

SECTION 8 — ACCOUNT WITHDRAWAL

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ACCOUNT WITHDRAWAL

DEFINED BENEFIT PLAN

Total accumulated employee contributions may be withdrawn by members upon termination of STRS Ohio service and upon submission of an *Application for Withdrawal Payment* (see Page 5) to STRS Ohio. The application can be completed in the Online Personal Account area of the member website at www.strsoh.org.

Members cannot withdraw their STRS Ohio account if they are under any form of teaching contract, including substitute teaching; are under any type of verbal or written agreement for future teaching with an STRS Ohio employer under the retirement law; are on a leave of absence; are currently receiving service retirement or disability benefits from STRS Ohio; or currently contributing to a college or university alternative retirement plan. Only a transfer of STRS Ohio funds to the alternative retirement plan is permitted. Partial loans or withdrawals cannot be granted.

Finally, if a member has terminated employment in an STRS Ohio-covered position, but is working for the same employer in an OPERS or SERS position, he or she cannot withdraw his or her account.

Each member should carefully consider any resulting loss of benefits when deciding to withdraw contributions. Withdrawn accounts cannot be restored.

Eligible college and university faculty who are active ARP participants cannot receive a direct payment of their refund or roll over their eligible distribution to an individual retirement account (IRA) or an eligible employer plan. If the ARP participant chooses a refund of his or her account, the refund must be transferred to the ARP selected.

DEFINED CONTRIBUTION PLAN

Contributions may be withdrawn upon termination of STRS Ohio service and upon submission of an *Application for Withdrawal Payment* (see Page 5) to STRS Ohio. The application can be completed in the Online Personal Account area of the member website at www.strsoh.org.

Members cannot withdraw their STRS Ohio account if they are under any form of teaching contract, including substitute teaching; are under any type of verbal or written agreement for future teaching with a board of education or other Ohio public employer; are on a leave of absence; or receiving service retirement benefits from STRS Ohio. Partial loans or withdrawals cannot be granted.

Each member should carefully consider any resulting loss of benefits when deciding to withdraw contributions. Withdrawn accounts cannot be restored.

Eligible college and university faculty who are active ARP participants cannot receive a direct payment of their refund or roll over their eligible distribution to an IRA or an eligible employer plan. If the ARP participant chooses a refund of his or her account, the refund must be transferred to the ARP selected.

COMBINED PLAN

Contributions may be withdrawn upon termination of STRS Ohio service and upon submission of an *Application for Withdrawal Payment* (see Page 5) to STRS Ohio. The application can be completed in the Online Personal Account area of the member website at www.strsoh.org.

If members withdraw their accounts before age 50, they must withdraw both the defined benefit and defined contribution portions of their accounts.

At age 50 or after, they may withdraw the defined contribution portion upon terminating employment and leave the defined benefit portion on account for a benefit at age 60. They may withdraw the defined benefit portion only if they withdraw the defined contribution portion.

Members cannot withdraw their STRS Ohio account if they are under any form of teaching contract, including substitute teaching; are under any type of verbal or written agreement for future teaching with a board of education or other Ohio public employer; are on a leave of absence; or are receiving service retirement or disability benefits from STRS Ohio.

Each member should carefully consider any resulting loss of benefits when deciding to withdraw contributions. Withdrawn accounts cannot be restored.

Eligible college and university faculty who are active ARP participants cannot receive a direct payment of their refund or roll over their eligible distribution to an IRA or an eligible employer plan. If the ARP participant chooses a refund of his or her account, the refund must be transferred to the ARP selected.

WITHDRAWAL PAYMENTS

DEFINED BENEFIT PLAN

Payments for withdrawals include interest at rates approved by the Retirement Board and, in some cases, matching funds. Interest rates are subject to change without notice. Rates noted below are the maximum allowed by law.

- Withdrawal payments to members with **5.00 or more years** of qualifying service credit,* interest at a rate no greater than 6% compounded annually is payable on your teaching contributions and an additional amount equal to 50% of the sum of teaching contributions, plus interest, is paid.
- Withdrawal payments to members **with at least 3.00 years but less than 5.00 years** of qualifying service credit,* interest at a rate no greater than 6% compounded annually is payable on your teaching contributions.
- Withdrawal payments to members **with less than 3.00 years** of qualifying service credit,* interest at a rate no greater than 4% compounded annually is payable on your teaching contributions.

*Qualifying service credit includes earned credit with STRS Ohio, Ohio Public Employees Retirement System (OPERS) or School Employees Retirement System (SERS); restoration of withdrawn credit with STRS Ohio, OPERS or SERS; interrupted Ohio public service due to military service; and earned and restored credit that transfers from Ohio Police & Fire Pension Fund, Highway Patrol Retirement System or Cincinnati Retirement System.

