

Important Information about Your Leave Cashout

Your leave cashout was processed under the University of Florida's Special Pay Plan (SPP); therefore, the pre-tax value of your eligible cashout amount will be deposited into an account in your name at Fidelity Investments. *Read the information below carefully to understand how this impacts you.*

Review the enclosed paycheck statement for the following information:

- The pre-tax value of your cashout is reflected in the **HOURS AND EARNINGS** section.
- The amount of your cashout that was eligible for the plan is shown in the **BEFORE-TAX DEDUCTIONS** section with the code "SPP."

What is the Special Pay Plan?

The SPP is a retirement plan as defined by the Internal Revenue Code Section 401(a). The investment provider for the plan is Fidelity Investments. Some advantages of the SPP are:

- The contributions to this plan are pre-tax and the federal income taxes on your cashout amount are deferred. You won't pay income taxes on the contributions until they are withdrawn.
- You save the Social Security and Medicare taxes you normally would have paid if you weren't enrolled in the plan.
- Contributions made to the plan on your behalf are immediately 100% vested.
- You may withdraw your funds from the plan at any time following your termination of employment.

How can I access my account?

Your SPP shell account is currently set up with Fidelity Investments. You can log in to your account at <https://nb.fidelity.com/public/nb/ufl/home>. You can also speak with a Fidelity representative at any time by calling 1-800-343-0860.

What are my options?

You have three options:

1. **Keep the funds invested in the plan**

The default investment fund is the American Funds Target Date Retirement Fund® Class – R6 fund. You can change that allocation to other available funds at any time. Visit <https://nb.fidelity.com/public/nb/ufl/home> to view the investment fund lineup.

2. **Transfer the funds to a different retirement account***
3. **Withdraw the funds***

Fidelity Investments will send a check or direct deposit the cash-out amount minus federal withholding tax. If you are under the age of 59 1/2, an IRS early withdrawal penalty may apply.**

I still have questions, where can I learn more?

To learn more about the SPP and your cashout:

- Call Fidelity Investments at 1-800-343-0860 Monday through Friday, 8:00 a.m. to 12:00 a.m. EST.
- Visit the UF HR Benefits web site <https://benefits.hr.ufl.edu/retirement/special-pay-plan/>.
- Email UF HR Benefits at benefits@ufl.edu or call (352) 392-2477, Monday - Friday, 8:00 a.m. to 5:00 p.m EST.

*For information on this option, contact Fidelity Investments at 1-800-343-0860.

**The distribution request form you receive from Fidelity Investments will include more specific information on taxation of distributions from the Special Pay Plan.