

Instructions for Tier One/Tier Two and Individual Account Program (IAP) Retirement Application

General retirement information

- You must be eligible to retire. Visit the [Benefit Component Comparison page](#) on PERS website.
- You must separate from employment with all PERS-participating employers before your effective retirement date.
- If your account is divorce-related, retirement option and beneficiary restrictions may apply.
- Your application is not effective until PERS accepts it. PERS will mail or email you a letter confirming receipt of your application and may request additional items required for application acceptance.
- When you retire from Tier One/Tier Two, you must also retire from the IAP. Complete this application to retire from both programs.
- **If you have a Tier One/Tier Two Loss of Membership (LOM) account, consider applying for it now to avoid retirement benefit processing delays.** To apply for the LOM account payout, complete either the [Loss of Membership Refund Application](#) or a [Tier One/Tier Two Member Account Withdrawal Application](#) and submit it before or with your retirement application.

You will receive your first Tier One/Tier Two Program benefit payment within 92 days of your effective retirement date. Your IAP benefit payment is normally paid within 120 days.

General information on filling out the application

- You can either fill out this application online or fill out a hard copy. If you choose a hard copy, please print clearly with dark ink. Both online and hard copy methods require member hand sign and date in signature and notary areas.
- Your signature, and your spouse's signature if married, must be notarized on page two of the application. PERS staff can notarize applications at a [Retirement Application Assistance Session](#) (RAAS).
- Do not cross out, modify, or alter the application in any way—this could void your application.
- Please provide your personal email address. Confirmation and follow up letters are sent via email whenever possible.
- Depending on your choices, you may need to complete additional forms. For example, if you choose a direct deposit for your installments, you must complete the [Authorization Agreement for Automatic Deposits](#) form. We have provided links to the additional forms where appropriate. Contact PERS Member Services if you are reading a paper version of these instructions and need additional support.
- Generally, you have the right to change your option, beneficiary designation, or, if applicable, variable participation, within the first 60 days after the issue date of the first benefit payment. Changes are retroactive to your effective retirement date. For specific limitations, see “Section A Part 1: Your Guide to Retirement Options” of the *Tier One/Tier Two and Individual Account Program (IAP) Pre-Retirement Guide*.
- PERS must know your exact date of birth to calculate your retirement benefit. If you choose a survivorship option, PERS must also validate your beneficiary's date of birth. You will find a list of acceptable verification of age documents on page 3.
- Please use your full legal name to complete and sign forms. If submitting a driver's license or passport as your age verification document, your name on the application and age verification document should match. If your legal name is not reflected on your driver's license or passport, complete the application using your current legal name and provide proof of legal name change (marriage certificate, court document, etc.).

- PERS must receive payment for waiting time, refunded time, and other purchases of service time credit **before** your effective date of retirement. Some special, full-cost purchases, may be made after your effective retirement date.
- The tax forms you will need to complete may be impacted by your elections so please pay close attention to which tax forms you are including with your application.
- Include your name and Social Security number (SSN) or PERS ID at the top of every page and on any documents submitted with your application. Providing your SSN is mandatory, and PERS is authorized to request it under Internal Revenue code provisions. It will be used primarily to comply with mandatory IRS reporting. However, PERS may also use it internally for confirmation purposes or recovery of overpaid funds. (If you do not want it used for these purposes, enclose a written statement to that effect with your retirement application.)
- Registered domestic partners, see the *Tier One/Tier Two and Individual Account Program (IAP) PreRetirement Guide* for more information.
- Mail, fax, or deliver your completed application with accompanying forms and required documents to PERS. **Keep a copy for your records.**