DEFINED CONTRIBUTION PLAN

Account withdrawal amounts consist of a portion of member contributions plus any gains or losses on those contributions.

Withdrawal amounts will also include the employer portion of the account (consisting of a portion of the employer contributions plus any gains or losses), according to the following vesting schedule:

- **If membership began before July 1, 2013**, the member is 100% vested in the employer portion of the account after one year of membership.
- **If membership began on or after July 1, 2013**, the member is vested in 20% of the employer portion of the account for each full year of membership.

The withdrawal amount may be reduced by fees or early withdrawal penalties.

COMBINED PLAN

For the defined contribution portion of the account, the withdrawal amount consists of a portion of member contributions plus any gains or losses on those contributions. The withdrawal amount may be reduced by fees or early withdrawal penalties.

For the defined benefit portion of the account, members with 5.00 or more years of service credit are eligible for the greater of: (1) the present value of the future benefits, or (2) the member's total contributions to the defined benefit portion of the account.

The defined benefit portion of the account consists of the member's total contributions to the defined benefit portion of the account if the member withdraws before accumulating 5.00 years of service credit.

SPECIAL TAX NOTICE REGARDING PLAN PAYMENTS

Tax laws affect the way eligible rollover distributions are distributed and taxed. In general, the member has three options for receiving payment: a "direct rollover" to a traditional IRA, a Roth IRA or an eligible retirement plan; all of the payment paid directly to the member; or a portion paid as a rollover with the remaining amount paid directly to the member. The choice will affect the tax treatment of the payment.

When the member requests an application for withdrawal, STRS Ohio will send the four-page application and a withdrawal brochure, which includes information about the tax laws and the direct rollover instructions. If a member chooses to complete the withdrawal application online, the tax notice and withdrawal brochure are available in digital format. The tax information supplied to the member can help the member decide how best to receive the payment from STRS Ohio.

APPLICATION

To withdraw an account, the member must submit a withdrawal application to STRS Ohio. The application includes direct rollover instructions. A brochure is included with the application. Both are also available on the member website at www.strsoh.org.

If the member has taught during the last 18 months, the employer must complete the employer certification online and submit it to STRS Ohio. This certification is available in the Withdrawal Certification application in ESS. See the Withdrawal Certification section in the ESS instructions for details about completing this form.

The employer should complete the employer certification as soon as proper amounts can be accurately determined. Record the final date of service for which STRS Ohio-contributing compensation was earned and the member's last payroll date. Also, complete the member contributions and service credit for the most recent fiscal year during which the member worked. Taxed employee contributions and tax-deferred contributions should be shown separately on the appropriate lines.

The amounts recorded on the employer certification must agree with the amounts reported on the annual report. Contributions and service credit should not be reported to STRS Ohio until the proper amounts can be accurately determined. Employers will be responsible for reimbursing STRS Ohio for any overpayments made to members or beneficiaries as a result of employer reporting errors.

College and university employers are also required to record whether the applicant is currently participating in an ARP in an STRS Ohio-covered position, the plan provider and whether the plan can accept a 401(a) transfer.

If the member elects a direct payment of the refund, the payment will be sent to the address shown on the member's withdrawal application, unless STRS Ohio receives a written, signed notice from the member of an address change. Payment of an account withdrawal is generally made within three to four weeks after receipt of the valid, properly completed application from the certifying employer or your last payroll date, whichever is later.

If the member selects a direct rollover of the refund, the member should first confirm that the IRA or other eligible retirement plan accepts rollovers. The direct rollover instructions (Section 2 of the application) should be completed.

Refunds rolled over will be mailed to the eligible retirement plan trustee. The check will be made payable to the eligible retirement plan financial institution or trustee. If only a partial amount of the refund is rolled over, the remaining portion will be sent directly to the member. Any taxable amounts sent directly to the member will be subject to 20% federal income tax withholding.

Refund checks for college and university faculty who are actively participating in an ARP will be made payable to and mailed directly to the plan selected.



