



Deferred Compensation Distribution Overview

Among the many benefits of the City's 457 and PTC retirement plans is flexibility. Although you are no longer working for the City of San Jose, **you are still able to keep your funds invested in the City's Deferred Compensation Plans**. While leaving your plan assets invested in the City's plans is an option, you should make a choice that is aligned with your personal retirement goals and objectives.

It is important to note that you have the following options 30 days **AFTER** separation/retirement* from the City of San Jose:

- Leave your account balance in the Plan (Required minimum distribution must begin at age 73).
- Take a lump sum distribution
- Take a partial distribution (a one-time portion of your account)
- Receive periodic payments based on a schedule of your choosing (monthly, quarterly, semi-annually, or annually)
- Choose from a variety of annuities
- Rollover into other plans such as a 401(k), 401(a), 403(b), 457(b) or an IRA
- Or a combination of the above options

Before you make a withdrawal or rollover, please review the distribution rules for the type of assets (Pretax vs Roth) in your 457 Deferred Compensation Plan account:

- Pretax assets are **NOT** subject to the age 59½ penalty rule. Your assets may be subject to a 10% penalty once you rollover your Deferred Compensation into another plan. Keep in mind that if you consolidated other assets into your City of San Jose Deferred Compensation Plan account, the above rule may not apply to the rolled over assets.
- Roth assets **ARE** subject to taxes if withdrawn prior to age 59½ **and** assets do not remain in the account for more than five years. Assets rolled into another retirement account (401a, 401k, 403b) will be subject to early withdraw penalties: 10% penalty and taxes if withdraw prior to age 59 ½ and assets in the account for less than 5 years. If rolling assets into Roth IRA at any point, no penalty or taxes.

Voya representatives remain committed to helping you review your investment options, risk tolerance, and retirement objectives and goals. Contact your local Voya representative:

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Make an appointment today: <https://csj.timetap.com/>

To request a distribution, please contact Voya Customer Service at 1-800-584-6001. You can log-in to review the details of your account at www.sanjose.beready2retire.com.

**Please note that if you are rehired after retirement, you are not able to make contributions to the plan and are considered active, so ineligible to receive distributions.*