

**Mutual Fund Rollover/Transfer Out Form**  
**All Plan Types Except 403(b): Non-ERISA**

**VALIC Retirement Services Company (VRSCO)**

Original Form Required for Processing

**1. CLIENT INFORMATION**

Name: \_\_\_\_\_ SSN or Tax ID: \_\_\_\_\_  
Address: \_\_\_\_\_ City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_  
Daytime Phone: (\_\_\_\_) \_\_\_\_\_ Date of Birth: \_\_\_\_\_ Group #: \_\_\_\_\_  
Plan Name: \_\_\_\_\_ Plan #: \_\_\_\_\_

**2. ROLLOVER/TRANSFER OUT REQUEST**

**Indicate if you are requesting a Rollover or Transfer by checking one of the boxes below. Do not check either box if you are requesting a Transfer to Purchase Credit (complete information below). See Information pages for more details.**

☐ **Rollover Distributions:**

- Must have met a distributable event (See Information pages)
- Generally not restricted by receiving plan
- Not taxable
- Are reported to IRS

☐ **Transfers to a Like Plan Type:**

- Allowed at any time if not restricted by the plan
- Plan may restrict transfers to only certain specified carriers
- Generally subject to restrictions of receiving plan
- Not taxable and not reported to IRS

**If you do not designate this transaction either as a Rollover or a Transfer, and if the plan and the applicable rules permit, we will treat this as a request for a Transfer. Otherwise, we will treat this as a request for a Rollover, subject to applicable plan requirements and restrictions.** For distributions occurring after January 1, 2015, under federal tax rules individuals cannot make more than one nontaxable 60-day IRA rollover within any one-year period, even if the rollovers involve different IRAs. The one-rollover per year limitation does not apply to a rollover to or from a qualified plan nor does it apply to IRA trustee-to-trustee transfers. IRA owners requesting a distribution for a rollover should be advised that they have the option to request a trustee-to-trustee transfer from one IRA to another IRA.

**Indicate Receiving Plan Type for Rollover/Transfer:**

- ☐ 403(b)    ☐ 401(a)/403(a)    ☐ 401(k)    ☐ SEP or Traditional IRA    ☐ 457(b) Governmental Deferred Compensation  
☐ Roth IRA    ☐ Nonqualified Deferred Annuity    ☐ Non-spousal Inherited IRA    ☐ 457(b) Tax-Exempt Deferred Compensation (transfer only)

**Transfers to Purchase Service Credit** (Refer to the Information pages for additional information.):

Indicate Retirement Date (if known): \_\_\_\_\_ ☐ I elect to transfer funds to purchase service credit.

**REQUIRED:** Attach State Defined Benefit Plan Documentation providing the dollar amount of eligibility.

**Choose from one of the following distribution types below.**

**OPTION A → WITHDRAWAL**

- Distributes funds as requested and leaves account open
- Future contributions accepted
- No impact to outstanding loans

**Please indicate Account(s) you wish to withdraw from.**

Account # \_\_\_\_\_ Account # \_\_\_\_\_ Account # \_\_\_\_\_  
\$ \_\_\_\_\_ or \_\_\_\_\_ % \$ \_\_\_\_\_ or \_\_\_\_\_ % \$ \_\_\_\_\_ or \_\_\_\_\_ %

**Choose one:**

- ☐ Distribute the amount pro-rata against all available funds excluding Schwab PCRA (default)  
☐ Distribute the amount pro-rata against all available funds including Schwab PCRA  
☐ Distribute the amount or percentage from each fund as specified below:

Fund Code	Amount
_____	\$ _____ or _____ %
_____	\$ _____ or _____ %
_____	\$ _____ or _____ %

**Choose one:**

- ☐ Distribute the amount pro-rata against all available funds excluding Schwab PCRA (default)  
☐ Distribute the amount pro-rata against all available funds including Schwab PCRA  
☐ Distribute the amount or percentage from each fund as specified below:

Fund Code	Amount
_____	\$ _____ or _____ %
_____	\$ _____ or _____ %
_____	\$ _____ or _____ %

**Choose one:**

- ☐ Distribute the amount pro-rata against all available funds excluding Schwab PCRA (default)  
☐ Distribute the amount pro-rata against all available funds including Schwab PCRA  
☐ Distribute the amount or percentage from each fund as specified below:

Fund Code	Amount
_____	\$ _____ or _____ %
_____	\$ _____ or _____ %
_____	\$ _____ or _____ %

**OPTION B → SURRENDER**

- Automatically closes account.
- Future contributions will not be accepted.
- Any outstanding loan(s) will be terminated and reported as taxable distributions.

