 15th of the month preceding the beginning of the month you wish to be paid. Payment will depend on termination date and date you wish to receive or begin payment.
3. If you are younger than age 70½ and wish to defer payment, you may complete the *Settlement Agreement* now or wait until you are ready to begin receiving payments.

### **Do I need to complete a Settlement Agreement each time I want to receive a payment?**

No. You generally need to complete the *Settlement Agreement* one time only. Our office verifies your eligibility to take payment from your account and activates your account for distribution. If you select an installment payment that is paid to you regularly, your payment will continue as you directed until you make a change. If you request a partial payment and later wish to take another payment or begin installment payments, simply call the Information Line at **800-365-8494** to speak to a Customer Service Representative who will take your request. If you wish to increase, decrease, or stop an installment payment, a Customer Service Representative can help you.

### **How do I advise the Oregon Savings Growth Plan of changes in personal information?**

To change your personal information, such as name, address, direct deposit, tax withholding, or beneficiary information, please visit our website at [osgp.voya.com](http://osgp.voya.com) or call the Information Line at **800-365-8494**.

### **If I start an installment distribution and later return to work for my previous employer, must I stop my distribution?**

Yes. If you return to work as a temporary, part-time, or permanent employee for the same employer who sponsored the OSGP, you are eligible to contribute again to your account and are not eligible to continue taking payments from it. If you have started your required minimum distributions, you may continue to receive them even after returning to work. You must notify the OSGP office immediately if you return to work so that your opportunity to contribute while employed can be reactivated. When you sever this segment of employment, you again become eligible for payout. You will need to complete a new *Settlement Agreement* after your employment ends to reestablish your eligibility to take payments.

# SETTLEMENT AGREEMENT



## I. PERSONAL INFORMATION

|                  |                        |                      |
|------------------|------------------------|----------------------|
| Name             | Social Security Number | Severance Date       |
| Address          | Daytime Phone          | Evening Phone        |
| City, State, Zip | Date of Birth          | Mother's Maiden Name |

## II. MANNER OF PAYMENT (Select one of the six options below.)

### A. Leave Money in the Plan With No Payment at This Time: (This is available only before age 70½.)

- Pending future payment. I understand that I must begin a minimum required distribution no later than April 1 following the year I turn 70½. If I delay to this latest date, a double payment may have to be made. I understand that I do not need to submit a direct deposit or tax-withholding certificate until 30 days prior to the date when I wish to take payment.

### B. Lump-Sum Options:

1. Full Lump-Sum Payment.
2. Partial Lump-Sum Payment of \$\_\_\_\_\_. The balance, after this payment, should:
- Remain in my Oregon Savings Growth Plan account. (Your remaining account balance must be \$1,000 or more.)
  - Be paid as I have requested below to begin \_\_\_\_\_(month) \_\_\_\_\_(year).  
(Payment must be at least one month after the partial lump-sum date.)
  - Be paid as a continuation of my current distribution.

### C. Specified Period (Systematic Withdrawal) Option: (The period selected must be a minimum of two years.)

- Number of Years: \_\_\_\_\_ **Frequency:**  Monthly  Quarterly  Semi-annually  Annually  
*(whole years only)*

### D. Specified Dollar Amount: (The amount selected must be at least equivalent to \$100 monthly.)

- Dollar Amount: \_\_\_\_\_ **Frequency:**  Monthly  Quarterly  Semi-annually  Annually

### E. Minimum Distribution:

- Starting at age 70½, I wish to receive the lowest payment amount required by federal law. Payments are recalculated and paid annually. (Your deferral will be calculated based on the Uniform Life Expectancy Table unless your spouse is more than 10 years younger than you, then you may choose the Joint Life and Last Survivor Expectancy Table.) Each year, I will receive my payment in the month selected in Section IV.

### F. Direct Rollover to Other Eligible Retirement Plan or IRA: Call 800-365-8494 to request a Transfer/Rollover Out Packet.

### G. Convert your OSGP 457 pre-tax account or OSGP Qualified Plan Rollover to an OSGP Roth 457 after-tax account:

- OSGP 457 pre-tax account  OSGP Qualified Plan Rollover
- A. Dollar Amount: \_\_\_\_\_
- B. Total Account Balance

Your conversion will be taxable in the year it is processed.\*

\* Distributions from your Roth 457 account are tax free, as long as the account is at least five years in existence.

