

# 403(b)(7) Distribution Request

This form should be used to request withdrawals from your 403(b) plan. Please read the *Special Tax Notice*. Give this form to the employer that sponsored this 403(b).

**Employer:** Please review this form. If the participant qualifies for a distribution under your plan, please sign the employer section and send to:

**Regular mail**

Praxis Mutual Funds  
c/o U.S. Bancorp Fund Services LLC  
P.O. Box 701  
Milwaukee, WI 53201-0701

**Overnight mail**

Praxis Mutual Funds  
c/o U.S. Bancorp Fund Services LLC  
615 E. Michigan St., 3rd Floor  
Milwaukee, WI 53202-5207

If you have any questions, please call Shareholder Services at **(800) 9-PRAXIS** (977-2947). Failure to complete any portion of this form will delay processing of your request.

## 1. Participant information

Name \_\_\_\_\_ Social Security number \_\_\_\_\_  
Address \_\_\_\_\_ Fund/account number(s) \_\_\_\_\_  
Street \_\_\_\_\_ Birth date \_\_\_\_\_  
City \_\_\_\_\_ State \_\_\_\_\_ ZIP \_\_\_\_\_ Telephone \_\_\_\_\_

## 2. Employer information

Name of employer \_\_\_\_\_ Telephone number \_\_\_\_\_  
Address \_\_\_\_\_ Contact name \_\_\_\_\_  
Street \_\_\_\_\_  
City \_\_\_\_\_ State \_\_\_\_\_ ZIP \_\_\_\_\_

## 3. Reason for distribution

Please check one of the following eight options.

1. Severance of employment. I have severed my employment with \_\_\_\_\_ on \_\_\_\_\_.  
Employer Date

2. Attainment of age 59 1/2.

3. Disability distribution. Permanent or long-term disability only. Please attach a current physician's statement of your disability referencing the distribution as eligible under section 72(m)(7) of the Internal Revenue Code.

4. Financial hardship. See 403(b) custodial account agreement for requirements. The *Application for Hardship Withdrawal* must be completed and returned with your distribution request.

5. Required minimum distribution. Age 70 1/2 or older. If your spouse is the sole primary beneficiary of this 403(b) and is more than 10 years younger than you, please provide your spouse's birth date \_\_\_\_\_

6. Direct rollover/conversion.\* I've established an account with another financial institution. Direct payment to (address and account number on back).  
 Traditional IRA  
 Roth IRA – Please note this will be a taxable distribution  
 403(b)  
 Other \_\_\_\_\_

*\*To be eligible for this option, you must meet the requirements of options 1, 2, or 3 above. Please mark the appropriate box.*

7. Death. Attach a certified copy of the death certificate. Date of death \_\_\_\_\_  
Each beneficiary must complete a separate form and submit IRS Form W-9.

\_\_\_\_\_  
Name  
\_\_\_\_\_  
Address City State ZIP  
\_\_\_\_\_  
Social Security number or Tax ID Birth Date

8. Excess contribution. I exceeded my allowable contributions for the \_\_\_\_\_ tax year by \$\_\_\_\_\_.  
Date excess contribution made \_\_\_\_\_  
Have you filed your federal tax return for the year the excess contribution was made?  Yes  No

#### 4. Amount of distribution

Please check one only.

- Total distribution. **Go to Section 5.**
- Partial distribution of \$\_\_\_\_\_. Go to Section 5.
- Systematic withdrawal plan to begin on \_\_\_\_\_  
Month/Year  
for \$\_\_\_\_\_

**For systematic withdrawal**, please check one payment option.

- Monthly on the \_\_\_\_\_ (1-28th)
- Quarterly beginning in \_\_\_\_\_ on the \_\_\_\_\_ (1-28th)  
Month
- Annually beginning in \_\_\_\_\_ on the \_\_\_\_\_ (1-28th)  
Month

#### 5. Method of distribution

Please check one only.

- Please send my distribution check to the address on my account.
- Please send my distribution check to an address other than the address on my account. (Medallion signature guarantee required.)

\_\_\_\_\_  
Name

\_\_\_\_\_  
Address

\_\_\_\_\_  
City

\_\_\_\_\_  
State

\_\_\_\_\_  
ZIP

\_\_\_\_\_  
Bank account holder

\_\_\_\_\_  
Account number

If to your bank, you must provide the bank's name, ABA routing number, and your account number.

\_\_\_\_\_  
Bank's name

\_\_\_\_\_  
ABA routing number

\_\_\_\_\_  
Account number

Type of account

- Savings (attach deposit slip)
- Checking (attach voided check)

Method of distribution

- Wire
- ACH

- Invest my distribution into my existing Praxis non-retirement account(s). (If a joint account(s), the joint tenant must be your spouse).