Forms and documents needed to receive benefits

- **Tier One/Tier Two/Individual Account Program (IAP) Retirement Application**
- **Verification of your age**
- **Verification of your beneficiary's age (required if you select a survivorship option)**
 - (Survivorship Options: 2, 2A, 3, 3A, Lump Sum (LS) Option 2, LS2A, LS3, LS3A)
- Verification of legal name change if your current legal name differs from the name on file with PERS
- [Authorization Agreement for Automatic Deposit](#) form (if you are electing to receive benefit via direct deposit)
- **W-4P form for federal and state tax withholding if you select a monthly Tier One/Tier Two option or IAP installments of 10 years or longer**
 - (Tier One/Tier Two: All options are monthly except Total Lump Sum)
 - (IAP: Installments for 10 years, 15 years, 20 years, or the Anticipated Life Span Option)
- **W-4R Tier One/Tier Two Lump Sum Withholding form if you select any Tier One/Tier Two Lump Sum (LS) option and are not requesting a 100% rollover**
 - (Options: Total Lump Sum, Lump Sum (LS) Option 1, LS2, LS2A, LS3, LS3A)
- **W-4R IAP Lump Sum Withholding form if you select IAP One-time lump sum or a 5 year installment and are not requesting a 100% rollover**
- [Tier One/Tier Two Direct Transfer Rollover Acceptance](#) form if you select a lump sum benefit and elect to roll all or a portion of your benefit to another deferred compensation or eligible employer plan
- [IAP Direct Transfer Rollover Acceptance](#) form if you select IAP One-time lump sum or a 5 year installment and elect to roll all or a portion of your benefit to another deferred compensation or eligible employer plan

Acceptable documentation to verify date of birth

Photocopies of birth-date documents and, if applicable, beneficiary birth-date documents are required before benefits are paid. We will not accept documents that are incomplete, appear to be altered, or **are difficult to read**. If your documents are not accepted, you will need to submit new photocopies. Please include your PERS ID or Social Security number on all documents submitted, including beneficiary documents.

<p>Group 1 If one item in this group is furnished showing birth dates, no further evidence of age is needed. Any ONE of these:</p> <ul style="list-style-type: none"> • Copy of Oregon driver’s license or ID card if issued on or after February 4, 2008 (current or expired) • Copy of REAL ID driver’s license, driver’s permit, or ID card issued by any state** (current or expired) • Birth verification issued by state, county, or country (documents issued by foreign governments in a language other than English need to include a translation into English certified by a notary public, public agency, or other public official) • American Indian Reservation Age Verification • Infant baptism certificate • Hospital birth certificate (if signed by attending physician or issued by state) • Passport (current or expired) • School-age record • Naturalization or citizenship papers • Family Bible record (if this record is furnished, include the following information certified by a notary public or other public official: copy of all family record entries in the Bible referring to applicant and parents, brothers, and sisters; Bible publication date or apparent age of Bible; when birth date was entered and by whom) 	<p>Group 2 Two items in this group from different sources are sufficient if age or birth date is shown. Any TWO of these: Example: One child’s birth certificate and one driver’s license</p> <ul style="list-style-type: none"> • A notarized affidavit by an older, immediate family member in a position to know the birth date (e.g., father, mother, etc.) • Certificate of military record • Marriage record (record must show your age or date of birth at time of marriage) • Any other state’s driver’s license or ID card. (must be current) • County voter registration (must show your age or date of birth; do not send in your precinct card) • Copy of child’s birth certificate if it shows age of parents • Social Security record (record must be displayed on an estimate of benefits or screen print from the Social Security office; document must be dated within last 12 months) • Military ID (military record DD214) • Concealed weapons permit
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- If it is impossible for you to furnish the proof required in Group 1 or 2, write to PERS with a full explanation.
- Since the documents submitted cannot be returned, we suggest using photocopies. If it is illegal to copy a document, bring it in, and PERS will verify the birth information.
- Be sure to put the PERS member’s Social Security number on all documents so they are properly recorded.

**A compliant REAL ID will have a picture of a star, or a star cutout in the upper right-hand corner of the card. In lieu of REAL IDs, some states also have issued “enhanced” driver’s licenses, driver’s permits, or ID cards. Enhanced cards are REAL ID compliant and will bear an American flag emblem and the word “enhanced” on the front of the card.

Step-by-step instructions for filling out your retirement application

Section A: Applicant Information (required)

Fill in this section completely.

Provide your Social Security number (SSN) and your PERS ID. If you do not know your PERS ID, leave the PERS ID box blank; however, providing your SSN is mandatory. Your application will be delayed if SSN is missing.

Enter your date of birth in the area provided. You must also present document(s) to verify your age. You will find a list of acceptable verification of age documents on page 3 of these instructions.

Provide your personal email address. Confirmation and follow up letters are sent via email whenever possible.