Account # \_\_\_\_\_ Account # \_\_\_\_\_ Account # \_\_\_\_\_



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**3. ROLLOVER DISTRIBUTION REASON** This section is required if you checked "Rollover Distribution" above.

**401(a)/(k) or governmental 457(b) Deferred Compensation Plans** (see Information pages):

☐ **Separation from Service** as of \_\_\_\_\_ (date) due to: ☐ Termination ☐ Early Retirement ☐ Normal Retirement

☐ **In-service Withdrawal** of available funds other than hardship.

☐ **Permanent/Total Disability** as of \_\_\_\_\_ (date). Attach Doctor's Statement or Social Security Administration Documentation.

**Other Distributions:**

☐ Spousal Beneficiary ☐ Qualified Domestic Relations Order (QDRO) Payment ☐ Non-spousal Beneficiary – Available for Beneficiary IRA Rollover Only

**4. SPECIAL INSTRUCTIONS**

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**5. PAYEE ROLLOVER/TRANSFER COMPANY MAILING INSTRUCTIONS**

Payee Rollover/Transfer Company Name

Receiving Account Number

Attention Line/Internal Mail Code

Address

City

State

ZIP

**6. VESTING DETERMINATION FOR EMPLOYER CONTRIBUTION SOURCES (To be completed by the employer sponsoring the plan.)**

Complete if VALIC does **not** provide full plan administration services to the Plan

Employer Basic Vested \_\_\_\_\_ %

Employer Matching Vested \_\_\_\_\_ %

Employer Other Vested \_\_\_\_\_ %

Standard Service Account Only: \$ \_\_\_\_\_

Complete if VALIC **does** provide full plan administration services to the Plan.

Indicate hours worked if "hours of service" method is used to calculate vesting.

Indicate months worked if "elapsed time" method is used to calculate vesting. Any month in which an employee was compensated for one hour must be counted as a month worked.

Hours of Service Hours Worked: \_\_\_\_\_

Elapsed Time Months Worked: \_\_\_\_\_

**7. PLAN ADMINISTRATOR APPROVAL**

**To be completed where required under your employer's plan.**

- I approve this distribution in accordance with current plan provisions and all applicable laws and regulations.
- I verify that the information provided on this form for purposes of this distribution is correct to the best of my knowledge.

Plan Administrator (Print Name)

Plan Administrator's Signature

Date



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**8. CLIENT APPROVAL AND SIGNATURE GUARANTEE**

- I authorize the above rollover/transfer and certify that all statements, including marital statements, are complete and accurate to the best of my knowledge and belief.
- I certify that the payee is eligible to accept this rollover/transfer on my behalf.
- I have read and understand the Special Tax Notice in the Information pages.
- I have read and understood the "Qualified Joint and Survivor Annuity and Qualified Annuity Benefit" section in the Information pages. By signing below I am agreeing to waive any benefit or right described in that section that would have been provided with respect to the amount that I am withdrawing. I also understand that I have the right revoke any waiver if a distribution has not already been made.
- You may contact VALIC at 1-800-448-2542 to obtain information about your current contract, including but not limited to your current death benefit, cash surrender value, and the amount of any outstanding loan and the impact of a withdrawal.

If additional information is required, please contact me by e-mail. My e-mail address is: \_\_\_\_\_

\_\_\_\_\_  
Client Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Client (Print Name)

For requests of \$25,000 or more, either a Signature Guarantee (section 8) or your VFA representative's signature (section 9) is required.

**Signature Guarantee:**

- You may obtain a signature guarantee from an eligible guarantor including a bank, broker-dealer, municipal securities dealer, government securities broker, credit union (if authorized under state law), national securities exchange, registered securities association, clearing agency or savings association.
- The Guarantor should be informed of the approximate amount of the distribution and must affix a stamp in the box to the right.
- A notarization by a notary public is not acceptable.

