



Frequently Asked Questions

What is an APPLE plan?

APPLE stands for Accumulation Program for Part-time and Limited service Employees. This plan is offered as an alternative to Social Security and provides retirement and payroll benefits to part-time, seasonal and temporary employees.

Who is required to participate in the plan?

If you are a part-time, temporary or seasonal employee not participating in a state retirement plan, you are required to participate in the plan.

What type of plan do I have?

Your plan is a 401(a) Deferred Compensation Plan

When do I become eligible to take a distribution?

You are able to request a distribution if:

- You no longer work for your employer
- You went from being a part-time employee to a full-time employee
- You are at least 59 ½ years old

There is an IRS 10% penalty for distributions taken prior to age 59½ for plans such as this. However, if you are at least age 55 upon separation and remain separated, the penalty does not apply. If you return to work prior to age 59½ for the same employer for more than 20% of your preretirement schedule, to avoid the penalty, you should suspend distributions until you reach age 59½.

If Upon death, a distribution may be issued to the beneficiary or beneficiaries you have on file. If no beneficiary is designated on your account, the distribution will be made payable to your estate.

Am I required to take a distribution?

Once you've met certain age requirements, you are mandated by the Internal Revenue Service (IRS) to receive Required Minimum Distributions (RMDs).

The following RMD age requirements are based on legislative changes that went into effect on January 1, 2020:

- If you were born on or before June 30, 1949, you must take your first RMD by April 1 of the year following (a) attainment of age 70½ or (b) retirement, whichever is later, and by December 31 each year thereafter.
- If you were born after June 30, 1949, you must take your first RMD by April 1 of the year following (a) attainment of age 72 or (b) retirement, whichever is later, and by December 31 each year thereafter.

If you do not begin receiving your RMD, the IRS applies an excise penalty tax equal to 50% of your total RMD not distributed during the taxable year. As part of MidAmerica's service to you, we will send you a communication noting the amount of your RMD beginning in the year you reach the age requirement.

How do I request a distribution?

You can request a distribution by completing a Request for Settlement of Account Form, which can be obtained by logging into your account on our secure website, www.keenan.com. Your temporary login is your Social Security number and your temporary password is the last four digits of your Social Security number. You will then be asked to change your username and password.

You can also obtain the form by calling or emailing our Customer Service department at (800) 634-1178 or accountservices@MyMidAmerica.com.

When will I receive my distribution?

Distributions are issued in the second half of each month. We must obtain authorization from your employer before we pay a distribution. It can take up to 90 days to process your request and issue your distribution.

Are there taxes on distributions?

Federal taxes of 20% are withheld from lump-sum distributions over \$200. An additional 10% of the federal withholding is withheld for state taxes. Taxes are not withheld from rollover distributions.

Are hardship withdrawals allowed on the plan?

Hardship withdrawals are not permitted on the plan.

Where are funds invested?

Funds are invested in a fixed annuity with a guaranteed rate of return. Investments are provided by American United Life Insurance Company®, a OneAmerica® Company (AUL). For more information on your investments, please visit www.oneamerica.com.

How can I view my account balance and transaction history?

Please log into www.keenan.com. Your username is your Social Security Number (SSN) and your initial password is the last four digits of your SSN.

Does this plan affect my Social Security benefits?

Under the Windfall Elimination Provision, your Social Security retirement or disability benefit is figured using a modified formula when you are also entitled to a pension from a job where you did not pay Social Security tax. As a result, you will receive a lower Social Security benefit than if you were not entitled to a pension from this job. This amount is updated annually. This provision reduces, but does not totally eliminate, your Social Security benefit. For additional information, please refer to Social Security Publication, "Windfall Elimination Provision" located here: <https://www.ssa.gov/planners/retire/wep.html>.

Questions?

If you have questions regarding your plan, please contact MidAmerica Administrative & Retirement Solutions (MidAmerica), the plan administrator, at (800) 634-1178 or email us at accountservices@myMidAmerica.com.

For investment or plan information related questions, please contact your Keenan & Associates Representative at 800-444-9995.