Section B: Effective retirement date (required)

Enter the month and year you want your retirement to begin. Retirements **always** begin on the first of the month, so you only need to enter the **month** and **year**.

Your **effective retirement date** can be no sooner than either the first day of the month following the last day you worked (or were on qualifying paid leave) or the first of the month following the month PERS receives your retirement application, whichever is later. **Examples:** If your last day worked is May 5, 2022, your retirement date can be no earlier than June 1, 2022. If your last day worked was May 5, 2022, but PERS does not receive your application until June 6, 2022, your retirement date can be no earlier than July 1, 2022.

Please note the following restrictions:

- To change or establish a new retirement date, you must submit a new retirement application and any additional required forms. PERS must receive these, as required by law, **before the issue date of your first benefit payment**.
- To cancel your retirement application, **PERS must receive** a written and signed cancellation request **before the issue date of your first benefit payment**. This request can be faxed to 503-598-0561, mailed to P.O. Box 23700, Tigard, OR 97281-3700, or delivered to PERS at 11410 SW 68th Parkway, Tigard, OR 97223.

Section C: U.S. Citizenship (required)

PERS must know your citizenship for tax purposes. Check the appropriate box.

- Check **I am a U.S. citizen or resident noncitizen** if you are a U.S. citizen or a resident noncitizen.
 - If you are a United States citizen living outside of the United States, you will be required to complete [form W-9](#) and are not allowed to claim exempt from United States federal income tax withholding. The [W-9](#) is available in the Forms section of the PERS website.
- Check **I am a nonresident noncitizen** if you are a nonresident noncitizen and complete IRS Form [W-8BEN](#): Certificate of Foreign Status of Beneficial Owner for United States Tax Withholding. This form is available in the Forms section of the PERS website.

Section D: Residency (required)

You may be eligible for an additional benefit called “Tax Remedy”. Eligibility for this benefit is tied to dates and length of service, and residency. When calculating your benefit, PERS will determine if you are eligible to receive the Tax Remedy benefit.

Check the appropriate box and sign in this section to indicate whether you are an Oregon resident and subject to Oregon personal income tax or not. PERS will not use your mailing address to determine residency.

Section E: Working after retirement acknowledgement

By signing Section G you are acknowledging that you read and understand the limitations of working for a PERS-participating employer after retirement. Unsigned forms could delay processing your benefits.

Work After Retirement Information for Tier One/Tier Two Retirees

If you return to employment with a PERS-participating employer in the state of Oregon after retirement, Oregon statutes impose certain limitations on that employment. **Compliance with the statutory limitations is your responsibility. If you exceed the work-hour limitations, you will be accountable.** Exceeding the limitations may lead to your retirement benefits being canceled and you being invoiced for any overpaid benefits.

Notice: Senate Bill 1049, passed by the Oregon Legislature in 2019, [lifted most restrictions on working after retirement](#) for **calendar years 2020 through 2024**. During these years, most PERS retirees who retire at “normal” retirement age may return to work for a PERS-participating employer and still collect their PERS retirement benefits with no limitations imposed by PERS. Your employer may have other limitations on your work hours.

Find full information on the [PERS website](#), including flowcharts, to see if you can work unlimited hours while continuing to receive your pension benefit.

Early retiree PERS Work-After-Retirement limitations

If you retire early, follow these guidelines to continue to receive your PERS benefits if you go back to work for one or more public employer(s) in Oregon:

- Make sure you have a complete break from any PERS-participating employment for at least **six full months** after your retirement date, before returning to work, if you want to work unlimited hours.
- If you **do not** have a six-month break, as a Tier One or Tier Two early retiree, you may work **less than 1,040 hours in a calendar year** as a retiree, unless you qualify for a special exception. Learn more and see exceptions to this rule on the [PERS website](#).

Social Security limitations

If you are receiving Social Security benefits and have not reached “full retirement age” (FRA) under Social Security, the Social Security Administration and PERS have additional limitations on your employment. If you have not reached FRA, you may need to limit your hours to stay within the income allowed under the annual Social Security income limits. For details, go to the [Social Security website](#).

Section F: Acknowledgement of Receipt of Federal Tax Information Disclosure

The IRS requires PERS to notify you of the tax consequences of taking a distribution by providing the [Federal Tax Information Disclosure](#).

