



In-Service Distribution Package

I have previously received a distribution from the City of Aurora-Police Money Purchase Pension Plan (check if applicable)

1. Participant Information (this section must be completed for all requests)

Name (First, Initial, Last)			Social Security Number		
Address			Email Address		
City	State	Zip Code	/	/	
D.O.B. MM/DD/YYYY					
Home Phone		Business Phone		Cell Phone	

2. Amount of Distribution (all distributions subject to \$75 processing fee, paid by participant)

Full Withdrawal

Full Withdrawal (maximum amount available at time of distribution processing)

Partial Withdrawal

Check here if you wish to withdraw amounts from BOTH Pre-1987 After Tax Contributions AND Taxable sources.

Withdrawal of Pre-1987 After Tax Employee Contributions (does not include earnings from these contributions)

100% OR _____% OR \$_____

Withdrawal of Taxable amounts (see attached Memorandum and Special Tax Notice for information regarding mandatory tax withholding)

Proportionally across all investment options. \$_____

OR

Withdraw from specific funds

Fund Name _____ Amount: \$_____ OR _____%

Fund Name _____ Amount: \$_____ OR _____%

Fund Name _____ Amount: \$_____ OR _____%

Fund Name _____ Amount: \$_____ OR _____%

Fund Name _____ Amount: \$_____ OR _____%

3. Method of Payment

By check (mailed to the Participant's address specified in Section 1) Direct Deposit - ACH (Please attach voided check)

4. Spousal Consent

To be completed by the Participant

Indicate your current marital status by marking the appropriate box. If you are married and you request an In-service Distribution, your spouse must sign the consent portion of this form (below) in the presence of a notary public. The spousal consent is irrevocable once made with respect to this in-service distribution request.

- Single** - I certify under penalties of perjury that I am NOT married as of the date this form is signed. I understand that if I marry after this date, but before distribution commences, the rules for married Participants will apply to me.
- Married** - I certify that I am married and I understand that my spouse must sign the consent portion of this form (below) in the presence of a notary public to be eligible for an In-service Distribution.

To be completed by the Participant's spouse

I hereby consent to the election of distribution, to have In-service Distribution benefits paid as indicated by my spouse in Section 2 of this form. Further, I hereby acknowledge that I understand: (1) that the effect of my consent may result in the forfeiture of benefits I would be entitled to receive upon my spouse's death; (2) that my spouse's election for In-service Distribution benefits is not valid without my consent; and (3) that my consent is irrevocable unless my spouse revokes the waiver.

Signature of Participant's Spouse _____ Date _____

To be completed by a notary public

Sworn before me this day (MM/DD/YYYY) _____ In the State of _____, County of _____

Signature if notary public _____

My commission expires (MM/DD/YYYY) _____

5. Income Tax Withholding

Lump Sum Distributions: (excluding Pre-1987 After-tax Employee Contributions) are subject to mandatory withholding of 20% for federal income taxes.

State Income Taxes

- I elect **not** to have state income taxes withheld from my distribution.
- I elect to have state income taxes withheld from my distribution.

6. Participant Acknowledgement

Notice: Your pension is an important asset. We urge you to seek professional advice on tax law, financial planning and accounting. Neither the Plan nor its Board Members can give you advice.

Warning: Severe tax penalties may affect distributions from pension plans. You should carefully read all the documents you have been given and consult with your tax advisor.

Distribution charge: I understand the Plan will charge my account directly for the distribution processing fee of \$75.

I, the undersigned Participant, have read the "Notice to Participant of Distribution Election" and the "Special Tax Notice Regarding Plan Payments" and make the distribution election(s) specified in this Distribution Form.

I understand that if a retirement benefit has been paid to me based on false or incorrect information, or by an error inadvertently made by the Plan Administration Committee, the Plan Administration Committee has the right to correct the benefit payment amount. By signing below, I agree to repay any benefit overpayment that may be made to me in error.

I accept sole responsibility for my elections, which are based on my individual situation. I certify that all of the information I have provided on this form is true, correct and accurate. I have not relied on tax advice, investment advice, or any advice furnished by the Plan, the Plan Administration Committee or any of their agents or representatives, or the City of Aurora or any of its agents or representatives.

