

Application for Lump-Sum Benefit (Cashout)**Section 1 Member Information**

First Name	Middle Initial	Last Name	Birthdate	Employee ID Number
Street		City	State	Zip Code
Date of Termination	Home/Cell Phone	Personal E-mail Address	Marital Status	

Section 2 Cash Balance Account Election (lump-sum withdrawal or rollover)

This election is a taxable distribution and includes the amount of your cash balance account, plus, if eligible, the present value of the supplemental benefit. You should carefully consider the tax consequences and may want to consult your personal tax advisor. You should also review the Eligible Rollover Notice at www.tvars.com.

SELECT ONE**LUMP-SUM WITHDRAWAL**

Note: The withdrawal will be paid to you by direct deposit.

TVARS will withhold 20% income tax on the taxable portion. An additional 10% early withdrawal penalty applies when filing taxes if your election is during the year you leave TVA and you are under age 55 as of 12/31 of that year. (Note to deferred retirees: The 10% early withdrawal penalty applies unless you are age 59 ½ or older in the year you make this election.)

DIRECT ROLLOVER TO:

Note: The withdrawal will be mailed to your trustee.

Trustee Name: _____ Account #: _____

Trustee's Rollover Mailing Address: _____

***IMPORTANT NOTE REGARDING ROLLOVER TO ROTH IRA: If you elect a rollover of taxable funds to a Roth IRA, 100% of the rollover amount will be reported as taxable income in the year the rollover is paid by TVARS.**

Section 3 Direct Deposit Election

Your payment(s) will be deposited into the same account that was used for your net employee paycheck. If you want your payment(s) deposited into a **different** account, please complete the following:

Bank Name	Routing Number	Account Number	Type of Account
			Checking Savings

Section 4 Spousal Consent

If you are married and first became a TVARS member after January 1, 1990, your spouse must complete this section. Otherwise, skip to Section 6.

I hereby acknowledge that I am aware of my spouse's retirement election(s) above and understand that the election(s) is not valid unless I consent by signing below. I hereby consent to the election(s) and understand that **my consent is final (not revocable)**.

_____ Printed Name of Spouse	_____ Signature of Spouse	_____ Date
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Witness Certification: *(The employee/retiree cannot sign as the witness.)*

_____ Printed Name of Witness	_____ Signature of Witness
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Address of Witness (Street Address, City, State, Zip Code)

Section 5 Member Certification

I have read this form and its instructions, and I understand the elections I have made.

I understand that all of my elections are final (not revocable). I further understand that if I am rehired by TVA in the future and return to membership in the TVA Retirement System, I will be eligible to receive a retirement benefit in the 401(k) Plan only.

Signature

Date

Submission Instructions

Submit your completed application and, if applicable, the trustee's payment instructions by mail, e-mail, or fax to:

TVA Retirement System
400 West Summit Hill Drive
Knoxville, TN 37902

E-mail: tvars@tva.gov

Fax: 865-632-8591

PRIVACY ACT STATEMENT - The information requested on this form becomes part of the TVA Retirement System (TVARS) Records Privacy Act System of Records (TVA-26). Authority for maintenance of this system of records is provided by the TVA Act of 1933 (16 U.S.C. 831-831ee), Internal Revenue Code, and the TVARS Rules and Regulations. The information solicited on this form may be made available as a "routine use." A complete list of the routine uses can be found in the system of records notice associated with this form, "TVA-26, Retirement System Records-TVA," available at <https://www.tva.com/information/about-the-tva-privacy-program>.

INSTRUCTIONS

IMPORTANT: If you have not contacted TVARS regarding your eligibility for various benefits, you should contact TVARS prior to completing this application. **You must go to PeopleGateway, select Career and Recruiting, and select Leaving TVA to initiate the process of leaving TVA.** To assist in the timely payment of your benefits, your retirement application should be submitted prior to termination of your employment.

Please read all instructions, and complete your application carefully. **All elections on the application are final (not revocable).** If you have any questions on the completion of your application, please contact TVARS.

