

TERMINATION CERTIFICATION FORM

OPTIONAL RETIREMENT PLAN FOR POLITICAL APPOINTEES

VIRGINIA RETIREMENT SYSTEM
P.O. Box 2500
Richmond, Virginia 23218-2500
Toll Free 1-888-VARETIR (827-3847)
www.varetire.org

1. Employer Code
2. Employer Name

Employees complete this form to (1) certify employment status, (2) certify they understand the impact of their distribution election on benefits after termination from the ORPPA-covered position and (3) request a cost letter for the purchase of VRS service credit if eligible. Employers complete this form to certify a participant's eligibility for continued group life insurance. **This form must be completed and returned to VRS within 15 business days of an employee's termination of employment.**

Note: This form is not a distribution request form. To request a distribution, use the ORPPA distribution forms found at www.varetire.org in the ORPPA section under the Defined Contribution Plans tab. If you are eligible to receive a distribution, VRS Member Services must sign the provider distribution form once this certification is completed. For additional information, please read the attached guidelines.

3. Employee Name (First) (MI) (Last) (Jr./Sr.)	4. Social Security Number
5. Current Employer	6. Date of Termination

7. Employee Certification *(Please read the following statements carefully before signing.)*

Employment Status:

I certify that I am terminating employment with the Commonwealth of Virginia and that I have no agreement to return to employment with any public employer in Virginia.

I have an agreement to return to employment with _____ on _____

Name of Agency or Institution Date of Employment

The position will be full-time (with benefits)

The position will be part-time (without benefits)

I am currently employed either full-time or part-time by the following public employer in Virginia:

Name of Employer Date of Employment

Eligibility for benefits after termination of employment:

1. I understand that I must be age 55 with at least five years of service or age 50 with at least 10 years of service to maintain eligibility in the Group Life Insurance Plan and my employer must certify my eligibility below.
2. I understand that if I am not eligible to retain group life insurance, I have 31 days from my termination date to convert to a private policy with no evidence of insurability and that I must contact Minnesota Life for more information.
3. I understand I must take an immediate periodic distribution from the Optional Retirement Plan to be eligible to enroll in the State Retiree Health Benefits Program.
4. I understand that to be eligible for the health insurance credit I must have at least 15 years of combined VRS/ORP service, take a periodic distribution from the Plan and incur a cost for health insurance.
5. I understand that, if I move from a political appointment to a VRS-covered position with the Commonwealth of Virginia without a break in service, I may transfer funds in my ORPPA account to the Virginia Retirement System to purchase VRS service credit.

I request a cost letter estimating the service credit I am able to purchase with my ORPPA account balance.

I certify that I have read and understand the information contained in this form and in the attached guidelines in their entirety. I hereby certify all information I provide in this document is true and I understand that any willful falsification of facts presented may result in termination of benefits and/or prosecution as provided by law.

Employee Signature

Employee's Full Name (Please print)

Date

8. Employer Certification of Group Life Insurance Eligibility (Completed when employee leaves full-time employment with the Employer)

Employee did not qualify for retiree group life insurance at the time of termination

Employee qualified for retiree group life insurance at the time of termination:

Age at Termination _____ Service at Termination _____

Authorized Signer (Please Print)

Authorized Signature

Title

Date



TERMINATION GUIDELINES

OPTIONAL RETIREMENT PLAN FOR POLITICAL APPOINTEES

The benefits provided under the Optional Retirement Plan for Political Appointees (ORPPA) are intended to provide income in retirement. If you are leaving employment where you participated in the ORPPA you may, in most cases, begin a distribution from the Plan. Unless you continue to be employed by the Commonwealth of Virginia or another public employer in Virginia that provides you retirement benefits established under Code of Virginia Title 51.1, Chapters 1,2, 2.1 or 3 you must begin a required minimum distribution from the Plan no later than April 1 of the year following the year you reach age 70 ½.

Employment Status

You may not receive a benefit from the ORPPA if you are reemployed in a position which provides retirement benefits in any of the following plans: the Virginia Retirement system (VRS), the Judicial Retirement System (JRS), the State Police Officers Retirement System (SPORS), the Virginia Law Officers Retirement System (VALORS), any Optional Retirement Plan or Alternative Retirement Plan authorized in the Code of Virginia.