By signing Section G you are acknowledging that you received and read and the [Federal Tax Information Disclosure](#).

You have 30 days to review your distribution options and the associated tax consequences. PERS will not process your payment until the 30-day period has passed unless you check the box to waive your right to this 30-day period. If you check the waiver box, PERS will process your distribution as soon as possible.

If PERS is unable to process your distribution within 180 days from the signature date in Section G, the IRS requires us to provide the [Federal Tax Information Disclosure](#) again, and you will need to complete a new [Acknowledgement of Receipt of Federal Tax Information Disclosure](#) form. We will contact you if this happens.

Section G: Member signature (required)

You must **sign and date** in Section G to acknowledge the statements in Sections E and F and declare the information you have provided on this page is true to the best of your knowledge and belief.

Section H: Retirement options (required)

Important: We **highly** recommend you read and understand “Part One: Your Guide to Retirement Options” of the *Tier One/Tier Two and Individual Account Program (IAP) Pre-Retirement Guide* before filling out this section. You **cannot** change options after 60 days from the issue date of your first regular benefit payment.

Any corrections, alterations, or omissions in this section **may require a new application be submitted** which could cause a delay processing your benefits.

Section H: Retirement options (required)

Please note – the retirement options have been numbered #1 - #13 to assist you in determining which subsequent sections are relevant to the to the option you selected. Please do not confuse the #1 - #13 numbering with the ‘name of the option’ which may also include a number.

Select only **ONE** of the 13 options listed.

To select a Non-survivorship Option put a check in the box next to the non-survivorship option you have chosen and remember to complete the beneficiary designation in Section K. Do not complete the ‘Survivorship option beneficiary ONLY’ box located in Section H.

To select a Survivorship Option put a **check in the box next to the survivorship option** you have chosen and remember to complete the ‘Survivorship option beneficiary ONLY’ box located in Section H.

- You may only name **one** beneficiary and it must be a person. The beneficiary will receive both a continuing monthly benefit and, if you selected a lump-sum option, any unpaid lump-sum installments.
- You must provide your beneficiary’s legal name, date of birth, and the beneficiary’s relationship to you. Your application will be returned if information is missing. This could delay your benefit.
- PERS also requests that you provide your beneficiary’s Social Security number. This can be an important tool in identifying and locating your beneficiary after your passing.

You can only choose one benefit option. If more than one box is checked, we must return the application to you. This could delay your benefit.

Aggregate Sum (AS) Refund information – Some members may receive an estimate or letter stating their monthly Tier One/Tier Two benefit will be less than \$200 a month and they will receive an AS Refund. Although an AS Refund may be paid in lieu of a monthly pension benefit, the AS Refund is not a selectable benefit option. All retiring members must chose a valid option in Section H.

Section I: Verification of Age (required)

Check the boxes to indicate you are submitting age documentation for yourself and for your beneficiary (if you selected a survivorship option).

A list of acceptable verification of age documents is on page 3 of these instructions. Illegible verification of age documents routinely cause benefit delays. **Please provide legible documentation.**

Section J: Member declaration and Spousal consent - notarized signatures (required)

Do not complete any part of this section until you are with the notary. Any corrections, alterations, or omissions in this section **may require a new application be submitted** which could cause a delay processing your benefits. Notary stamp must be legible.

Member:

- You must select one of the **marital status boxes** to indicate your marital status as of your effective retirement date.
- **Your signature and date must be notarized.**
- Your signature date and the notary’s signature date must be the same date.

Member’s Spouse (if member is married):

- **Your signature and date must be notarized to indicate your spousal consent of the option and beneficiary selected by the member.**
- Your signature date and the notary’s signature date must be the same date.

Failure of a married member to obtain valid spousal consent in this section will result in a mandatory default to Option 3 with your spouse as your beneficiary.

Section K: Non-survivorship option beneficiary designation

ONLY complete this section if you chose a non-survivorship option (Box # 1 – 5 in Section H): Option 1, Refund Annuity, 15-Year Certain, Lump-Sum Option 1, or Total Lump-Sum.

- If you selected Option 1 or Refund Annuity and die on or after your effective retirement date, but before your first payment is due, your death will be considered a pre-retirement death. In this event, PERS will use the beneficiary on this application as your pre-retirement designation.