APPLICATION FOR WITHDRAWAL PAYMENT

For Members Enrolled in the STRS Ohio Defined Benefit, Defined Contribution or Combined Plan

Please read the information that accompanies this application before applying for a withdrawal payment. If you decide to withdraw your account, please note:

- You must sign this application on Page 3 to receive payment. In addition, your affidavit and signature must be notarized if:
 - You are in the Defined Benefit Plan and have 5.00 or more years of total service credit, or
 - You are in the Defined Contribution Plan or Combined Plan and your total withdrawal value is \$5,000 or more.
- If you are married, your spouse's affidavit and notarized signature are required on Page 3 if either of the following is true:
 - You are in the Defined Benefit Plan and are eligible for service retirement, or
 - You are in the Defined Contribution Plan or Combined Plan, you are age 50 or older and your account value is \$5,000 or more.
- If you are in the STRS Ohio Defined Benefit Plan and terminated your employment in an STRS Ohio-covered position but are now working with the same employer in an Ohio Public Employees Retirement System (OPERS) or School Employees Retirement System (SERS) position, then you cannot withdraw your STRS Ohio account.
- If you were employed in a public or state-supported school in Ohio during the last 18 months, STRS Ohio may need to contact one or more of your recent STRS Ohio-contributing employers to obtain their certification of your termination of employment and final information about your STRS Ohio contributions and earned service credit. Your withdrawal payment cannot be processed until STRS Ohio obtains any needed certifications.
- Your account withdrawal check will be sent to the address shown on this application unless STRS Ohio receives a written, signed notice of your change of address. The withdrawal check cannot be picked up at the STRS Ohio offices.
- Federal tax requirements state that account withdrawal checks cannot be issued before 30 days and no later than 180 days from the date STRS Ohio provides special tax information to you (this information accompanies this application). Your signature on Page 3 indicates that you wish to waive the 30-day waiting period. Please call us if you do not wish to waive this waiting period. STRS Ohio issues checks within three to four weeks after receipt of a properly completed application or your last pay date, whichever is later.
- The signed application must be mailed to:
STRS Ohio, 275 E. Broad St., Columbus, OH 43215-3771

Special Tax Notice Provided _____

Section 1 — General Information (Please use ink.)

Member's full name _____
First Middle Maiden Last

Social Security number _____ Phone (_____) _____
Area code

Home address _____
Street City State ZIP code

Date of birth _____ Male Female

Are you married? Yes No If yes, please provide spouse's name _____

Are you receiving a monthly retirement benefit from OPERS, SERS, Ohio Police & Fire Pension Fund, Highway Patrol Retirement System, City of Cincinnati Retirement System or an alternative retirement plan established under Ohio Revised Code, Section 3305? Yes No

If yes, identify the retirement system and provide the effective date of retirement:
System _____ Effective date of retirement _____

If you are in the Combined Plan, are age 50 or older, and have 5.00 or more years of service credit, please check the portion of your account that you would like to withdraw:

- Defined contribution and defined benefit portions
- Defined contribution portion only
- Defined benefit portion only (available if defined contribution portion was previously withdrawn or annuitized)

If you are in the Combined Plan and withdraw before age 50 or have less than 5.00 years of service credit, then your withdrawal payment will include both the defined contribution and defined benefit portions of your Combined Plan account.



Section 2 — Direct Rollover or Transfer

DIRECT ROLLOVER TO ELIGIBLE RETIREMENT PLAN

IMPORTANT — Any portion of the account that you do not choose to directly roll over will be paid directly to you. If you do not wish to roll over any portion of your account, do not complete this section and proceed to Section 3. Generally, STRS Ohio is required to withhold 20% of taxable payments paid directly to you for federal income taxes. Please review the accompanying information regarding taxes and penalties that may apply, as well as other important tax provisions.

- I wish to directly roll over all or part of my eligible account withdrawal to an eligible retirement plan. Retirement plans eligible for direct rollover are either an IRA or an eligible employer plan that will accept the rollover. The rules of the IRA or eligible employer plan that holds the rollover will determine your investment options, fees and rights to payment from the IRA or eligible employer plan (e.g., no spousal consent rules apply to IRAs and IRAs may not provide loans). Further, the amount rolled over will become subject to the tax rules that apply to the IRA or employer plan. (You should confirm that your plan administrator accepts direct rollovers from Section 401(a) employer plans. Please also refer to the accompanying information for tax restrictions applicable to lump-sum payments and rollovers before completing this application.)

Name _____ Last four digits of Social Security number _____

Account number of the plan accepting the rollover _____

Type of plan (check one):

- | | |
|---|---|
| <input type="checkbox"/> Traditional IRA | <input type="checkbox"/> 401(a) [including: defined benefit, profit-sharing and governmental pension] |
| <input type="checkbox"/> Roth IRA | <input type="checkbox"/> 401(k) |
| <input type="checkbox"/> 403(b) | <input type="checkbox"/> SEP IRA |
| <input type="checkbox"/> 457(b) governmental plan | <input type="checkbox"/> SIMPLE IRA |

Rollover distribution to be made payable to:

Name of financial institution or plan trustee _____

Attention _____

Address _____

City _____ State _____ ZIP code _____

Complete one:

- I wish to roll over 100% of my payment (both taxable and nontaxable amounts).
- I wish to roll over _____% of my taxable payment and _____% of my nontaxable payment.
- I wish to roll over \$_____ of my taxable payment and \$_____ of my nontaxable payment.

