EMPLOYEE REQUEST FOR EARLY PAYOUT OF ACCUMULATED VACATION LEAVE FOR DEFERRAL TO THE STATE OF HAWAII DEFERRED COMPENSATION PLAN (ELECTED AND APPOINTED OFFICIALS AND EMPLOYEES EXCLUDED FROM UNITS 1, 2, 3, 4, 9, 10, AND 13)

1. Employee information *(Please print)*

Name: _____

Home or Mailing Address: _____

_____

Home/Business Telephone Number: _____ / _____

Department/Division employed by: _____

Date of Retirement from Service: _____

I filed my Retirement Application with the
Employees Retirement System on: _____
Date

2. I understand that the Internal Revenue Service has informed the State of Hawaii ("**State**") that accumulated vacation leave pay that is paid to an employee after s/he has retired from service cannot be deferred to the State's Deferred Compensation Plan, also known as the Island $avings Plan ("**Plan**").

3. However, I understand that I am able to request a partial payout of my accumulated vacation leave prior to my date of retirement for the purpose of deferring all or a portion of the payout into the Plan, provided that I acknowledge my understanding of this request and agree to the following:

   a. I am requesting an early partial payout of my accumulated vacation leave credits prior to my date of retirement from service for the purpose of deferring an amount up to the maximum allowable contribution into the Plan.

   b. The early payout of accumulated vacation leave for cash only is <u>not</u> allowed.

   c. The partial payout shall be based on my accumulated vacation leave balance as of the last day of the month preceding the month in which I submit this form, in accordance with time frames established by the State. I understand that I must have more than ten (10) days of accumulated vacation leave in order to receive an early partial payout.

   d. The partial payout shall exclude at least ten (10) days of accumulated vacation leave credits to provide me with reserve vacation days in case the days are needed before I retire from service. If the vacation reserve is not sufficient to cover the request time off, I shall be placed on a leave of absence without pay.

   e. The partial payout is subject to the requirements of federal and State laws, including the maximum contribution limits.

1. I may defer up to the maximum contribution limits to the Plan; and
2. Any remaining amount of the payout shall be paid to me on the same pay date that the contribution is made to the Plan.

f. The accumulated vacation leave credits from the reserve, if any, and any additional accumulated vacation leave credits earned prior to retirement shall be paid after I have retired in accordance with the provisions of the collective bargaining agreement and/or State law, and cannot be deferred to the Plan.

g. My election to receive a partial payout of accumulated vacation leave for deferral to the Plan is <u>final</u>. If, for whatever reason, I do not retire from service:

1. The partial payout shall not be refunded to me; and
2. The accumulated vacation leave credits used for the partial payout shall not be restored.

h. I agree to comply with the process and time frames established by the State for an early partial payout of my accumulated vacation leave credits. If the State determines it is unable to complete an audit of my accumulated vacation leave records prior to the payroll deadline date established by the State, my accumulated vacation leave credits shall be paid after I retire from service.

i. I am responsible for contacting the Plan administrator's (CitiStreet) local office (by calling 1- (888)712-5642 and pressing "2" when prompted) and providing them with leave balance and salary information in order to complete the deferral.

j. I am responsible for completing any other forms necessary to retire.

k. I should consult with my own financial adviser regarding this matter and am voluntarily choosing to sign this form.

l. I agree to waive any and all claims against the State and the Union if any issues arise regarding this matter, including but not limited to any issues regarding my taxes and tax liabilities.

I understand and agree to the foregoing, and request an early partial payment of my accumulated vacation leave credits prior to my date of retirement from service.

Signature: _____ Date: _____