Check the appropriate box to use the **standard** beneficiary designation or to name **specific** beneficiaries.

If you choose the standard designation, do not name any specific person. Instead, your beneficiary selection follows the order described in law.

The standard designation directs PERS to pay benefits in the order listed below:

- 1) Your spouse, if legally married at the time of death. If not married, then to
- 2) Your child* or children in equal shares. If any of your children are deceased, their portion is equally divided between their children who are alive at the time of your death. If all of your children predecease you, the benefit will be awarded to your grandchildren living at the time of your death, in equal shares. If no children or grandchildren survive you, then to
- 3) Your mother and father in equal shares, or to the survivor. If neither survives you, then to
- 4) Your brothers and sisters in equal shares, and the share of any brother or sister who does not survive you, to their children living at the time of your death in equal shares. If none of your brothers or sisters survive you, to the children of your brothers and sisters living at the time of your death in equal shares. If neither your siblings nor their children survive you, then to
- 5) Your estate

*Natural born and adopted children are considered “children” even if you selected the standard designation before or after their adoption or birth. If your children are adopted by someone else, they are not considered your “children” under the standard designation. If you wish to name the adopted-out children as your beneficiary, use the specific designation part of this form.

The specific designation allows you to name specific persons, charities, trusts, or your estate.

Providing requested information assists in locating your beneficiary.

If you need to add more beneficiaries, attach an additional sheet of paper that includes all the same information listed in the table for each beneficiary. Include your name and SSN at the top of each additional sheet.

- The percentages assigned to primary beneficiaries must total 100%.
- If you do not assign percentages, the beneficiaries on that level (primaries or alternates under each specific primary) will share equally.
- You can name one or more alternate beneficiaries for each of your primary beneficiaries. The alternates will receive the primary beneficiary’s share if the primary beneficiary predeceases you. Note: The percentage you designate for the alternates must equal the percentage you assigned to the primary beneficiary. (E.g., if you designate 50% to primary beneficiary #1 and have two alternates for that beneficiary, the percentages for the two alternates must total 50%.)
- If you name your estate as a beneficiary, you may not provide an alternate beneficiary for your estate.

Section K: Non-survivorship option beneficiary designation continued

Example for naming specific beneficiaries:

Specific Primary beneficiary #1		If living; otherwise, to #1 alternate beneficiary(ies).			
#1	Full name <i>Jane Smith</i>	Social Security # <i>000-00-0000</i>	Date of birth <i>6/15/1982</i>	Phone <i>503-555-1212</i>	Percentage <i>50%</i>
	<input checked="" type="checkbox"/> Person <input type="checkbox"/> Estate <input type="checkbox"/> Charity <input type="checkbox"/> Trust	Email or address <i>janesmith@gmail.com</i>		Relationship <i>Daughter</i>	
Alternate beneficiary(ies) for Primary #1 Alternate percentages must equal percentage assigned to primary #1					
#1a	Full name <i>Mary Brown</i>	Social Security # <i>000-00-0000</i>	Date of birth <i>8/25/1956</i>	Phone <i>808-555-4111</i>	Percentage <i>30%</i>
	<input checked="" type="checkbox"/> Person <input type="checkbox"/> Estate <input type="checkbox"/> Charity <input type="checkbox"/> Trust	Email or address		Relationship <i>Sister</i>	
#1b	Full name <i>Animals Win</i>	Social Security #	Date of birth	Phone <i>888-555-1111</i>	Percentage <i>20%</i>
	<input type="checkbox"/> Person <input type="checkbox"/> Estate <input checked="" type="checkbox"/> Charity <input type="checkbox"/> Trust	Email or address <i>000 Dalmatian Dr., Portland, OR</i>		Relationship	
Specific Primary beneficiary #2		If living; otherwise, to #2 alternate beneficiary(ies).			
#2	Full name <i>George Smith</i>	Social Security # <i>000-00-0000</i>	Date of birth <i>4/15/1975</i>	Phone <i>808-555-1612</i>	Percentage <i>50%</i>
	<input checked="" type="checkbox"/> Person <input type="checkbox"/> Estate <input type="checkbox"/> Charity <input type="checkbox"/> Trust	Email or address <i>000 Ocean Way, Hilo, HI</i>		Relationship <i>Son</i>	
Alternate beneficiary(ies) for Primary #2 Alternate percentages must equal percentage assigned to primary #2					
#2a	Full name <i>Christina Smith</i>	Social Security # <i>000-00-0000</i>	Date of birth <i>2/19/1997</i>	Phone <i>808-555-6641</i>	Percentage <i>25%</i>
	<input checked="" type="checkbox"/> Person <input type="checkbox"/> Estate <input type="checkbox"/> Charity <input type="checkbox"/> Trust	Email or address <i>000 Ocean Way, Hilo, HI</i>		Relationship <i>Granddaughter</i>	
#2b	Full name <i>Jacob Smith</i>	Social Security # <i>000-00-0000</i>	Date of birth <i>6/15/1988</i>	Phone <i>808-555-1620</i>	Percentage <i>25%</i>
	<input checked="" type="checkbox"/> Person <input type="checkbox"/> Estate <input type="checkbox"/> Charity <input type="checkbox"/> Trust	Email or address <i>000 Ocean Way, Hilo, HI</i>		Relationship <i>Grandson</i>	