Fund name	Account number	Amount	Percentage
_____	_____	\$ _____ or _____ %	
_____	_____	\$ _____ or _____ %	
_____	_____	\$ _____ or _____ %	
_____	_____	\$ _____ or _____ %	
_____	_____	\$ _____ or _____ %	
_____	_____	\$ _____ or _____ %	
_____	_____	\$ _____ or _____ %	
Total		\$ _____ or 100 %	

## 6. Withholding instructions

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### Notice of withholding on distributions

**General:** Distributions from your 403(b) account are subject to federal income tax withholding. You cannot waive withholding on any eligible rollover distribution that is paid to you. Those distributions are subject to mandatory 20 percent tax withholding. See the *Special Tax Notice* for a definition of eligible rollover distribution and a description of the mandatory 20 percent withholding.

For distributions not eligible to be rolled over, you can elect not to have withholding apply. Check the withholding box below if you do not want taxes withheld from your distribution. Even if you don't have income tax withheld, you are still liable for payments of income tax on the taxable portion of your distribution. You may also be subject to tax penalties under the estimated tax payment rules if your payment of estimated taxes, and/or tax withholding is not adequate. For more information on estimated tax payments, see Internal Revenue Service Publication 505.

**Single distributions not eligible for rollover:** If you don't waive withholding, federal income tax will be withheld at the rate of 10 percent, unless you specify a greater rate here:

Do not withhold federal income tax

Rate \_\_\_\_\_% (not less than 10 percent)

## 7. State income tax election

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If federal taxes are withheld from your distribution, state taxes may also be withheld.

My state of residence for tax purposes is \_\_\_\_\_

State income tax withholding will be calculated in accordance with the regulations of your state of residence.

1. Residents of Arkansas, Delaware, Iowa, Kansas, Maine, Maryland, Massachusetts, Michigan, Nebraska, Oklahoma, Vermont, Virginia and Washington DC will have state taxes withheld when federal withholding applies.

2. Residents of California, North Carolina and Oregon will have state taxes withheld when federal withholding applies, unless otherwise noted.

I do not want state income tax withheld.

## 8. Participant authorization (or beneficiary authorization if participant is deceased)

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I certify that I have read the enclosed *Special Tax Notice* and am waiving my 30-day notice period to review this form. I hereby request payment from my 403(b) account.

I certify that all information provided by me is true and accurate, and I agree to submit additional information if requested. All decisions regarding this distribution are my own. I expressly assume the responsibility for any adverse consequences which may arise from this distribution, and I agree the Custodian for the Praxis Mutual Funds, its agents, successors and affiliates will in no way be responsible for those consequences.

\_\_\_\_\_  
Employee or beneficiary signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Medallion signature guarantee\*

\*Signature guarantee required if the distribution is to be sent to an address other than the address of record. A signature guarantee may be obtained from any eligible guarantor institution, as defined by the Securities and Exchange Commission. These institutions include banks, saving associations, credit unions and brokerage firms. The words "signature guaranteed" must be stamped or typed near your signature. The guarantee must appear with the printed name, title and signature of an officer and the name of the guarantor institution. Please note that a Notary Public Seal or Stamp is not acceptable.

## 9. Employer authorization

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I have reviewed this form and to the best of my knowledge, the information provided by the participant is accurate. I authorize the above requested distribution as a distribution that satisfies the terms of our Plan and Internal Revenue Code Section 403(b) statutory and regulatory requirements.

\_\_\_\_\_  
Employer's signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Printed name and title

# Special Tax Notice

## **Your rollover options**

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You are receiving this notice because all or a portion of a payment you are receiving from the Praxis Mutual Funds 403(b) Plan (the "Plan") is eligible to be rolled over to an IRA or an employer plan. This notice is intended to help you decide whether to do such a rollover.

This notice describes the rollover rules that apply to payments from the Plan. Rules that apply to most payments from a plan are described in the "General Information About Rollovers" section. Special rules that only apply in certain circumstances are described in the "Special Rules and Options" section.

## **General information about rollovers**

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### **How can a rollover affect my taxes?**

You will be taxed on a payment from the Plan if you do not roll it over. If you are under age 59½ and do not do a rollover, you will also have to pay a 10 percent additional income tax on early distributions (unless an exception applies). However, if you do a rollover, you will not have to pay tax until you receive payments later and the 10 percent additional income tax will not apply if those payments are made after you are age 59½ (or if an exception applies).

