

IMPORTANT: Required Minimum Distribution Notice

Dear Plan Participant,

Our records show you may have reached age 73 and must therefore start taking yearly Required Minimum Distributions (RMDs) from any Pre-tax balances in your 401(k) plan(s). To process this withdrawal, please complete the RMD form. If you fail to take the required distribution on time, the IRS may access an excise tax of up to 25% of the amount not withdrawn on time. To ensure timely processing of the Required Minimum Distribution, we ask that the RMD Election Form be submitted by **12/09/2024**.

Sincerely,
Paychex Retirement Services

When is an RMD required?

You must take an RMD by April 1st following the year you reach age 73 **and by** December 31st of each subsequent year thereafter if you are:

- greater than 5% owner of the company or are a family member of a 5% owner, or
- not more than 5% owner of the company AND NOT actively employed by your company. If you are **not** greater than 5% owner of the company, you may choose to delay the RMD until April 1st of the year after your employment ends. This is permitted **ONLY** for the first RMD following termination of employment.

Important Points

- These elections are final and binding and will take up to 10 business days to process. Please plan ahead; forms received after **12/09/2024** may not be completed before the end of the plan year.
- If you have more than one plan, you must calculate and satisfy your RMD separately for each plan and should have received additional forms to complete.
- RMDs cannot be rolled over into any type of retirement plan or IRA.
- A Form 1099-R will be issued for your distribution by January 31st of the following year.
- RMDs are not required for or calculated based on any Roth balances in your 401(k) retirement account.
- Required minimum distributions are taxable. Paychex will withhold 10% from the distribution for federal income tax and applicable state taxes. If you want to withhold tax other than 10% or withhold nothing, please complete IRS Form W-4R and attach it in the Tax Withholding section provided.
- State withholding may apply to your distribution, please refer to the state withholding section of the Special Tax Notice within the Summary Plan Description.
- If you elect a distribution of an amount exceeding your RMD amount, the exceeding amount will be subject to mandatory 20% federal withholding, plus any applicable mandatory state withholding, assessed when you file your taxes.
- IRS Resources for calculating RMD amount can be found at www.irs.gov by searching the following topics:
 - IRS Publication 590-B
 - Required Minimum Distribution worksheets
 - Required Minimum Distribution FAQ

Looking for immediate assistance? Log into your Paychex Flex account at paychexflex.com & access our Help Center! You can also access our live chat by selecting Retirement Services, clicking on the Question Mark in the lower right corner & then clicking Let's Chat!



Required Minimum Distribution Election Form

Company Name: _____ Branch/Client: _____ SunGard Number: _____

A. Participant Information

Participant Name: _____ Address: _____

Participant Date of Birth: _____

Participant SSN (Last 4 digits): _____

Phone: _____ Email: _____

B. RMD Calculation

This RMD is for the plan year of _____. (Current plan year if no selection)

Paychex Calculates (Default of no selection)

I want Paychex to calculate the annual distribution amount for me based on FINRA guidelines for age and plan balance, as indicated on the FINRA website at <https://tools.FINRA.org/RMD> (which uses IRS Pub. 590 Table III). Your RMD will be reduced by any voluntary direct payment distributions you have taken during the year.

I Calculate

I want Paychex to use the following gross distribution amount of \$_____ for the plan year identified above.

C. Form of Payment

By default, your distributions will be paid to you via paper check. Alternatively, you may elect to have the distribution paid via electronic funds transfer (ACH). An \$18.00 ACH payment fee will be deducted from each installment distribution if this option is selected.

To request payment via ACH, you must attach an image of a voided check for your personal bank account numbered 101 or higher, with your name pre-printed on the check. Starter checks, direct deposit forms, and prepaid cards will NOT be accepted.

I hereby direct that my distribution be paid directly in the form of an ACH. I have attached a copy of a check meeting the criteria above and authorize the deduction and payment of the ACH processing fee.

D. Tax Withholding

Federal tax withholding of 10% and applicable state tax will be deducted from any distribution made pursuant to this request. However, you may elect an alternative federal tax withholding by completing and submitting IRS Form W-4R along with this Form. You are responsible for the payment and filing of any federal and/or state tax withholding due on the distribution, as well as any applicable early withdrawal penalty. The Form W-4R can be downloaded at www.irs.gov.

I have elected an alternative federal tax withholding for a distribution made pursuant to this request and my completed and signed IRS Form W-4R is attached.

E. Participant Signature

Sign to certify that you have read and agree to the notice below:

I have read and understand the "Participant Distribution Notice" and "Special Tax Notice Regarding Plan Disbursements" provided to me in the Summary Plan Description booklet or by reviewing at https://download.paychex.com/pas_pbs/formfiles/special_tax_notice.pdf. I hereby request payment from the Qualified Retirement Plan designated in the manner indicated in the "Payments Method" section. I further understand that in the event it is determined I am not eligible to receive a distribution from the Plan at the time this form is submitted to Paychex, I will not receive a distribution until such time that I become eligible for an RMD. I certify that all information provided by me is true and accurate, and I agree to submit additional information if requested by the Plan Administrator (Employer), service provider (Paychex Retirement Services), or any Plan fiduciary. No tax advice has been given to me by either the Plan Administrator or Paychex Retirement Services. I expressly assume the responsibility for any consequences that may arise from this distribution and I agree that the Plan Administrator, Paychex Retirement Services, and Plan fiduciaries shall in no way be responsible for those consequences.

Participant Signature: _____

Digital and electronic signatures will NOT be accepted

Participant Name: _____

Date: _____

Mail: Paychex Retirement Services
Attn: Loans and Distributions
1175 John Street
West Henrietta, NY 14586

Fax: (585) 389-7219

Looking for Immediate assistance? Log into your online account at www.paychexflex.com, access Retirement Services, then click the question mark in the lower right-hand corner to access our live chat!