

## University of Wisconsin Medical Foundation, Inc. Physicians Retirement Plan



You have an important decision to make regarding your retirement savings in the University of Wisconsin Medical Foundation, Physicians Retirement Plan (the Plan) when separating employment. The information below contains your distribution options from the Plan. ***In the next two to three weeks you will receive a distribution kit in the mail from Fidelity providing more information and available resources, so you can make an informed decision regarding your retirement assets.***

### ***What are my options for my vested 401(k) balance?***

The forms of distribution payments permitted by the Plan are explained below.

#### **1. Take your money from the account**

A single payment is an immediate distribution of your vested account balance. A single payment can be made directly to you or as a direct rollover.

A **direct payment** means your vested account is paid directly to you. In general, 20% will be withheld for federal income taxes, although your final income tax owed will depend on your marginal tax bracket. A tax penalty of 10% may also apply if you are under age 59 ½.

A **direct rollover** means your vested account is paid directly to another qualified retirement plan or to an Individual Retirement Account (IRA). No taxes will be withheld from the rollover. If you elect a direct rollover, you will not pay taxes on your distribution until you withdraw the money from that retirement plan or IRA.

#### **2. Leave your Money in the Account**

If your account balance is greater than \$1,000, you may leave your money in the plan. You will not receive a distribution unless you request one. You do not have to return any paperwork or notify anyone of your decision.

If your balance is less than \$1,000, your vested account balance may be distributed to you without your consent. You may request a direct rollover or a direct payment. If you do not request one of these options within 60 days following your separation from service, your balance will automatically be sent to you by check, less applicable tax withholding.

### ***What if I have a loan?***

If you currently have a loan outstanding, you have two options:

#### **1. Do nothing (keep making payments)**

Your loan payment amount will continue to come out of the savings or checking account it currently is. If you wish to pay off your loan, you will need to call Fidelity Customer Service at (800) 343-0860 and speak with a Fidelity Customer Service Representative.

#### **2. Take a distribution without paying off your loan**

Your outstanding loan balance will become taxable income to you in the current year. Contact a tax professional for further information regarding the tax implications of distributions.

### ***What if I still have questions?***

If you have questions or would like additional information, you may contact Fidelity at 800 343-0860 or login to your account online by going to [www.fidelity.com/atwork](http://www.fidelity.com/atwork). Customer Service Representatives can assist you with all of your plan questions: loans, hardship withdrawals, rollovers, distributions, investment elections, etc. Contact a Retirement Service Representative 7am-11pm Central Standard Time Monday through Friday.

To schedule a one on one appointment with Bob Intoccia or Sasha Owens, UWMF's Retirement Planners, please call: 800-642-7131 or go online at: [www.getguidance.fidelity.com](http://www.getguidance.fidelity.com).

Other questions regarding your end of employment and the impact on benefits and insurance should be directed to the HR Service Center by calling (608) 263-6500.