The percentages of #1 and #2 primary beneficiaries add up to 100% (50+50=100)

The percentages of #1a and #1b alternate beneficiaries add up to the #1 primary's (30+20=50)

The percentages of #2a and #2b alternate beneficiaries add up to the #2 primary's percentage (25+25=50)

You must sign and date Section K. The beneficiary designation is not valid unless signed. Your signature is required for both the Standard and Specific designations.

Section L: Tier One/Tier Two lump-sum distribution installments

ONLY complete this section if you selected a lump-sum option. (Box # 4, 5, 10, 11, 12, or 13 in Section H)

Indicate whether you want to receive your lump-sum balance in one, two, three, four, or five annual installments, and then enter the amounts that correspond with the number of years you want to receive the balance.

You must allocate the percentages for each payment of your lump-sum balance.

Percentages **do not** have to be the same. For example, you can choose 50% the first year, 25% the next year, 15% the following year, and 10% the fourth year. How much you receive each year is up to you. The minimum installment is 1%. Make sure the figures you enter are whole numbers and total 100%. If they do not, we will return your application to you. This could delay your benefit.

Section M: Tier One/Tier Two lump-sum payment distribution

ONLY complete this section if you selected a lump-sum option. (Box # 4, 5, 10, 11, 12, or 13 in Section H)

Indicate whether or not to roll over any portion of your lump-sum distribution into a traditional IRA, Roth IRA, or another deferred compensation or eligible employer plan.

Check box 1 if you want your lump-sum distribution to go directly to you. Please fill out the [Direct Deposit](#) form to have your distribution deposited into your bank account. You will be taxed on your distribution, complete the [W-4R Tier One/Tier Two Lump Sum Withholding](#) form. Selecting box 1 completes Section M.

Check box 2 to roll over your lump-sum distribution.

Fill in the information in 2a to indicate the specific percentage or dollar amount to be rolled over. If you roll over less than 100% of your benefit complete the [W-4R Tier One/Tier Two Lump Sum Withholding](#) form.

Fill in the information in 2b and 2c.

- **Check one of the boxes under 2b** to indicate whether the distribution(s) will be going to the Oregon Savings Growth Plan (OSGP), a traditional IRA, Roth IRA, or another deferred compensation or eligible employer plan.
- **In box 2c:**
 - Provide the name and contact information of your financial institution or employer plan for your rollover payment.
 - The rollover check will be made payable to the institution or plan you provide in this box, if you are uncertain to whom the check should be payable, please consult with your financial institution/employer plan prior to completing this section.
 - Verify the address you provide is correct. The rollover payment will be mailed directly to this address.
 - **It is very important to provide your rollover account number for your funds to be correctly deposited to your account. Contact your financial institution for your account number.** If your financial institution is unable to provide you an account number, complete this field with the last four digits of your social security number.

Note: If you are rolling over funds to another deferred compensation or employer plan other than OSGP, **you must have an authorized representative of the plan complete the [Tier One/Tier Two Direct Transfer Rollover Acceptance](#) form.**

You must be a current OSGP participant to roll over your installment(s) to OSGP.

