

# BOYNTON BEACH GENERAL EMPLOYEES' PENSION FUND

## APPLICATION FOR DISTRIBUTION OF DROP ACCOUNT

### PLEASE PRINT OR TYPE:

1.
  - a. Retiree's Name: \_\_\_\_\_
  - b. Social Security Number: \_\_\_\_\_  
\*In accordance with the provisions of §119.071(5)(a)6g, Florida Statutes, the collection and use of social security numbers is authorized for the purpose of the administration of the pension fund.
  - c. Date of Birth: \_\_\_\_\_
  - d. Home Telephone: (\_\_\_\_\_) \_\_\_\_\_ (Please include area code)
  - e. Home Address: \_\_\_\_\_  
Number and Street  
\_\_\_\_\_  
City State Zip Code
2. I retired on: \_\_\_\_\_ (Please enter the date you retired)
3. Type of Retirement which you are receiving: (Please check one)  
☐ Normal Retirement ☐ Post Retirement Survivor Benefit
4. **FORM OF DROP PAYMENT ELECTION**  
Earnings or losses are credited to your account quarterly unless the account balance is zero at the end of the quarter. The DROP accounts are charged an annual pro-rata administrative charge based upon the administrative expenses of the pension fund as a whole. The form of payment you choose may have tax consequences for you. Please consult your tax advisor before you complete this section of the application.

CHECK THE DESIRED OPTION:

- ☐ 1. **Lump-Sum Payment (eligible for rollover)**  
If the lump sum method of distribution is selected then the entire account balance will be paid. The full amount will be paid directly to you or can be rolled over to another qualified plan, at your discretion. You may rollover the full withdrawal balance or a portion thereof, with the remainder paid to you in cash. The payout/rollover can be made in any amount of your choosing but the full amount must be taken from the plan. Any amount paid directly to you will have at least a 20% withholding deduction and may be subject to other taxes and/or penalties. You may elect to have additional taxes withheld; provide the percentage here \_\_\_\_%.
- ☐ 2. **Partial Distribution (eligible for rollover) - Please provide the amount here: \$\_\_\_\_\_.** The elected amount will be paid directly to you or can be rolled over to another qualified plan, at your discretion. You may rollover the full withdrawal balance or a portion thereof, with the remainder paid to you in cash. The payout/rollover can be made in any amount of your choosing. Any amount paid directly to you will have at least a 20% withholding deduction and may be subject to other taxes and/or penalties. You may elect to have additional taxes withheld; provide the percentage here \_\_\_\_%.
- ☐ 3. **Three Year Payment (eligible for rollover)**  
The account balance will be paid in three equal annual installments over a three year period. These amounts may be paid directly to you or can be rolled over to another qualified plan, at your discretion. Any amount paid directly to you will have a 20% withholding deduction and may be subject to other taxes and/or penalties. You may elect to have additional taxes withheld; provide the percentage here \_\_\_\_%.
- ☐ 4. **Monthly Installments - Please provide the amount here: \$\_\_\_\_\_.** If you choose monthly installments, then the account balance will be paid out on a monthly basis. The following rules will apply to this method of distribution:
- a. For retirees who separate from service during calendar year they become age 50 (or older) - The monthly amounts may be determined by you according to your need. If the amount of

the payment is to be paid over less than 120 payments, you can be subject to additional taxes and/or penalties. At age 70½, the monthly installment shall be paid to you at a rate which meets the minimum distribution rules of Internal Revenue Code §401(a)(9). The amount of the monthly benefit or the method of payment (for example, from monthly to lump sum) can be changed on a semi-annual basis during the open enrollment periods. The amount of the monthly payment can be reduced to zero unless the payee has reached age 70½. The open enrollment periods will be the months of August and February. During the open enrollment period only, a retiree may request a partial lump sum withdrawal and still continue to receive the monthly payments.

- b. For retirees who separate from service before calendar year they become age 50 - You may choose any amount provided the amount of the payment is expected to last 10 years or more. The monthly amount chosen must continue in effect until at least age 59½. If the payments last less than 10 years, you can be subject to additional taxes and/or penalties. At age 70½, the monthly installment shall be paid at a rate which meets the minimum distribution rules of Internal Revenue Code §401(A)(9).
- c. A 20% withholding tax applies to all payments. You can elect a higher withholding. Please provide the percentage here:  
\_\_\_\_\_%.
- d. If there are less than 15 times the monthly installment at the start of the fiscal year, then the remaining balance will be paid in a lump sum.

**THE FORM OF PAYMENT YOU CHOOSE MAY HAVE TAX CONSEQUENCES FOR YOU. PLEASE CONSULT YOUR TAX ADVISOR AND COMPLETE THE “STATEMENT OF CONSULTATION WITH TAX ADVISOR FORM” BEFORE MAKING YOUR ELECTION.**

5. **STATEMENT OF CONSULTATION WITH TAX ADVISOR**

Please check the one applicable statement:

- ☐ I hereby state that I **have discussed** my election of payment method from the DROP Account with the following Tax Advisor of my own choosing.

\_\_\_\_\_  
Name of Advisor

\_\_\_\_\_  
Company

- ☐ I have chosen **not to consult** with a Tax Advisor.

I hereby certify that the statements contained in this 4 page application are true and correct to the best of my knowledge, and understand that false statements may disqualify me for benefits. This application is a supplement to my prior application for retirement and supercedes it where conflict exists. This form of payment for the DROP account revokes any prior DROP payment elections I have made.

I have reviewed the Designation of Beneficiary Form filed with the Board of Trustees and hereby certify its accuracy. If I desire to change my designated beneficiary(ies), I will file a new Designation of Beneficiary Form with this application.

***This application must be signed in the presence of a Notary Public.***

\_\_\_\_\_  
Retiree's Signature

\_\_\_\_\_  
Date

STATE OF \_\_\_\_\_  
COUNTY OF \_\_\_\_\_

Sworn to (or affirmed) and subscribed before me this \_\_\_\_ day of \_\_\_\_\_,  
20\_\_\_\_ by \_\_\_\_\_ who is personally known to me or has produced  
\_\_\_\_\_ as identification.

\_\_\_\_\_  
Signature, Notary Public

\_\_\_\_\_  
Printed, typed or stamped name of Notary