Any money remaining in your account after the above amounts are rolled over will be paid directly to you and any taxable amounts will be subject to 20% federal income tax withholding.

TRANSFER TO ALTERNATIVE RETIREMENT PLAN (FOR COLLEGE AND UNIVERSITY PERSONNEL)

IMPORTANT — This is the only option available to college or university personnel who are employed full time in an STRS Ohio-covered position and are contributing to an alternative retirement plan.

- I wish to directly transfer all of my account withdrawal to the alternative retirement plan noted below. I understand that 100% of my withdrawn account will be transferred to the alternative retirement plan. (Please consult with your employer to ensure you are eligible to transfer your account withdrawal to an alternative retirement plan before completing the information below.)

Name _____ Last four digits of Social Security number _____

Alternative retirement plan account number: _____

Account transfer to be made payable to:
Name of alternative retirement plan _____

NOTE: The direct transfer check will be mailed to the alternative retirement plan.

Section 3 — Affidavit and Notarization

MEMBER AFFIDAVIT

I certify that I am no longer teaching in an STRS Ohio-contributing position, including substitute teaching; I am neither under contract nor do I have any verbal or written agreement to teach in an STRS Ohio-contributing position in the future with any board of education or other STRS Ohio employer; and I am not on leave of absence from any STRS Ohio-contributing position. I understand that the withdrawal of my STRS Ohio account cancels all my service credit, all membership privileges and my beneficiary designation. I have reviewed and understand the important information in this *Application for Withdrawal Payment*, as well as the information that accompanies this application. I understand that my withdrawal is final once the check is issued. I declare that the information submitted on this application is true and accurate.

If I am in the Defined Benefit Plan, I certify I am not a member of OPERS or SERS whose employment under OPERS or SERS is with the public employer that was my employer under STRS Ohio at the time my service was terminated.

If I am in the Defined Contribution Plan or Combined Plan, I understand that if I have allocated all or part of my account to the STRS Ohio Total Guaranteed Return Choice, and I am withdrawing my account before the end of a five-year term, then I will be assessed an early-term withdrawal penalty of 10% of my net asset value on all funds that did not go to term. I also understand that I cannot restore my account if I return to employment in an STRS Ohio-contributing position.

IMPORTANT — You must sign below to receive payment. In addition, your signature must be notarized below if:
(1) you are in the Defined Benefit Plan and have 5.00 or more years of total service credit, or (2) you are in the Defined Contribution Plan or Combined Plan and your total withdrawal value is \$5,000 or more.

Name of STRS Ohio member (please print) _____

Signature of STRS Ohio member _____ Date _____

Last four digits of Social Security number _____

The individual identified above did personally appear before me and did sign the foregoing instrument by his/her own free act and deed.

Sworn to before me and signed this _____ day of _____ in the year _____

State of _____ County of _____ Commission expires _____

Notary Seal

Signature of notary public _____

SPOUSAL AFFIDAVIT

I certify that my spouse has elected to withdraw his/her STRS Ohio account. I consent to this election by my spouse and understand that my consent is irrevocable. I am aware that withdrawal results in forfeiture of all retirement benefits my spouse has earned and is eligible to receive. It also results in a forfeiture of benefits for a surviving spouse in the event of death. These benefits may include a monthly pension and for members in the Defined Benefit Plan and Combined Plan, may also include access to coverage in the STRS Ohio Health Care Program and survivor benefits. I further understand that if I do not consent, my spouse — the STRS Ohio member — will receive a benefit paid as a Joint and Survivor Annuity, one-half to me in the event of my spouse's death. I have reviewed and understand the important information in this *Application for Withdrawal Payment*, as well as the information that accompanies this application. I declare that the information submitted on this application is true and accurate.

IMPORTANT — Spousal signature is required below and must be notarized if either of the following is true: (1) my spouse, the STRS Ohio member, is in the Defined Benefit Plan and is eligible for service retirement, or (2) my spouse, the STRS Ohio member, is in the Defined Contribution Plan or Combined Plan, is age 50 or older and has an account value of \$5,000 or more.

Name of spouse (please print) _____

Signature of spouse _____ Date _____

Social Security number _____

The individual identified above did personally appear before me and did sign the foregoing instrument by his/her own free act and deed.

Sworn to before me and signed this _____ day of _____ in the year _____

State of _____ County of _____ Commission expires _____

Notary Seal

Signature of notary public _____