Section N: Variable election

ONLY complete this section if you have a Tier One/Tier Two Variable Account in addition to your Regular Account. A variable account will be identified as such under the Tier One/Tier Two section of your member annual statement.

Check the appropriate box to state whether or not you want to discontinue participation in the Variable Annuity at retirement.

If you continue participation in the Variable, the Variable portion of your monthly retirement benefit may later **increase** or **decrease** annually as the result of gains or losses from investments of the variable annuity account portfolio (stocks). You may change your variable annuity election any time between your original election and within 60 days after the issue date of your first actual benefit payment. Once this 60 days has elapsed, you **cannot** change your variable annuity election.

If you elect a lump-sum option, your Variable Account will be automatically transferred out of the Variable and into your Regular Account at retirement.

Section O: Police officer and firefighter (P&F) units

ONLY complete this section if you are or were a police officer or firefighter who has participated in or recently made a purchase of P&F Units.

#1 - Select the correct box to indicate whether you will be 65 or older on your effective retirement date.

For those 65 or older, your units must be paid at retirement in a single lump payment. If this applies to you select one of the payment options.

- If you select a direct payment, you will receive a check or direct deposit. You will be taxed on your distribution, complete the [W-4R Tier One/Tier Two Lump Sum Withholding](#) form. This completes Section O.
- If you select a rollover, complete the [Rollover-Eligible Distribution](#) form. If you roll over less than 100% of your benefit complete the [W-4R Tier One/Tier Two Lump Sum Withholding](#) form. This completes Section O.

#2 – If under 65 on your effective retirement date, select box for your requested Units Benefit Effective Date and number of months units are to be paid.

- P&F unit benefit payments are required to be made over a minimum of 5 years (60 months) unless payments begin after the age of 60.
- All P&F unit benefits must be paid in full by age 65.
- If P&F unit benefit payments begin after the age of 60, the number of required monthly benefits can be calculated by subtracting the Unit Benefit Effective date from the first of the month following the member's 65th birthday, or from the member's 65th birthday if the birthday falls on the 1st.
- P&F unit benefit payments made for more than 5 years (60 months) are actuarially reduced.

#3 – If you selected in #2 to receive your unit benefit effective on your retirement date in Section B:

When your unit benefit is calculated if the balance exceeds \$4,000, you will receive any amount above \$4,000.00 as a single lump payment called P&F Excess. If the P&F Excess is \$200 or more, the payment is eligible to be rolled over into an IRA or other deferred compensation or eligible employer plan. PERS requests direction now to avoid payment delays.

Select a box to indicate if P&F Excess should be paid as a direct payment or as a rollover.

- If you select a direct payment, you will receive a check or direct deposit. You will be taxed on your distribution, complete the [W-4R Tier One/Tier Two Lump Sum Withholding](#) form.
- If you select a rollover, complete the [Rollover-Eligible Distribution](#) form. If you roll over less than 100% of your benefit complete the [W-4R Tier One/Tier Two Lump Sum Withholding](#) form.

**The remaining sections apply only to your Individual Account Program (IAP) benefit.
You should have an IAP if you worked for a PERS-participating employer in 2004 or after.**

Section P: IAP distribution option

You must choose one option in Section P to select your IAP distribution.

Be aware that all IAP distributions except those automatically deposited to your bank account and those rolled over to the Oregon Savings Growth Plan (OSGP) will be mailed directly to the address listed in **Section A** of your application. In the case of a rollover, your financial institution will be the payee on the check. Requests for rollovers to the Oregon Savings Growth Plan (OSGP) are automatically transferred from your IAP account into your OSGP account. You must be a current OSGP participant to roll over your installment(s) to OSGP.

Distribution option details:

- **One-time lump-sum distribution or 5-year installment distribution** (rollover eligible)

In a one-time lump-sum distribution of your entire IAP account, or in the case of the 5-year installment distribution, you may elect to have all or a portion of the distribution rolled over. These rollover-eligible distributions can be paid directly to you or rolled over to an IRA, eligible employer plan, or deferred compensation plan. It can also be split as a combination payment, including an amount rolled over, and the remainder issued in a payment directly to you. The minimum pre-distribution account balance required for the rollover portion in a combination split/roll distribution is \$500.