By signing below, I hereby request that the Plan Administration Committee commence my In-Service Distribution pursuant to the elections I have made above. I understand that the Plan Administration Committee has the right to request additional information and/or documentation from me, and I understand that the commencement of my Plan benefit payments may be delayed until I provide the requested information and/or documentation.

Participant's Signature _____ Date _____

EXHIBIT C**SPECIAL TAX NOTICE REGARDING PLAN PAYMENTS****YOUR ROLLOVER OPTIONS**

You are receiving this notice because all or a portion of a payment you are receiving from the **Money Purchase Pension Plan and Trust Agreement of the Police Department of the City of Aurora** (the “Plan”) is eligible to be rolled over to an IRA or an employer plan. This notice is intended to help you decide whether to do such a rollover.

Rules that apply to most payments from a plan are described in the “General Information About Rollovers” section. Special rules that only apply in certain circumstances are described in the “Special Rules and Options” section.

GENERAL INFORMATION ABOUT ROLLOVERS**How can a rollover affect my taxes?**

You will be taxed on a payment from the Plan if you do not roll it over. If you are under age 59½ and do not do 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).

Where may I roll over the payment?

You may roll over the payment to either an IRA (an individual retirement account or individual retirement annuity) or an employer plan (a tax-qualified plan, section 403(b) plan, or governmental section 457(b) plan) that will accept the rollover. The rules of the IRA or employer plan that holds the rollover will determine your investment options, fees, and rights to payment 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.

How do I do a rollover?

There are two ways to do a rollover. You can do either a direct rollover or a 60-day rollover.

If you do a direct rollover, the Plan will make the payment directly to your IRA or an employer plan. You should contact the IRA sponsor or the administrator of the employer plan for information on how to do a direct rollover.

If you do not do a direct rollover, 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 (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, you must use other funds to make up for the 20% withheld. If you do not roll over the entire amount of the payment, the portion not rolled over will be taxed and will be subject to the 10% additional income tax on early distributions if you are under age 59½ (unless an exception applies).

How much may I roll over?

If you wish to do a rollover, you may roll over all or part of the amount eligible for rollover. Any payment from the Plan is eligible for rollover, except:

- certain payments spread over a period of at least 10 years or over your life or life expectancy (or the lives or joint life expectancy of you and your beneficiary);

- required minimum distributions after age 70½ (or after death); and
- corrective distributions of contributions that exceed tax law limitations;

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

If I don't do a rollover, will I have to pay the 10% additional income tax on early distributions?

If you are under age 59½, you will have to pay the 10% additional income tax on early distributions for any payment from the Plan (including amounts withheld for income tax) that you do not roll over, unless one of the exceptions listed below applies. This tax is in addition to the regular income tax on the payment not rolled over.

The 10% additional income tax does not apply to the following payments from the Plan:

- payments made after you separate from service if you are at least age 55 in the year of the separation;
- payments that start after you separate from service if paid at least annually in equal or close to equal amounts over your life or life expectancy (or the lives or joint life expectancy of you and your beneficiary);
- payments from a governmental defined benefit pension plan made after you separate from service if you are a public safety employee and you are at least age 50 in the year of the separation;
- payments made due to disability;
- payments after your death;
- corrective distributions of contributions that exceed tax law limitations;
- payments made directly to the government to satisfy a federal tax levy;
- payments made under a qualified domestic relations order;
- payments up to the amount of your deductible medical expenses; and
- 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.

If I do a rollover to an IRA, will the 10% additional income tax apply to early distributions from the IRA?

If you receive a payment from an IRA when you are under age 59½, you will have to pay the 10% additional income tax on early distributions from the IRA, unless an exception applies. In general, the exceptions to the 10% additional income tax for early distributions from an IRA are the same as the exceptions listed above for early distributions from a plan. However, there are a few differences for payments from an IRA, including:

- There is no exception for payments after separation from service that are made after age 55.
- The exception for qualified domestic relation orders does not apply (although a special rule applies under which, as part of a divorce or separation agreement, a tax-free transfer may be made directly to an IRA of a spouse or former spouse).
- The exception for payments made at least annually in equal or close to equal amounts over a specified period applies without regard to whether you have had a separation from service.
- There are additional exceptions for (1) payments for qualified higher education expenses, (2) payments up to \$10,000 used in a qualified first-time home purchase, and (3) payments after you have received unemployment compensation for 12 consecutive weeks (or would have been eligible to receive unemployment compensation but for self-employed status).

