{stdlongdate} Member ID: {stdMbrPERSLinkID}

{stdMbrFullName}

{stdMbrAdrCorStreet1}

{x stdMbrAdrCorStreet2}

{stdMbrAdrCorCity} {stdMbrAdrCorState} {stdMbrAdrCorZip}

**RE:** **{quwhen ApplicationType has 0}REFUND DISTRIBUTION** **{endblock}****{quwhen ApplicationType has 1} ROLLOVER DISTRIBUTION** **{endblock}****{quwhen ApplicationType has 2}Defined Contribution Lump Sum Distribution****{endblock}**

Dear {stdMbrSalutation}:

Your application for a lump sum distribution has been received by NDPERS. Based on the date of your last regular paycheck of {DateofLastPaycheck},your payment will be distributed on the first business day of {DateofDistribution}.{quif ApplicationType != 2}Your current member account balance is {MemberAccountBalance}. Of this amount, {TaxableMemberAccountBalance} is taxable income and {Non-taxableMemberAccountBalance} is non-taxable income.{endif}

To be eligible for a distribution, you must be off all covered NDPERS employment for at least 31 days from your last regular paycheck date. According to N.D.A.C. 71-20-01, approved leave of absence or reemployment with any NDPERS employer prior to receiving your lump sum distribution does not constitute termination of employment. **Therefore, if you return to NDPERS covered employment prior to receiving your lump sum distribution, the payment will be cancelled and your retirement account will be reinstated.**

**By taking a lump sum distribution, you forfeit your rights to all future retirement or disability benefits, in addition to any non-vested employer contributions.** If you begin working for a NDPERS participating employer in the future, you will begin accruing benefits as though you had never participated in NDPERS previously.

{quif ApplicationType != 2}Upon reemployment, you have the option to repurchase your forfeited service credit at an increased actuarially calculated cost. This cost may be more than 2 to 3 times higher than the amount you received as a distribution.{endif}

{x quwhen ApplicationType has 0}

**By receiving a refund, you will be taxed on the taxable portion of your account balance.** NDPERS will withhold federal and state income taxes according to the election that you made on your application. If you are under 59 ½ years of age, you may be subject to an additional 10% income tax when filing your taxes. To rollover your distribution into an eligible IRA (individual retirement account) or tax-qualified employer plan, you must either deposit your funds within 60 days after receipt of payment or submit a revised Application for Refund or Direct Rollover Form SFN 53879 to NDPERS. Please consult a financial advisor or tax specialist for more information.

{x endblock}

{x quwhen ApplicationType has 1}

By electing a rollover of your account, paymentwill be made to the eligible IRA (individual retirement account) or tax-qualified employer plan that you have designated on your application. **If your account balance has non-taxable funds, these funds will be paid directly to you unless a letter of acceptance is received from your rollover institution indicating both taxable and non-taxable funds will be accepted.** Please contact your financial advisor.

{x endblock}

{x quwhen ApplicationType has 2}

**By receiving a refund, you will be taxed on the taxable portion of your account balance.** Federal and state income taxes will be withheld according to the election that you made on your application. If you are under 59 ½ years of age, you may be subject to an additional 10% income tax when filing your taxes. To rollover your distribution into an eligible IRA (individual retirement account) or tax-qualified employer plan, you must either deposit your funds within 60 days after receipt of payment or submit a revised Application. Please consult a financial advisor or tax specialist for more information.

By electing a rollover of your account, paymentwill be made to the eligible IRA (individual retirement account) or tax-qualified employer plan that you have designated on your application. **If your account balance has non-taxable funds, these funds will be paid directly to you unless a letter of acceptance is received from your rollover institution indicating both taxable and non-taxable funds will be accepted.** Please contact your financial advisor.

{x endblock}

Address changes must be sent to NDPERS in writing. You must include your signature and NDPERS Member ID or last four digits of your social security number. To cancel your lump sum distribution, complete an Application for Deferred Retirement Form SFN 59044 and return to NDPERS by the 15th of the month prior to your distribution date. This form is available on the NDPERS website at https://www.ndpers.nd.gov.

If you have any questions, please call NDPERS at {stdNDPERSPhoneNumber} or {stdNDPERSTollFreePhoneNumber}.

Sincerely,

NDPERS Benefits Division