If you choose a one-time lump-sum distribution or a 5-year installment distribution, you must also complete **Section Q**. And you must also fill out the [W-4R – IAP Lump Sum Withholding](#) form if you are not rolling over 100% of your distribution.

- **10-, 15-, 20-year, and Anticipated Life-Span Option installment distribution**

The 10-, 15-, 20-year, and Anticipated Life-Span Option installment distribution options are not rollover eligible. You may choose to receive installment payments by a [direct deposit](#) into your bank account or by a check mailed directly to you. You must also fill out the [W-4P tax](#) withholding form.

Frequency details for installment distribution options:

- **5-, 10-, 15-, 20-year, and Anticipated Life-Span Option installment distribution**

All options other than the one-time lump-sum distribution receive installment payments. Because you will receive installments you must also choose a monthly, quarterly, or annual distribution [frequency](#).

Select your preferred frequency directly below your elected installment distribution.

Once your distribution has begun, your payment will be equal to the current market value of your account divided by the number of payments left for the balance of the distribution. Because the market fluctuates daily, each distribution may be different based on the current market value of your account. If your account reaches a zero balance, your distribution stops, regardless of the number of payments left for the option chosen.

If you elect an installment option, you must designate a beneficiary by completing **Section R**.

If you decide you no longer wish to receive an installment distribution, you can make a one-time decision to cash out your IAP account. Once the account is distributed as a cash-out, it is not reversible and will close your PERS IAP account.

Membership in PERS is retained with an IAP cash-out at retirement; should you return to qualifying employment, you will not need to serve a six-month waiting period.

If you decide to cash out and the distribution of your remaining account balance is greater than \$200, the distribution is rollover-eligible and will be taxed accordingly.

If you decide to cash out, are under the age of 59½, and are not rolling over these funds, the IRS may assess a 10% early withdrawal penalty.

If you have any questions regarding tax laws, you may want to consult with a qualified tax professional or the IRS.

Section Q: IAP payment distribution

ONLY complete this section if you selected one-time lump-sum or a 5-year installment. (Box # 1 or #2 in Section P)

Indicate whether or not to roll over any portion of your distribution into a traditional IRA, Roth IRA, or another deferred compensation or eligible employer plan.

Check box 1 if you want your IAP distribution to go directly to you. Please fill out the [Direct Deposit](#) form to have your distribution deposited into your bank account. You will be taxed on your distribution, complete the [W-4R IAP Lump Sum Withholding](#) form. Selecting box 1 completes Section Q.

Check box 2 to roll over your IAP distribution.

Fill in the information in 2a to indicate the specific percentage or dollar amount to be rolled over. If you rollover less than 100% of your benefit, complete the [W-4R IAP Lump Sum Withholding](#) form.

Fill in the information in 2b and 2c.

- **Check one of the boxes under 2b** to indicate whether the distribution(s) will be going to the Oregon Savings Growth Plan (OSGP), a traditional IRA, Roth IRA, or another deferred compensation or eligible employer plan.
- **In box 2c**, provide the name of your financial institution or employer plan for your rollover payment. The rollover check will be made payable to the institution or plan you provide in this box, if you are uncertain to whom the check should be payable, please consult with your financial institution or employer plan prior to completing this section.

Note: All IAP rollover checks other than to OSGP will be mailed to you with the financial institution or employer plan as the payee. **You must be a current OSGP participant to roll over your distribution(s) to OSGP.**

If you are rolling over funds to another deferred compensation or employer plan other than OSGP, you must **have an authorized representative of the plan complete the [IAP Direct Transfer Rollover Acceptance](#)** form.

Section R: IAP beneficiary designation

All members with an IAP should complete this section to designate a beneficiary or beneficiaries for the IAP. The designation becomes effective on your effective retirement date. This designation applies if you select a one-time lump sum and die on or after your effective retirement date but before your benefit is distributed or if you select an installment option and die anytime on or after your effective retirement date.

Check the appropriate box to use the **standard** beneficiary designation or to name **specific** beneficiaries.

Please refer to the instructions in Section K for information on Standard and Specific designations.

You must sign and date Section R. The beneficiary designation is not valid unless signed. Your signature is required for both the Standard and Specific designations.