Will I owe state income taxes?

This notice does not describe any state or local income tax rules (including withholding rules).

SPECIAL RULES AND OPTIONS

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. To apply for a waiver, you must file a private letter ruling request with the IRS. Private letter ruling requests require the payment of a nonrefundable user fee. For more information, see IRS Publication 590, Individual Retirement Arrangements (IRAs).

If you were born on or before January 1, 1936

If you were born on or before January 1, 1936 and receive a lump sum distribution that you do not roll over, special rules for calculating the amount of the tax on the payment might apply to you. For more information, see IRS Publication 575, Pension and Annuity Income.

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

If 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 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.

If you roll over your payment to a Roth IRA

You can roll over a payment from the Plan 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). For payments from the Plan during 2010 that are rolled over to a Roth IRA, the taxable amount can be spread over a 2-year period starting in 2011.

If you roll over the payment to a Roth IRA, later payments from the Roth IRA that are qualified distributions will not be taxed (including earnings after the rollover). A qualified distribution from a Roth IRA is a payment made after you are age 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% additional income tax on early distributions (unless an exception applies). You do not have to take required minimum distributions from a Roth IRA during your lifetime. For more information, see IRS Publication 590, Individual Retirement Arrangements (IRAs).

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

If you are not a Plan participant

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% additional income tax on early distributions and the special rules for public safety officers do not apply, and the special rule described under the section "*If you were born on or before January 1, 1936*" applies only if the participant was born on or before January 1, 1936.

If you are a surviving spouse. If you receive a payment from the Plan as the surviving spouse of a deceased 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 an IRA, you may treat the IRA as your own or as an inherited IRA.

An IRA you treat as your own is treated like any other IRA of yours, so that payments made to you before you are age 59½ will be subject to the 10% additional income tax on early distributions (unless an exception applies) and required minimum distributions from your IRA do not have to start until after you are age 70½. If you treat the IRA as an inherited IRA, payments from the IRA will not be subject to the 10% additional income tax on early distributions. However, if the 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 70½.

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 IRA. Payments from the inherited IRA will not be subject to the 10% additional income tax on early distributions. You will have to receive required minimum distributions from the inherited IRA.

Payments under a qualified domestic relations order. If you are the spouse or former spouse of the participant who receives a payment from the Plan under a qualified domestic relations order, 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 qualified domestic relations order will not be subject to the 10% additional income tax on early distributions.

If you are a nonresident alien

If you are a nonresident alien and you do not do a direct rollover to a U.S. IRA or U.S. employer plan, instead of withholding 20%, the Plan is generally required to withhold 30% of the payment for federal income taxes. If the amount withheld exceeds the amount of tax you owe (as may happen if you do a 60-day rollover), you may request an income tax refund by filing Form 1040NR and attaching your Form 1042-S. See Form W-8BEN for claiming that you are entitled to a reduced rate of withholding under an income tax treaty. For more information, see also IRS Publication 519, U.S. Tax Guide for Aliens, and IRS Publication 515, Withholding of Tax on Nonresident Aliens and Foreign Entities.

Other special rules

If a payment is one in a series of payments for less than 10 years, your choice whether to make a direct rollover will apply to all later payments in the series (unless you make a different choice for later payments).

If your payments for the year are less than \$200 (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 (not including payments from a designated Roth account in the Plan) will be directly rolled over to an IRA chosen by the Plan administrator or the payor. 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.

FOR MORE INFORMATION

You may wish to consult with the Plan administrator or payor, or a professional tax advisor, before taking a payment from the Plan. Also, you can find more detailed information on the federal tax treatment of payments from employer plans in: IRS Publication 575, Pension and Annuity Income; IRS Publication 590, Individual Retirement Arrangements (IRAs); and IRS Publication 571, Tax-Sheltered Annuity Plans (403(b) Plans). These publications are available from a local IRS office, on the web at www.irs.gov or by calling 1-800-TAX-FORM.

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