60-Day Filing Deadline

Your retirement application must be filed no later than 60 days after your termination date. **If your application is not received by TVARS within 60 days after your termination date, you will be subject to a default benefit.** Your retirement benefit will default to a deferred retirement benefit with payments scheduled to begin no later than age 65. If you are subject to the spousal consent requirement under the TVARS Rules and Regulations, the default benefit will be in the form of a 100% joint and survivor annuity. Otherwise, it will be in the form of a single life annuity with no survivor benefit. During the deferral period, you may elect for payments to begin as early as age 55, but no later than age 65. You may also elect a survivor option and name a beneficiary to receive a continuing benefit. Payments cannot begin before age 55 or the date your application is received, whichever is later.

In addition, you have 60 days from your termination date to make a decision regarding distribution of your Fixed and Variable Funds. After 60 days, the Fixed Fund will cease to accrue additional interest. Your options with your funds are: (1) withdraw your total balance, or (2) roll over all or some portion of your balance to an IRA or another qualified retirement plan which will accept a rollover. Any funds not rolled over will be paid directly to you.

Effects of Choosing a Lump-Sum Retirement Benefit (Cashout)

Before making your election, you should review the Eligible Rollover Notice at www.tvars.com. A hard copy is available upon request to TVARS. **IMPORTANT NOTE REGARDING ROLLOVER TO ROTH IRA:** If you elect a rollover to a Roth IRA, 100% of the rollover amount will be reported as taxable income in the year the rollover is paid by TVARS.

If you are vested and eligible for an immediate or deferred retirement benefit, you have the option to elect a lump-sum retirement benefit. If you make this election, you will receive a lump-sum payment equal to the following (calculated as of the date of your retirement or termination of employment):

1. The amount of your cash balance account, plus
2. If eligible, the present value of the supplemental benefit, plus
3. If you contributed to the Fixed and Variable Funds, the balance of your Fixed and Variable Funds.

An election of a lump-sum retirement benefit is in lieu of receiving your cash balance and supplemental benefit as a pension and, if eligible, your balance in the Fixed and Variable Funds as an annuity. In addition, the lump-sum distribution of your cash balance account and the present value of the supplemental benefit will not include the value of any future cost-of-living adjustments (COLAs) and these benefits will not be eligible for any future COLAs. **Note regarding the 401(k) Plan:** Your 401(k) balance is unaffected by a lump-sum election. **Note to married participants:** If you are married and first became a TVARS member after January 1, 1990, your spouse must consent to your election of a lump-sum retirement benefit by completing Section 5 of the application.

Reemployment at TVA

If you elect a lump-sum retirement benefit, your membership in TVARS will cease upon distribution of your funds. If you are rehired by TVA in the future and return to membership in the TVA Retirement System, you will be eligible to receive a retirement benefit in the 401(k) Plan only.

Federal Employees' Group Life Insurance (FEGLI)/Other Life Insurance

If you have FEGLI, your coverage will be in effect for 31 days after your termination date. If you elect a lump-sum retirement benefit, you cannot continue FEGLI coverage as a retiree. However, you can convert your coverage to an individual, direct-pay policy. **You must apply for conversion within 31 days of termination** by completing form SF 2819, Notice of Conversion Privilege, available by calling 888-275-8094. For information concerning other life insurance coverage, call 888-275-8094.

Retiree Medical and Dental Insurance

For information on applying for retiree medical and dental insurance, see the *Benefits Summary for Terminating Employees* at www.tvars.com or call 888-275-8094. **Applications MUST be received within 30 days after termination.** **Note:** To be eligible for the TVA Health-Care Credit, you must be at least age 55, have at least 20 years' actual TVA service, and be receiving a monthly supplemental benefit from the TVA Retirement System. Therefore, if you elect a lump-sum retirement benefit, you will NOT be eligible for the TVA Health-Care Credit.

Federal Long-Term Care Insurance

If you have Federal Long-Term Care Insurance, you must contact Long Term Care Partners at 800-LTC-FEDS (800-582-3337) to continue coverage. More information is available at www.ltcfeds.gov.

Note: Should there be any conflict between the information in this document and the provisions of the various plans, the plan provisions and not this document shall be controlling.