### **Where may I roll over the payment?**

You may roll over the payment to either an IRA (an individual retirement account or individual retirement annuity) or an employer plan (a tax-qualified plan, section 403(b) plan, or governmental section 457(b) plan) that will accept the rollover. The rules of the IRA or employer plan that holds the rollover will determine your investment options, fees, and rights to payment from the IRA or employer plan (for example, no spousal consent rules apply to IRAs and IRAs may not provide loans). Further, the amount rolled over will become subject to the tax rules that apply to the IRA or employer plan.

### **How do I do a rollover?**

There are two ways to do a rollover. You can do either a direct rollover or a 60-day rollover.

*If you do a direct rollover,* the Plan will make the payment directly to your IRA or an employer plan. You should contact the IRA sponsor or the administrator of the employer plan for information on how to do a direct rollover.

*If you do not do a direct rollover,* you may still do a rollover by making a deposit into an IRA or eligible employer plan that will accept it. You will have 60 days after you receive the payment to make the deposit. If you do not do a direct rollover, the Plan is required to withhold 20 percent of the payment for federal income taxes. This means that, in order to roll over the entire payment in a 60-day rollover, you must use other funds to make up for the 20 percent withheld. If you do not roll over the entire amount of the payment, the portion not rolled over will be taxed and will be subject to the 10 percent additional income tax on early distributions if you are under age 59½ (unless an exception applies).

### **How much may I roll over?**

If you wish to do a rollover, you may roll over all or part of the amount eligible for rollover. Any payment from the Plan is eligible for rollover, except:

- Certain payments spread over a period of at least 10 years or over your life or life expectancy (or the lives or joint life expectancy of you and your beneficiary)
- Required minimum distributions after age 70½ (or after death)
- Hardship distributions (403(b) plan only)
- Corrective distributions of contributions that exceed tax law limitations

The Plan administrator can tell you what portion of a payment is eligible for rollover.

### **If I don't do a rollover, will I have to pay the 10 percent additional income tax on early distributions?**

If you are under age 59½, you will have to pay the 10 percent additional income tax on early distributions for any payment from the Plan (including amounts withheld for income tax) that you do not roll over, unless one of the exceptions listed below applies. This tax is in addition to the regular income tax on the payment not rolled over.

The 10 percent additional income tax does not apply to the following payments from the Plan:

- Payments made after you separate from service if you will be at least age 55 in the year of the separation
- Payments that start after you separate from service if paid at least annually in equal or close to equal amounts over your life or life expectancy (or the lives or joint life expectancy of you and your beneficiary)
- Payments made due to disability
- Payments after your death
- Corrective distributions of contributions that exceed tax law limitations
- Contributions made under special automatic enrollment rules that are withdrawn pursuant to your request within 90 days of enrollment
- Payments made directly to the government to satisfy a federal tax levy

- Payments made under a qualified domestic relations order (QDRO)
- Payments up to the amount of your deductible medical expenses
- Certain payments made while you are on active duty if you were a member of a reserve component called to duty after Sept. 11, 2001, for more than 179 days

### **If I do a rollover to an IRA, will the 10 percent additional income tax apply to early distributions from the IRA?**

If you receive a payment from an IRA when you are under age 59½, you will have to pay the 10 percent additional income tax on early distributions from the IRA, unless an exception applies. In general, the exceptions to the 10 percent additional income tax for early distributions from an IRA are the same as the exceptions listed above for early distributions from a plan. However, there are a few differences for payments from an IRA, including:

- There is no exception for payments after separation from service that are made after age 55.
- The exception for qualified domestic relations orders (QDROs) does not apply (although a special rule applies under which, as part of a divorce or separation agreement, a tax-free transfer may be made directly to an IRA of a spouse or former spouse).
- The exception for payments made at least annually in equal or close to equal amounts over a specified period applies without regard to whether you have had a separation from service.
- There are additional exceptions for (1) payments for qualified higher education expenses, (2) payments up to \$10,000 used in a qualified first-time home purchase, and (3) payments after you have received unemployment compensation for 12 consecutive weeks (or would have been eligible to receive unemployment compensation but for self-employed status).

### **Will I owe State income taxes?**

This notice does not describe any State or local income tax rules (including withholding rules).

## **Special rules and options**

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### **If you miss the 60-day rollover deadline**

Generally, the 60-day rollover deadline cannot be extended. However, the IRS has the limited authority to waive the deadline under certain extraordinary circumstances, such as when external events prevented you from completing the rollover by the 60-day rollover deadline. To apply for a waiver, you must file a private letter ruling request with the IRS. Private letter ruling requests require the payment of a nonrefundable user fee. For more information, see IRS Publication 590-A, Contributions to Individual Retirement Arrangements (IRAs).

### **If you roll over your payment to a Roth IRA**

If you roll over a payment from the Plan to a Roth IRA, a special rule applies under which the amount of the payment rolled over (reduced by any after-tax amounts) will be taxed. However, the 10 percent additional income tax on early distributions will not apply (unless you take the amount rolled over out of the Roth IRA within 5 years, counting from January 1 of the year of the rollover).