Signature Guarantee (if applicable)

**9. FINANCIAL REPRESENTATIVE/LICENSED AGENT INFORMATION AND SIGNATURES**

**To be completed by your VFA representative or transferring Broker-Dealer Agent.**

Broker-Dealer (Print Name): \_\_\_\_\_

Branch Office Address: \_\_\_\_\_

City: \_\_\_\_\_ State: \_\_\_\_\_ ZIP: \_\_\_\_\_

Licensed Agent/Registered Representative (Print Name): \_\_\_\_\_ Phone: (\_\_\_\_) \_\_\_\_\_

Agent #: \_\_\_\_\_ Location/Region: \_\_\_\_\_ State License #: \_\_\_\_\_

\_\_\_\_\_  
Licensed Agent's/Registered Representative's Signature

\_\_\_\_\_  
Date

For processing, please mail this form to:

VALIC Document Control  
P.O. Box 15648  
Amarillo, TX 79105-5648

If overnight delivery:

VALIC Retirement Services Company  
1050 N. Western St.  
Amarillo, TX 79106-7011

**Questions about this form may be directed to 1-800-448-2542, Monday through Friday, 7 a.m. – 8 p.m. Central Time.**

VALIC represents The Variable Annuity Life Insurance Company and its subsidiaries VALIC Financial Advisors, Inc. and VALIC Retirement Services Company.



### SPECIAL TAX NOTICE

The information in this notice applies to employer plans (a tax-qualified plan, section 403(b) plan, or governmental section 457(b) plan) (each referred to herein as "Plan"). You are receiving this notice because all or a portion of a payment you are receiving may be eligible to be rolled over to an IRA or an employer plan. This notice is intended to help you decide whether to direct such a rollover.

You have the right to at least 30 days to consider your alternatives after receiving this notice. You may waive this review period. Your signature on this form will indicate that either you have had this 30-day review or that you have chosen to waive it and you are requesting an immediate distribution. This notice does not describe any State or local income tax rules (including withholding rules).

### ELIGIBLE ROLLOVER DISTRIBUTIONS

You will be taxed on a payment from the Plan if you do not direct a rollover. If you are under age 59½ and do not direct a rollover, you will also have to pay a 10% additional income tax on early distributions (unless an exception applies). However, if you do a rollover, you will not have to pay tax until you receive payments later and the 10% additional income tax will not apply if those payments are made after you are age 59½ (or if an exception applies).

You may roll over the payment to either an IRA (an individual retirement account or individual retirement annuity) or another employer plan, (a tax qualified plan, section 403(b) plan, or governmental section 457(b) plan) that will accept the rollover. Check with the administrator of that plan about whether the plan accepts rollovers and, if so, the types of rollovers it accepts. See below for rollover rules regarding payments from designated Roth accounts in 401(k), 403(b) or governmental 457(b) plans. The rules of the IRA or employer plan that holds the rollover will determine your investment options, fees, and rights to payment from the IRA or employer plan (for example, 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. There are two ways to do a rollover.

### HOW DO I DO A ROLLOVER?

You can do either a direct rollover or a 60-day rollover.

If you do a direct rollover, the Plan or IRA 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, 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. If you do not do a direct rollover, the Plan is required to withhold 20% of the payment for federal income taxes. 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% federal early withdrawal penalty if you are under age 59½ (unless an exception applies).

### 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 as when external events prevented you from completing the rollover by the 60-day rollover deadline. There are three ways to obtain a waiver of the 60-day rollover requirement: you qualify for an automatic waiver; you self-certify that you met the requirements of a waiver and the IRS determines during an audit or your income tax return that you qualify for a waiver, or your receive a private letter ruling granting a waiver. Payment is required to apply for a private letter ruling with the IRS. The user fee for a private letter ruling is nonrefundable. For more information, see IRS Publication 590-A, Contributions to Individual Retirement Arrangements (IRAs).

### HOW MUCH MAY I ROLLOVER?

If you wish to direct a rollover, you may direct a rollover of all or part of the amount eligible for rollover. Any payment from an employer plan or IRA 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)
  - Required minimum distributions after age 72 (age 70½ if born before July 1, 1949) (or after death)
  - Hardship distributions (unforeseeable emergency distribution for governmental 457(b) plans)
  - Corrective distributions of contributions that exceed tax law limitations
  - Loans treated as deemed distributions (for example, loans in default due to missed payments before your employment ends)
- Effective beginning January 1, 2018, a participant has until the participant's tax return due date for the year in which a qualified plan loan offset occurs to roll over up to 100% of the amount of the offset to an IRA or to another employer plan. A "qualified" plan loan offset is an offset due to severance from employment or an employer plan termination.
- Payments of certain automatic enrollment contributions requested to be withdrawn within 90 days of the first contribution
  - Cost of life insurance paid by the Plan
  - Amounts paid from certain deferred compensation plans

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

**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 included in the payment, so you cannot take a payment of only after-tax contributions. However, 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. In addition, special rules apply when you do a rollover, as described below.

