

APPLICATION FOR USE OF ENCUMBERED FUNDS
State Employees Retirement System TIER II/TIER IIA Plan or Hybrid Plan
PLAN TRANSFER

STATE OF CONNECTICUT
OFFICE OF THE STATE COMPTROLLER
RETIREMENT SERVICES DIVISION

CO-995 Rev. 9/2018

Page 1 of 3

PARTICIPANT INFORMATION

NAME (Last) INCLUDE FORMER NAME	First Name	M.I.	EMPLOYEE NUMBER	SOCIAL SECURITY NUMBER
ADDRESS (Street No., Name, City, State, Zip Code)				TELEPHONE NUMBER
TIAA FIXED ACCOUNT CONTRACT NUMBER				

This form is to be completed only if you have first exhausted all of your "unencumbered" funds with TIAA and Prudential and 403(b) and 457 account and your remaining funds in the State of Connecticut Alternate Retirement Program are "encumbered funds," being held in a TIAA Fixed Traditional Account. In order to use such funds to purchase service credit under the State Employees Retirement System ("SERS"), you must complete and submit this form. You should review the following terms, provisions, conditions and information very carefully prior to executing and returning this form to the Retirement Services Division ("Division"). You are encouraged to ask questions and obtain additional information from TIAA, Prudential and Division staff with regard to the use of your TIAA Fixed Traditional Account monies to purchase service in SERS and the effect of such a transfer on your retirement benefits with the State of Connecticut. **By submitting this form to the division, you have determined that it is in your best interest to make this request, and that you have sought appropriate guidance from your tax advisor and/or legal counsel, as appropriate.**

Place and Timing of Payment: All installment payments must be received by the Retirement Services Division within ten business days of the due date as set forth in the TIAA Transfer to Another Investment Company, Transfer Payout Annuity payment schedule ("Due Date").

Pledge: By signing this document you are hereby pledging, assigning, and granting the trustees of the SERS ("Trustees") a security interest in the installments from the TIAA Fixed Traditional Account and giving these Trustees rights in the encumbered assets that are prior to and greater than any rights you might otherwise have in these assets as collateral for the purchase of credit in the SERS TIER II/TIER IIA Plans or HYBRID Plan. You are agreeing to assign for yourself and for your heirs, all proceeds and payouts from your TIAA Fixed Traditional Account as indicated in the above payment schedule to the State Employees Retirement Fund ("Fund") for the purpose of purchasing credit in the SERS TIER II/TIER IIA Plans or HYBRID Plan.

Indemnification and Other Obligations:

1. You represent that you have exhausted all of your "unencumbered" funds with TIAA and Prudential and 403(b) and 457 accounts and, therefore, have no other alternative but to use encumbered funds to complete the purchase of past service.
2. You understand and agree that the State of Connecticut accepts no responsibility for any adverse tax consequences to you from the use of your TIAA Fixed Traditional Account funds to purchase service credit in the SERS TIER II/TIER IIA Plan or Hybrid Plan.
3. You agree to immediately notify the Division in the event that any of the acknowledgements, representations, or warranties set forth herein is no longer true or accurate.
4. You hereby represent that you have not executed or filed, or authorized any third party to file, any other instrument similar in effect covering all or any part of your TIAA Fixed Traditional Account. You shall not sell, offer to sell, dispose of, convey, assign or otherwise transfer, grant any option with respect to, restrict, or grant, create, permit or suffer to exist any lien on, your TIAA Fixed Traditional Account. You shall not execute, authorize, or permit to be filed any statement or other similar instrument conveying all or part of the TIAA Fixed Traditional Account as mentioned herein.
5. You agree to indemnify and hold harmless the Trustees and any sub-agent thereof, from any losses, damages, liabilities, claims and related expenses (including the fees and expenses of any counsel), arising out of, in connection with, or resulting from this transaction. You hereby waive and agree not to assert any claim against the Trustees, on any theory of liability, for special, indirect, consequential or punitive damages (as opposed to direct or actual damages) arising out of, in connection with, or as a result of this transaction.

Default: To the extent all or any portion of your TIAA Fixed Traditional Annuity is unable to satisfy your obligations, as set forth herein, or any of the installment payments are not transferred to the Prudential ARP Transition Fund within thirty (30) business days of the Due Date, you will be considered in default. You will have fifteen (15) days from the date of default to make the payment. If, upon the expiration of the fifteen (15) day cure period, you do not make the payment, the Trustees intend to pursue their interests to the full extent permitted under the law.

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Page 2 of 3

Prepayment: You cannot prepay the amount due and owing on this purchase cost in whole or in part at any time without express consent of the Division and then in only unique or exigent circumstances, to be approved by the Division in its sole discretion.

