

DROP Distribution Election Form (Lump Sum Payment)

I hereby elect to have my DROP account distributed to me as follows (initial one of the following unless you want to rollover the entire amount of your DROP account):

_____ **DIRECT LUMP SUM PAYMENT OF FULL AMOUNT**

_____ **DIRECT LUMP SUM PAYMENT OF ACCOUNT BALANCE AFTER PARTIAL ROLLOVER** (If you select this option, you need to also complete an election form for a partial rollover; your lump sum payment will be for the balance in your DROP account.)

Please pay the portion of my DROP account as indicated above directly to me in a check, less the mandatory federal income tax withholding at the rate of 20 percent on the taxable portion of my distribution. If I am under the age of 55 the year I take distribution, I understand that I will be subject to a 10% federal penalty and, if applicable, a 2½% California state penalty for early distribution on the taxable portion of the distribution.

Depending upon your state of residency, please complete either (1) or (2) below:

- (1) I am a resident of the state of California:
- a.) **Yes**, withhold California income tax at 2% of the taxable distribution.
 - b.) **No**, do not withhold California income tax.
- (2) I am a resident of _____, so do not withhold California income tax. (Print name of state)

CHECK TO BE SENT TO ME AT:

PRINT YOUR NAME SOCIAL SECURITY NO.

ADDRESS CITY STATE AND ZIP CODE

Exit Date from DROP: _____ PHONE # _____

I understand that I have the right to consider my election options for 30 days before making the above distribution election. I also understand that I am waiving this right if I sign below within 30 days of receiving this form.

Signature: _____ Date: _____

Witness: _____
Administrative Staff Member

(If not witnessed by staff, signature must be notarized—attach notary form.)