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 at the time the rest is paid to you, the portion directly rolled over consists first of the amount that would be taxable if not rolled over. For example, assume you are receiving a distribution of \$12,000, of which \$2,000 is after-tax contributions. In this case, if you directly roll over \$10,000 to an IRA that is not a Roth IRA, no amount is taxable because the \$2,000 amount not directly rolled over is treated as being after-tax contributions. If you do a direct rollover of the entire amount paid from the Plan to two or more destinations at the same time, you may be able to choose which destination receives 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 that is not a Roth 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.

### PAYMENTS FROM DESIGNATED ROTH ACCOUNTS

After-tax contributions included in a payment from a designated Roth account are not taxed, but earnings might be taxed. The tax treatment of earnings included in the payment depends on whether the payment is a qualified distribution. If a payment is only part of your designated Roth account, the payment will include an allocable portion of the earnings in your designated Roth account.

If the payment from the Plan is not a qualified distribution and you do not do a rollover to a Roth IRA or a designated Roth account in an employer plan, you will be taxed on the earnings in the payment. If you are under age 59½, a 10% federal early withdrawal penalty will also apply to the earnings (unless an exception applies). However, if you do a rollover, you will not have to pay taxes currently on the earnings and you will not have to pay taxes later on payments that are qualified distributions.

If the payment from the Plan is a qualified distribution, you will not be taxed on any part of the payment even if you do not do a rollover. If you do a rollover, you will not be taxed on the amount you roll over and any earnings on the amount you roll over will not be taxed if paid later in a qualified distribution.

A qualified distribution from a designated Roth account in the Plan is a payment made after you are age 59½ (or after your death or disability) and after you have had a designated Roth account in the Plan for at least 5 years. In applying the 5-year rule, you count from January 1 of the year your first contribution was made to the designated Roth account. However, if you did a direct rollover to a designated Roth account in the Plan from a designated Roth account in another employer plan, your participation will count from January 1 of the year your first contribution was made to the designated Roth account in the Plan or, if earlier, to the designated Roth account in the other employer plan.

You may roll over the payment to either a Roth IRA (a Roth individual retirement account or Roth individual retirement annuity) or a designated Roth account in an employer plan (a tax-qualified plan or section 403(b) plan) that will accept the rollover. The rules of the Roth IRA or employer plan that holds the rollover will determine your investment options, fees, and rights to payment from the Roth IRA or employer plan (for example, no spousal consent rules apply to Roth IRAs and Roth IRAs may not provide loans). Further, the amount rolled over will become subject to the tax rules that apply to the Roth IRA or the designated Roth account in the employer Plan. In general, these tax rules are similar to those described elsewhere in this document, but differences include:

- If you do a rollover to a Roth IRA, all of your Roth IRAs will be considered for purposes of determining whether you have satisfied the 5-year rule (counting from January 1 of the year for which your first contribution was made to any of your Roth IRAs).
- If you do a rollover to a Roth IRA, you will not be required to take a distribution from the Roth IRA during your lifetime and you must keep track of the aggregate amount of the after-tax contributions in all of your Roth IRAs (in order to determine your taxable income for later Roth IRA payments that are not qualified distributions).
- Eligible rollover distributions from a Roth IRA can only be rolled over to another Roth IRA.

There are two ways to do a rollover. You can either do a direct rollover or a 60-day rollover. If you do a direct rollover, the Plan will make the payment directly to your Roth IRA or designated Roth account in an employer plan. You should contact the Roth 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, you may still do a rollover by making a deposit within 60 days into a Roth IRA, whether the payment is a qualified or nonqualified distribution. In addition, you can do a rollover by making a deposit within 60 days into a designated Roth account in an employer plan if the payment is a nonqualified distribution and the rollover does not exceed the amount of the earnings in the payment. You cannot do a 60-day rollover to an employer plan of any part of a qualified distribution. If you receive a distribution that is a nonqualified distribution and you do not roll over an amount at least equal to the earnings allocable to the distribution, you will be taxed on the amount of those earnings not rolled over, including the 10% federal early withdrawal penalty if you are under age 59½ (unless an exception applies).

If you do a direct rollover of only a portion of the amount paid from the Plan and the portion is paid to you at the same time, the portion directly rolled over consists first of earnings.

If you do not do a direct rollover and the payment is not a qualified distribution, the Plan is required to withhold 20% of the earnings for federal income taxes (up to the amount of cash and property received other than employer stock). This means that, in order to roll over the entire payment in a 60-day rollover to a Roth IRA, you must use other funds to make up for the 20% withheld.

