



Human Resources Benefits and You

TIAA-CREF Funds Upon Termination of Employment

To be eligible to withdraw TIAA-CREF funds, you must have separated employment with OSU. Members of TIAA-CREF do not forfeit any retirement contributions upon termination of employment if participating prior to July 1, 2004. Members beginning participation on or after July 1, 2004, in the Alternate Retirement Plan (ARP) have a two-year vesting period. A leave of absence is not considered termination; nor is a transfer from one job to another; nor is long-term disability status.

Your TIAA-CREF retirement account funds are an important part of your retirement income package. Before withdrawing your retirement account funds, you will want to seriously consider your future financial security. Several withdrawal options are available as discussed below. In addition, you may be eligible to continue participation with another educational, hospital or research institution in the TIAA-CREF system. Or, you may participate with TIAA-CREF through Roth IRA's, mutual funds, and personal annuities on an after-tax basis directly with the company. You are not required to withdraw funds upon your termination with OSU except when you reach the age of 70½ as explained later under *Minimum Distribution*.

Lump Sum Withdrawals: OSU's retirement plan allows terminating employees to withdraw up to 100% of TIAA-CREF funds in the most liberal way offered by TIAA-CREF. There is, however, a restriction on one TIAA account that is normally designated for long-term safety of principal. Withdrawals from the TIAA Traditional Account can be withdrawn in a lump sum only during the first 120 days after termination of employment and are subject to a 2½% administrative service charge. Withdrawals from this account using any of the annuity or 10+ years fixed period payout options are free from any withdrawal charge. TIAA-CREF can advise you of your multiple withdrawal options based on your particular investment options.

Systematic Withdrawals: A systematic withdrawal or fixed payout of a defined amount of money per time period is considered a form of lump sum withdrawal. As an example, you may wish to withdraw \$100 per month from a TIAA-CREF contract for a set period of time. Unlike an annuity option, you can change your systematic withdrawal amount at any time.

Lifetime Annuities: You may wish to take a lifetime annuity so that you receive monthly income for life from one or more of your contracts with TIAA-CREF.

Minimum Distribution: To avoid a heavy tax penalty, you must begin receiving a federally required minimum distribution by April 1 of the year following the calendar year you turn age 70½ or terminate employment, whichever is later. TIAA-CREF will work with you to initiate your minimum distribution withdrawals.

Tax Implications: All withdrawals from your retirement account will be taxed as ordinary income when you receive them except for payouts of after-tax contributions, which will not be taxed. In addition, if you withdraw money before the age of 59 ½, the money may be subject to a 10% early distribution penalty.

How to Withdraw Funds: It is necessary for your department to process a separation Employment Action form so that OSU can forward separation data to TIAA-CREF. Locate your contract numbers (which

are found on your TIAA-CREF quarterly statements), and then notify TIAA-CREF of your desire to withdraw funds. A TIAA-CREF representative can discuss your withdrawal options with you. TIAA-CREF will then send the appropriate forms for you to complete, and the Employer Authorization form needs to be signed by OSU Benefits Representatives. You will then return all forms to TIAA-CREF.

TIAA-CREF
730 Third Avenue
New York, NY 10017-3206
1-800-842-2776

TIAA-CREF Counseling:

1. Review your TIAA-CREF account selections and make changes by contacting TIAA-CREF at www.tiaa-cref.org/okstate.
2. TIAA-CREF representatives are available to assist you by telephone. Call 1-800-842-2776, Monday to Friday, 7:00am to 9:00pm, Saturday, 8:00am to 5:00pm.
3. A TIAA-CREF representative is on the Stillwater campus at least once a week. The representative will meet with employees for one-on-one counseling sessions and for help in completing annuity income or withdrawal paperwork. To schedule a one-on-one session with a TIAA-CREF representative, schedule online at www.tiaa-cref.org/moc, or call TIAA-CREF at 1-800-842-2006.

OSU Human Resources developed this information for the convenience of OSU employees. It is a brief interpretation of more detailed and complex materials. If further clarification is needed, the actual law, policy, and contract should be consulted as the authoritative source. OSU continually monitors benefits, policy, and procedures and reserves the right to change, modify, amend, or terminate benefit programs at any time.