If you return to part-time employment (non-salaried; non-classified) with any agency or institution of the Commonwealth, you must meet the following criteria to receive a payment from your ORPPA account:

1. Have a break-in-service of no less than one full calendar month during which you received no compensation or benefits from the Commonwealth (summer breaks, annual leave, sick leave, FMLA leave of less than 12 weeks or more based on employer's policy, educational leave, and sabbaticals do not count toward the full calendar month required for a break-in-service);
2. You and your employer had no pre-determined date that you return to employment; and
3. The work you do does not have the same duties or hours that you worked prior to leaving your ORPPA-covered position.

Eligibility for Benefits After Termination of Employment

1. Group Life Insurance

In some case employees continue to be covered by group life insurance after they terminate employment with the Commonwealth. If you are age 55 with at least five years of service or age 50 with at least 10 years of service, you continue to be covered by the Group Life Insurance Plan whether or not you begin a distribution from the ORPPA. A 25 percent reduction in the amount of your coverage begins on January 1 of the first full calendar year after you terminate employment and continues each January 1 until the amount of your coverage is 25 percent of the value of the natural death coverage at termination of employment.

If at the time you terminate employment with the Commonwealth you are covered by Optional Group Life Insurance and you are eligible to continue Group Life Insurance after you leave employment, you may continue that coverage until you reach age 80 if you continue to pay the premiums.

If you do not qualify to continue life insurance coverage after you terminate employment you may, within 31 days of termination, convert you coverage to a private policy at non-group rates without providing evidence of insurability.

For more information, visit the VRS Web site at www.varetire.org or call Minnesota Life at 1-800-441-2258.

2. State Retiree Health Benefits Program

You qualify to participate in the State Retiree Health Benefits Program when you terminate employment with the Commonwealth if you immediately begin receiving a periodic distribution or annuity from your ORPPA. There is no age requirement associated with this benefit. You have 31 days from the date you terminate employment to enroll.

3. Retiree Health Insurance Credit

You qualify for the retiree health insurance credit if you meet the following criteria:

- 1) You terminate employment and are not reemployed in a position that causes you to be covered by one of the retirement plans created by Title 51.1, Chapter 1,2,2.1 or 3 of the Code of Virginia.
- 2) You are receiving a periodic distribution or annuity from your ORPPA account.
- 3) You are enrolled and paying a premium for yourself in an individual or employer-sponsored health insurance plan, Medicare Part B and D, or as a dependent under your spouse's coverage.
- 4) Your employer certifies your eligibility for the health insurance credit by completing the Optional/ Alternative Retirement Plan Health Insurance Credit Employer Certification of Service (VRS-75).

Currently the credit is \$4.00 per month per year of service. The credit you receive may not exceed the amount you pay for your individual health insurance coverage. This is a tax-free benefit.

4. Transfer of Funds to Purchase VRS Service Credit

If you move from a political appointment to a VRS-covered position with the Commonwealth of Virginia without a break in service of at least one full calendar month, you may transfer funds in your ORPPA account to the Virginia Retirement System to purchase VRS service credit. Once VRS receives the Termination Certification Form (VRS-65E) indicating that you have moved to a VRS-covered position with the Commonwealth and would like to purchase service credit, documentation will be prepared to illustrate the number of months of service you have, your account value and the amount of VRS service your account will purchase. VRS will also provide the number of additional months you may purchase and the associated cost. You may use personal funds to purchase the additional amount in excess of what your ORPPA account will purchase. VRS will send the Request for Transfer of Funds from ORPPA (VRS-101) to you. It must be fully executed and returned to VRS to complete the purchase.

The following conditions must be met to qualify for a purchase of VRS service using your ORPPA account:

- 1) You must move to a VRS-covered position within 30 days
- 2) You must complete the Termination Certification form within 15 days of termination
- 3) You must complete the purchase of service within 30 days of receiving the cost letter

For more information read the "Handbook for Participants of the Commonwealth of Virginia Optional Retirement Plan for Political Appointees" found on the VRS Web site at www.varetire.org under the Defined Contribution Plans tab.

Employer Certification of Group Life Insurance Status

This section is only completed if the employee leaves full time employment with the employer. It is not completed if you transfer or change classification and you remain in an active status as a salaried employee.

Taking a Distribution from your Plan

If you intend to start a distribution from the ORPPA, contact ING, the plan record keeper, for your choices and the necessary forms. ING will forward your completed distribution form to VRS Member Services, who will certify that you are eligible for the distribution.

Contact information: ING
 P.O. Box 5159
 Boston, MA 02206-5159
 Toll Free Phone: 1-VRS-DC-PLAN1 (877-327-5261)
 Toll Free Fax: 1-888-998-8954

You may also refer to the VRS Web site at www.varetire.org under the Defined Contribution Plans tab for more information about the ORP for Political Appointees Plan and the forms you may need.