### ROLLOVERS OF BENEFICIARY/ALTERNATE PAYEE ACCOUNTS

**Payments after death of the participant.** If you receive a distribution after the participant'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% federal early withdrawal penalty and the special rules for public safety officers do not apply, and the special rule described under the section, "Special Tax Treatment for Certain Lump-Sum Distributions," applies only if the participant was born on or before January 1, 1936. Note that whether a payment from a designated Roth account (see above) is a qualified distribution generally depends on when the participant first made a contribution to the designated Roth account in the Plan.

**If you are a surviving spouse.** If you receive a payment from the Plan as the surviving spouse of a deceased participant, you have the same rollover options that the participant would have had, as described elsewhere in this notice. In addition, if you choose to do a rollover to a traditional or Roth IRA, if applicable, you may treat the IRA as an inherited IRA or as your own. If you treat the IRA (either traditional or Roth) as an inherited IRA, payments from the IRA will not be subject to the 10% federal early withdrawal penalty. However, if the participant had started taking required minimum distributions, you will have to receive required minimum distributions from the inherited IRA. If the participant 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 participant would have been age 72 (age 70½ if born before July 1, 1949).

An IRA you treat as your own is treated like any other traditional IRA of yours, so that payments made to you before you are age 59½ will be subject to the 10% federal early withdrawal penalty (unless an exception applies) and required minimum distributions from such IRA do not have to start until after you are age 72 (age 70½ if born before July 1, 1949). An inherited Roth IRA you treat as your own is treated like any other Roth IRA of yours, so that you will not have to receive any required minimum distributions during your lifetime and earnings paid to you in a nonqualified distribution before you are age 59½ will be subject to the 10% federal early withdrawal penalty (unless an exception applies).

**If you are a surviving beneficiary other than a spouse.** If you receive a payment from the Plan because of the participant'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 traditional or Roth IRA, as applicable. Payments from the inherited IRA (even if a nonqualified distribution from a Roth IRA) will not be subject to the 10% federal early withdrawal penalty. You will have to receive required minimum distributions from the inherited traditional or Roth IRA.

**Payments under a qualified domestic relations order.** If you are the spouse or former spouse of the participant who receives a payment from the Plan under a qualified domestic relations order (QDRO), you generally have the same options the participant would have (for example, you may roll over the payment to your own IRA or an eligible employer plan that will accept it). Payments under the QDRO will not be subject to the 10% federal early withdrawal penalty.

### 10% PENALTY

If you are under age 59½, you will have to pay the 10% federal early withdrawal penalty for any taxable payment from an employer 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% federal early withdrawal penalty does not apply to the following payments from an employer plan or IRA:



- Payments made after you separate from service if you will be at least age 55 in the year of the separation (does not apply to payments from an IRA)
- 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) (exception applies to IRA without regard to separation from service)
- Payments from a governmental 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
- Payments from a governmental 457(b) plan, unless the payment is from a separate account holding rollover contributions that were made to the Plan from a qualified plan, a section 403(b) plan, or an IRA
- Corrective distributions of contributions that exceed tax law limitations
- Payments made directly to the government to satisfy a federal tax levy
- Cost of life insurance paid by the Plan
- Payments made under a qualified domestic relations order (QDRO) (not applicable to IRA; special rule applies for IRAs 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)
- Payments up to the amount of your deductible medical expenses
- Certain payments made while you are on active duty if you were a member of a reserve component called to duty after September 11, 2001 for more than 179 days
- Payments of certain automatic enrollment contributions requested to be withdrawn within 90 days of the first contribution.
- Phased retirement payments made to federal employees
- Roth conversions/rollovers
- Qualified birth or adoption distribution up to \$5,000 per child made within 1 year after such birth or adoption
- Qualified disaster distribution up to \$100,000
- Coronavirus-related distribution (CRD) up to \$100,000 made on or after March 27, 2020 and before January 1, 2021
- IRA Only: (1) payments for qualified higher education expenses, (2) payments up to \$10,000 used in a qualified first-time home purchase, and (3) payments for health insurance premiums after you have received unemployment compensation for 12 consecutive weeks (or would have been eligible to receive unemployment compensation but for self-employed status).

Note: Eligible rollovers into a governmental 457(b) plan that were previously subject to the 10% federal early withdrawal penalty will continue to be subject to that penalty at the time of withdrawal unless you are over age 59½ or some other exception applies.