If you roll over the payment to a Roth IRA, later payments from the Roth IRA that are qualified distributions will not be taxed (including earnings after the rollover). A qualified distribution from a Roth IRA is a payment made after you are age 59½ (or after your death or disability, or as a qualified first-time homebuyer distribution of up to \$10,000) and after you have had a Roth IRA for at least 5 years. In applying this 5-year rule, you count from January 1 of the year for which your first contribution was made to a Roth IRA. Payments from the Roth IRA that are not qualified distributions will be taxed to the extent of earnings after the rollover, including the 10 percent additional income tax on early distributions (unless an exception applies). You do not have to take required minimum distributions from a Roth IRA during your lifetime. For more information, see IRS Publication 590-A, Contributions to Individual Retirement Arrangements (IRAs) and IRS Publication 590-B, Distributions from Individual Retirement Arrangements (IRAs).

### **If you are not a plan participant**

Payments after death of the participant. If you receive a distribution after the participant's death that you do not roll over, the distribution will generally be taxed in the same manner described elsewhere in this notice. However, the 10 percent additional income tax on early distributions does not apply.

### **If you are a surviving spouse**

If you receive a payment from the Plan as the surviving spouse of a deceased participant, you have the same rollover options that the participant would have had, as described elsewhere in this notice. In addition, if you choose to do a rollover to an IRA, you may treat the IRA as your own or as an inherited IRA.

An IRA you treat as your own is treated like any other IRA of yours, so that payments made to you before you are age 59½ will be subject to the 10 percent additional income tax on early distributions (unless an exception applies) and required minimum distributions from your IRA do not have to start until after you are age 70½.

If you treat the IRA as an inherited IRA, payments from the IRA will not be subject to the 10 percent additional income tax on early distributions. However, if the participant had started taking required minimum distributions, you will have to receive required minimum distributions from the inherited IRA. If the participant had not started taking required minimum distributions from the Plan, you will not have to start receiving required minimum distributions from the inherited IRA until the year the participant would have been age 70½.

**If you are a surviving beneficiary other than a spouse**

If you receive a payment from the Plan because of the participant's death and you are a designated beneficiary other than a surviving spouse, the only rollover option you have is to do a direct rollover to an inherited IRA. Payments from the inherited IRA will not be subject to the 10 percent additional income tax on early distributions. You will have to receive required minimum distributions from the inherited IRA.

If you do not do a direct rollover to an inherited IRA, the Plan is required to withhold 20 percent of the payment for federal income taxes. You cannot waive the 20 percent withholding.

**Payments under a qualified domestic relations order**

If you are the spouse or former spouse of the participant who receives a payment from the Plan under a qualified domestic relations order (QDRO), you generally have the same options the participant would have (for example, you may roll over the payment to your own IRA or an eligible employer plan that will accept it). Payments under the QDRO will not be subject to the 10 percent additional income tax on early distributions.

**If you are a nonresident alien**

If you are a nonresident alien and you do not do a direct rollover to a U.S. IRA or U.S. employer plan, instead of withholding 20 percent, the Plan is generally required to withhold 30 percent of the payment for federal income taxes. If the amount withheld exceeds the amount of tax you owe (as may happen if you do a 60-day rollover), you may request an income tax refund by filing Form 1040NR and attaching your Form 1042-S. See Form W-8BEN for claiming that you are entitled to a reduced rate of withholding under an income tax treaty. For more information, see also IRS Publication 519, U.S. Tax Guide for Aliens, and IRS Publication 515, Withholding of Tax on Nonresident Aliens and Foreign Entities.

**Other special rules**

If a payment is one in a series of payments for less than 10 years, your choice whether to make a direct rollover will apply to all later payments in the series (unless you make a different choice for later payments).

If your payments for the year are less than \$200 (not including payments from a designated Roth account in the Plan), the Plan is not required to allow you to do a direct rollover and is not required to withhold for federal income taxes. However, you may do a 60-day rollover.

**For more information**

You may wish to consult with the Plan administrator or payor, or a professional tax advisor, before taking a payment from the Plan. Also, you can find more detailed information on the federal tax treatment of payments from employer plans in: IRS Publication 575, Pension and Annuity Income; IRS Publication 590-A, Contributions to Individual Retirement Arrangements (IRAs); IRS Publication 590-B, Distributions from Individual Retirement Arrangements (IRAs); and IRS Publication 571, Tax-Sheltered Annuity Plans (403(b) Plans). These publications are available from a local IRS office, on the web at [www.irs.gov](http://www.irs.gov), or by calling 1-800-TAX-FORM.