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| OSGP Use Only |  |  |
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# TAX WITHHOLDING CERTIFICATE (W-4P) INSTRUCTIONS



1. Read the attached additional instructions to determine your particular withholding requirements. Consult your tax advisor, IRS Publication 505, *Tax Withholding and Estimated Tax*, and/or the Oregon Department of Revenue at 503-378-4988 if you need further assistance.
2. A 20 percent federal withholding is required for eligible rollover distributions (lump sums, partial lump sums, and installments paid out in less than 10 years). You may not choose to have no federal income tax withheld on these distributions, but you may elect to have more than 20 percent withheld.
3. If you forward your distribution request with no W-4P attached, your distribution will have federal and state taxes withheld according to the following applicable default withholding, except as noted above:

| Ineligible rollover distribution<br>Periodic Payments | Ineligible rollover distribution<br>Non-Periodic Payments | Eligible rollover<br>distribution |
|---|---|-----------------------------------|
| Federal – Married 3                                   | Federal – 10%   | Federal – 20%                     |
| Oregon State – Single 0                               | Oregon State – 8%   | Oregon State – Single 0           |

4. If you elect not to have withholding apply to your distribution payments, or if you do not have enough federal or state income tax withheld from your distribution payment, you may be responsible for payments of estimated tax. You may incur penalties under the estimated tax rules if your withholding and estimated tax payments are not sufficient.
5. If you reside in a state other than Oregon as indicated by your legal address supplied to this plan, taxes for the state of Oregon will not be withheld from your payments. If you wish to have state taxes withheld, you must provide the appropriate forms to the Plan with instructions to withhold taxes for your state of residence. U.S. citizens or resident aliens receiving payments that are delivered outside the U.S. or its possessions are required to withhold and cannot choose not to have income tax withheld on line 2 of the federal and state sections of the attached form.
6. If you are submitting a Settlement Agreement, please enclose your W-4P when you mail the documents to the Salem office.
7. If you are submitting the W-4P to change your withholding for future distributions, please mail it to:

**Oregon Savings Growth Plan**  
**P.O. Box 24747**  
**Jacksonville, FL 32241-4747**

# TAX WITHHOLDING CERTIFICATE (W-4P)



|                  |                        |
|------------------|------------------------|
| Name             | Social Security Number |
| Address          |                        |
| City, State, Zip | Evening Phone          |

## A. FEDERAL TAX WITHHOLDING

Check box and complete the following applicable lines:

- Withhold the mandatory 20 percent  
**Note:** 20 percent withholding is mandatory for certain qualifying distributions unless you elect a direct transfer rollover to a traditional IRA or other eligible employer plan.
- I elect not to have income tax withheld from my payment(s). (Do not complete lines 3 or 4.)
- I want my withholding from each **periodic** payment to be figured using the number of allowances and marital status shown. You may also designate an amount on line 4.  
 Single  Married  Married, but withhold at higher single rate.      Allowances: \_\_\_\_\_
- I want the following additional amount withheld from each payment.      \$ \_\_\_\_\_  
**Note:** For periodic payments, you cannot enter an amount here without entering the number (including zero) of allowances on line 3.

## B. STATE TAX WITHHOLDING

Check box and complete the following applicable lines:

- I elect not to have income tax withheld from my payment(s). (Do not complete lines 2 or 3.)
- I want my withholding from each payment to be figured using the number of allowances and marital status shown. You may also designate an amount on line 3.  
 Single  Married  Married, but withhold at higher single rate.      Allowances: \_\_\_\_\_
- I want the following additional amount withheld from each payment.      \$ \_\_\_\_\_  
**Note:** For periodic payments, you cannot enter an amount here without entering the number (including zero) of allowances on line 3.

I understand that:

- The amount of withholding I have indicated above will apply to all future payments until I submit a tax withholding certificate indicating a different amount.
- If my distribution choice is determined by the Plan to be an "eligible rollover distribution," 20 percent will be withheld for federal taxes unless an additional amount is indicated above.
- Processing any changes may take up to 30 days.
- Any amount withdrawn over the required minimum distribution that is eligible for rollover will be taxed at the required 20% federal withholding.

X

Participant's Signature (Do not print)

Date

### FOR OFFICIAL USE ONLY – OREGON SAVINGS GROWTH PLAN

Participant       Alternate Payee       Beneficiary

Cross-reference Participant Social Security Number