### IN-PLAN ROLLOVER TO A DESIGNATED ROTH ACCOUNT

You cannot roll over a taxable distribution to a designated Roth account in another employer's plan. However, you can convert the taxable distribution into a designated Roth account in the distributing Plan.

- If you roll over the taxable account to a designated Roth account in the same Plan, the amount rolled over (reduced by any after-tax amounts directly rolled over) will be taxed. However, the 10% federal early withdrawal penalty will not apply (unless you take the amount rolled over out of the designated Roth account within the 5-year period that begins on January 1 of the year of the rollover).
- If you roll over taxable account to a designated Roth account in the same Plan, later payments from the designated Roth account that are qualified distributions will not be taxed (including earnings after the rollover). A qualified distribution from a designated Roth account is a payment made both after you attain age 59½ (or after your death or disability) and after you have had a designated Roth account in the Plan for a period of at least 5 years. The 5-year period described in the preceding sentence begins on January 1 of the year your first contribution was made to the

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designated Roth account. However, if you made a direct rollover to a designated Roth account in the Plan from a designated Roth account in a plan of another employer, the 5-year period begins on January 1 of the year your first contribution was made to the designated Roth account in the Plan or, if earlier, to the designated Roth account in the plan of the other employer. Payments from the designated Roth account that are not qualified distributions will be taxed to the extent allocable to earnings after the rollover, including the 10% additional income tax on early distributions (unless an exception applies).

- If the Plan permits an in-plan Roth direct rollover option for amounts that are not otherwise distributable under the terms of the Plan, the Plan is not required to permit any other rollover or distribution options of such amounts. For more information, please contact your Plan administrator.

### ROLLOVERS TO A ROTH IRA

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).

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 59½ (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% federal early withdrawal penalty (unless an exception applies). You do not have to take required minimum distributions from a Roth IRA during your lifetime. For more information, see IRS Publication 590-A, Contributions to Individual Retirement Arrangements (IRAs), and IRS Publication 590-B, Distributions from Individual Retirement Arrangements (IRAs).

### LOANS

If you request a total surrender/withdrawal of your Plan account and you have an outstanding loan, the account balance will be reduced by the outstanding loan balance and if applicable outstanding loan security will be returned to the account. The loan offset amount is treated as a distribution to you at the time of the offset and will be taxed (including the 10% additional income tax on early distributions, unless an exception applies) (in the case of a nonqualified distribution from a designated Roth account, only to the extent of the earnings in the loan offset) unless you do a 60-day rollover in the amount of the loan offset to an IRA or employer plan (or in the amount of the nonqualified distribution earnings to a Roth IRA or designated Roth account in any employer plan). You may also choose to pay off the outstanding loan balance prior to the surrender by submitting payment in full.

### EXTENDED ROLLOVER DEADLINE FOR CERTAIN OFFSET LOANS

Beginning after December 31, 2017, a participant who incurs a "qualified" plan loan offset will have until the participant's tax return due date (including extensions) for the year in which the offset occurred to make a rollover of up to 100% of the amount of the qualified plan loan offset. A "qualified" plan loan offset is a plan loan offset that occurs as the direct result of termination of employment or the employer's termination of the plan.

### EXTENDED ROLLOVER DEADLINE FOR CERTAIN QUALIFIED BIRTH OR ADOPTION DISTRIBUTIONS

Beginning after December 31, 2019, a participant who incurs a qualified birth or adoption distribution may rollover of up to 100% of the amount of the qualified birth or adoption distribution to the plan or an IRA without regard to the normal 60-day rollover time limit.

### EXTENDED ROLLOVER DEADLINE FOR CERTAIN CORONAVIRUS-RELATED DISTRIBUTIONS

For coronavirus-related distributions made on or after March 27, 2020, and before January 1, 2021, up to 100% of such distributions may be rolled over

to the plan or an IRA without regard to the normal 60-day rollover time limit for up to three years from the date of the distribution.

### **SPECIAL TAX TREATMENT FOR CERTAIN LUMP-SUM DISTRIBUTIONS**

If you were born on or before January 1, 1936 and receive a lump-sum distribution (including a nonqualified distribution from a designated Roth account) that you do not roll over, special rules for calculating the amount of the tax on the payment (or the earnings in the payment for a nonqualified distribution) might apply to you (not applicable to governmental 457(b) plan distributions). For more information, see IRS Publication 575, Pension and Annuity Income.

### **ELIGIBLE RETIRED PUBLIC SAFETY OFFICER**

If the Plan is a governmental plan, 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 (including nonqualified distributions from designated Roth accounts) 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.

