



**DEFERRED RETIREMENT OPTION PLAN (DROP): BENEFICIARY DISTRIBUTION ELECTION FORM (R)**

NAME: \_\_\_\_\_

ADDRESS: \_\_\_\_\_

EMAIL ADDRESS: \_\_\_\_\_

PHONE NUMBER: \_\_\_\_\_

I understand that all distributions from a DROP account (that have not been previously taxed) are subject to a mandatory minimum twenty percent (20%) withholding for federal income tax unless the withdrawal is transferred directly by the Fund to an Individual Retirement Account (IRA), an Individual Retirement Annuity, or a qualified trust.

I understand that, to the extent permissible under federal tax laws, payment of a DROP benefit can be made in the following forms:

- a. a single-payment distribution made at a time selected by the DROP participant, but not later than April 1 of the year after the participant attains 70 ½ years of age; or
- b. in not more than twelve payments, which may be equal or unequal (as the DROP participant may determine), all of which must occur no later than 36 months from the date the participant entered the DROP, or by April 1 of the year after the DROP participant attains 70 ½ years of age, whichever comes first.

Please choose one of the following:

\_\_\_\_\_ ROLLOVER. I choose to have my lump sum DROP account balance rolled over into an eligible qualified plan or IRA. No federal income tax will be withheld. The name and address of the plan/IRA is completed below.

\_\_\_\_\_ PARTIAL ROLLOVER. I choose to have \$\_\_\_\_\_ of my lump sum DROP account balance rolled over into another qualified plan or IRA. No federal income tax will be withheld from this portion. The remaining balance of my lump sum DROP account will remain in the pension fund. The name and address of the plan/IRA is completed below.

\_\_\_\_\_ FINAL LUMP SUM DIRECT DISTRIBUTION TO PARTICIPANT. I choose to have my lump sum made payable to me. Please withhold \_\_\_\_\_% for federal income tax and direct deposit the funds to the bank account on file.

\_\_\_\_\_ PARTIAL DISTRIBUTION TO PARTICIPANT. I choose to have a partial payment of \$\_\_\_\_\_ made payable to me. Please withhold \_\_\_\_\_% or 20%, whichever is greater, federal income tax on this partial payment. This payment will be direct deposited into the same bank that your monthly check is being routed to. The remaining balance of my lump sum drop account balance will remain in the pension fund until further instructions are given. \$\_\_\_\_\_ **Net Check.**

\_\_\_\_\_ SERIES OF PARTIAL DISTRIBUTIONS TO PARTICIPANT. I choose to have a series of partial payments made payable to me. Please withhold the 20% for federal income tax on each of these. These payments should be made on:

\_\_\_\_\_

**FOR TRANSFER TO IRA OR QUALIFIED PLAN:**

Name of IRA or Plan: \_\_\_\_\_

Account Number: \_\_\_\_\_

Physical Address (Street, City, State and Zip **(PLEASE NO PO BOX #)**):

\_\_\_\_\_

\_\_\_\_\_  
DROP Participant's Signature

\_\_\_\_\_  
Date

**Please send completed form to:**

4101 Parkstone Heights Drive, Suite 270, Austin TX 78746  
Or email [staff@AFRFund.org](mailto:staff@AFRFund.org) to request a secure digital submission link.