Death, Surviving Spouse and Other Beneficiaries: Your spouse must consent to the use of these funds for the purchase of service credit and must execute the spousal consent section below. You must agree to make the Fund your primary beneficiary on your TIAA Fixed Traditional Account for the amount required to pay the unpaid indebtedness remaining on the cost of transfer in the event of your death during the payment period. You must provide proof of such designation to the Division upon its require, which may be on an annual basis.

Modification: No modification or waiver of any of the terms of this Agreement shall be allowed unless by written agreement signed by both parties. No waiver of any breach or default hereunder shall be deemed a waiver of any subsequent breach or default of the same or similar nature.

Severability of Provision: In the event that any portion of this form is deemed unenforceable, all other provisions shall remain in full force and effect.

Choice of Law: All terms and conditions of this Note shall be interpreted under the laws of the State of Connecticut.

Participant Agreement and Authorization

I have read the above provisions very carefully and acknowledge that prior to signing this Application, I had the opportunity to ask questions and obtain additional information from Retirement Services Division staff, TIAA and Prudential. I had the opportunity to ask questions and obtain any additional information that I may need or require to make an informed consent about this transaction and choice of election, including consultation with my tax advisor and/or legal counsel.

I understand that in signing this document, I am signing a pledge which grants the Trustees of SERS a security interest in the installment payments and gives the Trustees rights in these assets that are prior to, and greater than any rights I might have in these funds. I am also agreeing to assign all proceeds and payouts from my TIAA Fixed Traditional Account to the Fund for the purpose of purchasing credit in the SERS TIER II/TIER IIA Plan or SERS HYBRID Plan which is to and for my benefit and for the benefit of my heirs and beneficiaries.

I agree to make the Fund my primary beneficiary on my TIAA Fixed Traditional Account so that in the event of my death prior to the final installment being paid, the Fund will receive such amount required to pay the unpaid indebtedness remaining on the cost of transfer. To the extent that another beneficiary may be listed on the account at the time of my death, by my signing below, TIAA is instructed that this Agreement supersedes that designation up to amount required to pay the unpaid indebtedness.

I certify the following: I have read, or had read to me, the information contained in this application and had the opportunity to seek advice on the purchase, transfer, my choice of election and its tax and legal consequences.

SIGNATURE OF MEMBER: _____ DATE: _____

NOTARY CERTIFICATION

I hereby certify and affirm this Application was signed by the person whose signature appears above.

Signed and sworn before me this _____ day of _____, _____.

Signature of Notary Public: _____

My commission expires: _____

SEAL HERE

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CO-995 Rev. 9/2018

Page 3 of 3

PARTICIPANT'S STATEMENT AND SPOUSAL CONSENT

You must check one of the following statements:

- I do not have a spouse.
- My spouse consents to this transfer opportunity [for this to be valid your spouse must complete the spouse's consent in the next section]
- My spouse cannot be located or has abandoned me. I understand that the Retirement Services Division may require further information or Affidavits from me should I check this statement.
- My spouse and I are legally separated and I have attached a court order to that effect.
- I am divorced and there is a Qualified Domestic Relations Order in place with regard to my TIAA Fixed Traditional Account Fund. I understand that the Retirement Services Division may require further information from me should I check this statement and that use of these funds may be delayed.

Spousal Consent for Use of TIAA Fixed Traditional Account Funds

I am the spouse of the participant. I understand that I may have rights to my spouse's retirement benefit paid through or from the TIAA Fixed Traditional Account fund and I consent to forfeit any and all rights I may now have or may have in the future. I consent to give up my rights as a beneficiary to and for any funds that otherwise would be available to me under my TIAA Fixed Traditional Account Fund in the event of my spouse's death even if I am listed as the beneficiary for those funds.

I understand that by signing this consent, and in the event of my spouse's death, I may receive **nothing** from the TIAA Fixed Traditional Account after my spouse, the participant, dies depending on the amount of unpaid indebtedness remaining on the cost of transfer noted in this Agreement.

I understand that this consent only affects my rights and entitlement as a spouse or beneficiary with regard to or under the TIAA Fixed Traditional Account Fund. This consent does **not** affect any spousal survivor rights or benefits I may have under the Hybrid Plan.

I understand that I do not have to sign this consent. I am signing this consent voluntarily. I understand that signing this consent may have an adverse impact on any payments or benefits from the TIAA Fixed Traditional Account that may be due to me as a surviving spouse. I certify that I am signing this waiver of my own free act and deed.

SIGNATURE OF SPOUSE: _____ DATE: _____

Signed and sworn before me this _____ day of _____, 20 ____ .

Signature of Notary Public: _____

My commission expires: _____

SEAL & STAMP HERE