### **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 (not including payments from a designated Roth account in the Plan), 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.
- Unless you elect otherwise, a mandatory cashout of more than \$1,000 will be directly rolled over to an IRA chosen by the Plan administrator. A mandatory cashout is a payment from a plan to a participant made before age 62 (or normal retirement age, if later) and without consent, where the participant's benefit does not exceed \$5,000 (not including any amounts held under the plan as a result of a prior rollover made to the plan).
- 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.
- You may have special rollover rights if you were affected by a federally declared disaster. For more information on special rollover rights related to disaster relief, see the IRS website @ [www.irs.gov](http://www.irs.gov)

### **FOR MORE INFORMATION**

You may wish to consult with the Plan administrator or a professional tax adviser, before taking a payment from the Plan or IRA. Also, you can find more detailed information on the federal tax treatment of payments from employer plans and IRAs in: IRS Publication 575, Pension and Annuity Income; IRS Publication 590-A, Contributions to Individual Retirement Arrangements (IRAs); IRS Publication 590-B, Distributions from 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 [www.irs.gov](http://www.irs.gov) or by calling 1-800-TAX-FORM.

## **VALIC Retirement Services Company (VRSCO)**

### **ADDITIONAL INFORMATION**

#### **DISTRIBUTABLE EVENT**

Generally a distributable event includes attainment of age 59½ (Before January 1, 2020 attainment of age 70½ for governmental 457(b) plans), severance from employment, disability or death. However, the employer's plan may place additional restrictions that must also be met prior to a distribution. If you have met a distributable event, you may request a rollover of funds to any eligible plan type or a transfer to a like plan type. If you wish to move funds from your VALIC 403(b) account to another 403(b) account via a rollover distribution, and have made contributions prior to 01-01-87, those amounts may lose a grandfathered status that can impact future required distributions. However, movement of funds from your VALIC 403(b) account to another 403(b) account via a transfer distribution may retain the status. For more information, please call 1-800-448-2542.

#### **TRANSFERS**

Transfers to a like plan will not be taxed or reported to the IRS. Generally, transfers are allowed regardless of employment status. However, your employer's Plan may restrict you to authorized carriers. Transferred amounts generally become subject to the requirements of the plan receiving the transfer as though originally contributed to that plan.

For distributions occurring after January 1, 2015, under federal tax rules individuals cannot make more than one nontaxable 60-day IRA rollover within any one-year period, even if the rollovers involve different IRAs. The one-rollover per year limitation does not apply to a rollover to or from a qualified plan nor does it apply to IRA trustee-to-trustee transfers. IRA owners requesting a distribution for a rollover should be advised that they have the option to request a trustee-to-trustee transfer from one IRA to another IRA.

#### **LIVING BENEFIT OPTIONS**

If you have chosen a living benefit option with your annuity contract, withdrawals from the contract will reduce the account value and may reduce or cancel benefits of the living-benefit option. Withdrawals exceeding the Maximum Annual Withdrawal Amount may reduce future Maximum Annual Withdrawal Amounts and reduce or eliminate any eligible income credit. Minimum distribution amounts calculated for each year will include the value of the living benefit. One year's required minimum distribution based solely on the value of each individual account will not be treated as an excess withdrawal, but may reduce the Maximum Withdrawal Period and reduce or eliminate any eligible income credit. See your contract endorsement.

#### **PRIVATE TAX-EXEMPT EMPLOYER DEFERRED COMPENSATION PLANS**

Section 457(b) deferred compensation plans sponsored by private tax-exempt employers require participants to make an irrevocable election regarding the distribution of benefits. Commencement of payments cannot be later than April 1st of the year following the year you attain age 72 (age 70½ if born before July 1, 1949) unless you are still working for the plan's sponsor. Please contact your plan administrator for more information. Distributions from a Section 457(b) plan sponsored by a private tax-exempt employer are not eligible for a rollover to another plan or IRA.

#### **INTERNAL REVENUE SERVICE (IRS) AND DEPARTMENT OF LABOR (DOL) GUIDANCE ON MARRIAGE**

For federal tax law and ERISA purposes, under current IRS and DOL guidance (1) a same-sex marriage that was valid in the state or country it was entered into will be recognized by the IRS or DOL, regardless of the married couple's place of domicile; and (2) although a state may recognize domestic partnerships or civil unions, the terms "spouse," "husband and wife," "husband," and "wife" do not include individuals who have entered into a registered domestic partnership, civil union, or other similar formal relationship recognized under state law that is not denominated as a marriage under the laws of that state.

QUALIFIED JOINT AND SURVIVOR ANNUITY AND QUALIFIED ANNUITY BENEFIT: FOR ERISA PLANS ONLY

This notice should be provided to you at least 30 days, but no more than 180 days, before your proposed distribution date.

If you are married, your retirement plan distributions will be paid to you in the form of a Qualified Joint and Survivor Annuity ("QJSA") unless you elect a different form of distribution. Under your QJSA, if your spouse survives you, the plan will pay him or her at least 50% of the amount the plan had been paying to you, on the same frequency as the payments to you. If you are not married, your benefit will be paid monthly over your life and will end upon your death unless you elect a different form of distribution. This benefit is referred to as a Qualified Annuity Benefit ("QAB").

The plan may satisfy the QJSA or QAB by using your vested account balance to purchase an annuity contract from an insurance company. The actual monthly payments made under the annuity contract will depend on the value of your account balance, annuity purchase rates used by the insurance company, your age, and if you are married, your spouse's age at the time the distribution begins.

The following table reflects the relative values of monthly payments from a Joint and Survivor Annuity and a Life Annuity, assuming a vested account balance of \$5,000 and an interest rate of 6%. This table is based on the Annuity 2000 Mortality tables. **The table is hypothetical and does not reflect the value of your individual benefit or the actual payments you or your beneficiaries would receive.** Please note that as the ages change, the payment amount will change. If none of the examples closely approximates your situation, you may obtain a more accurate value specific to your situation from your plan administrator or from your financial professional.

Age at Benefit Starting Date									
Annuitant	70	65	60	55	50	45	40	35	
Spouse	65	70	55	60	45	50	35	40	
Monthly Payment									
Annuitant Life Only	39.62	35.35	32.38	30.27	28.75	27.61	26.76	26.13	
Joint and 50% Survivor	35.47	33.65	30.21	29.26	27.53	26.99	26.07	25.76	
Joint and 75% Survivor	33.71	32.86	29.23	28.78	26.95	26.70	25.73	25.58	

This QJSA or QAB requirement may not apply to smaller account balances (generally below \$5,000) and will not apply if you have elected another form of benefit. A partial withdrawal would be considered another form of benefit for this purpose. Other alternate forms of benefits that may be available under your employer's plan and under your plan investments may include:

Annuity

An annuity can provide you with payments for your life or for your life and that of your beneficiary; payments for a specified period; payments for your lifetime with a minimum guaranteed period; or a continuation of payments to your surviving spouse that is different from the plan's percentage of the payments made to you. Generally, the more that the form of payment guarantees, such as a minimum period of payments, or payments to your surviving spouse or to another beneficiary, the more that specified benefit amount will cost. There are IRS rules that may limit the period during which payments may be made.

Lump-Sum Distribution

If you elect a lump-sum distribution, your benefit will be paid to you in one payment. The amount of your benefit is the vested portion of your account balance as of the valuation date used to calculate your distribution.

Installments

If you elect to receive your benefits in installments, you may specify the dollar amount and frequency of your payments. The period of time over which you receive these installments cannot be greater than your life expectancy or the joint life and last survivor expectancy of you and your designated beneficiary. There are other IRS rules that may further limit the period over which you receive payments.

In order to elect one of these alternative forms of benefits you must waive your right to the QJSA or QAB, and if you are married, your spouse must also consent in writing. In addition, this written consent must be witnessed by a Notary Public or by your Plan Administrator. You are entitled to 30 days (but no more than 180 days) within which to make this decision. Although you have at least 30 days to make this decision, under some circumstances, you may waive this minimum 30-day period, and if you submit a waiver of the QJSA or QAB less than 30 days after it is signed we will assume that you are waiving this notice period. Unless a waiver of the QJSA or QAB is made irrevocably, you have the right to revoke the waiver and execute another waiver at a later time, up to the time when the benefit payments have started. You also have the right to defer receiving a distribution, subject to the terms of your employer's plan as well as legal requirements that generally require distributions to commence upon the later of attainment of age 72 (age 70½ if born before July 1, 1949 ) or retirement.

The investment options available to you, the right to change investment options, and the fees imposed under the investment options will not be affected by your decision to defer distributions.

Please send completed forms to:

VALIC Document Control  
P.O. Box 15648  
Amarillo, TX 79105-5648

Overnight delivery:  
VALIC Retirement Services Company  
1050 N. Western St.  
Amarillo, TX 79106-7011

Call 1-800-448-2542 for assistance.