

# **Sheet Metal Workers' Local Union No. 292 Annuity Fund Benefit Distribution Application**

## **Application Checklist**

**Please submit copies of the following documents with your application for benefits:**

- Birth Certificate for you and your spouse (see back for alternative documents allowed)
- Marriage License
- Copy of current driver's license or current state I.D. (with photo) for you and your spouse
- If you have ever been divorced, please submit a complete copy of your divorce decree(s) and any accompanying orders.

## **CHECKLIST OF ITEMS TO SUBMIT WITH YOUR BENEFIT APPLICATION:**

Please utilize the checklist below to ensure that you have completed your application fully. This will expedite the application process. Missing documents and incomplete application forms will delay the processing of your application.

- ☐ Application Form
- ☐ Lump Sum Distribution Election Form
- ☐ Spousal Consent Form
- ☐ Certification of Marital/Single Status
- ☐ Copy of your birth certificate
- ☐ Copy of your spouse's birth certificate
- ☐ Copy of your marriage license
- ☐ Copy of your photo ID
- ☐ Copy of your spouse's photo ID
- ☐ Copy of any and all previous divorce decrees, Qualified Domestic Relations Orders, Separation Agreements, etc.

Please review the forms you are submitting to make sure that you have completed all blanks, signed where necessary, including the signature of a notary public where applicable and answered the questions accurately and completely.

## ALTERNATIVES TO BIRTH CERTIFICATE

### ~Accepted when birth certificate is unavailable~

In order to be eligible for any benefit from this Fund, you are required to produce proof of your age and identification. The following is a list of the documents that may serve as proof. Some of these documents are better proof than others. The list is arranged starting with the best type of proof, and going down to the less desirable types of documents. *You are required to furnish the best type of proof that is available.*

You do not have to furnish the original of any of these documents; you may submit a photocopy.

1. A birth certificate.
2. A baptismal certificate or a statement as to the date of birth shown by a church record, certified by the custodian of such record.
3. Notification of registration of birth in a public registry of vital statistics.
4. Hospital birth record, certified by a custodian of such record.
5. A foreign church or government record.
6. A signed statement by the physician or midwife who was in attendance at birth, as to the date of birth shown on their records.
7. Naturalization record.
8. Immigration papers.
9. Military record.
10. Passport.
11. School record, certified by the custodian of such record.
12. Vaccination record, certified by the custodian of such record.
13. An insurance policy, which shows the age or date of birth.
14. Marriage records showing date of birth or age (applications for marriage license or church record, certified by the custodian of such record; or marriage certificate).
15. Document showing approval of Social Security Pension.
16. Other evidence, such as signed statements from persons who have knowledge of the date of birth, voting records, poll-tax receipts, driver's license, etc.

# SHEET METAL WORKERS LOCAL 292 ANNUITY FUND

P.O. Box 189  
Troy, MI 48099-0189  
(248) 641-4992 (888) 646-6565

I hereby make the following application for benefits from the Sheet Metal Workers Local Union No. 292 Annuity Fund:

## Type of Benefit:

- ☐ Normal Retirement (Age 65 or older)
- ☐ Early Retirement (Age 55 – Active Participant with 870 Hrs of Work in each of 5 Plan Years)
- ☐ Disability Retirement (Totally & Permanently disabled from sheet metal work)
- ☐ Separation Benefit  
(24 consecutive months with no Hours of Work and no contributions made on your behalf)

Name \_\_\_\_\_ Social Security Number \_\_\_\_\_

Spouse's Name \_\_\_\_\_ Social Security Number \_\_\_\_\_

Address \_\_\_\_\_ Date of Birth \_\_\_\_\_

Home Phone Number \_\_\_\_\_ Alternate Phone Number \_\_\_\_\_

Last Employer \_\_\_\_\_ Last Day Worked \_\_\_\_\_

**Form of Benefit** – I elect to have my Vested Accrued account balance paid out in the following form:

- ☐ Lump Sum Payment (cash or rollover)
- ☐ Single Life Annuity
- ☐ 50% Joint & Survivor Annuity\*
- ☐ 75% Joint & Survivor Annuity\*
- ☐ 100% Joint & Survivor Annuity\*

\*By law, if you are married and chose either of these options, your spouse at the time of retirement will receive the survivor benefit; however, if you are single at the time of retirement, you may elect the beneficiary of your choice for the survivor benefit.

## CERTIFICATION

I hereby certify that all of the information furnished by me on this application form is, to the best of my belief and knowledge, true and complete. I understand that this completed application form will be attached to and become part of my application for benefits and that when I submit such application, I must also submit acceptable proof of my age and, if I am married at that time, proof of my spouse's age and a copy of our marriage certificate. I understand that if I have ever been divorced and/or widowed, I must also provide the Fund Office with a complete copy of all of my Judgments of Divorce and/or Qualified Domestic Relations Orders (including Separation Agreements, Property Settlement Agreements and any similar or related orders with any attachments) and/or the death certificate(s) of my late spouse(s) or ex-spouse(s). ANY PERSON WHO SUPPLIES A FALSE CERTIFICATION IN CLAIMING A BENEFIT FORFEITS ANY RIGHT HE OR SHE MAY HAVE TO THE BENEFIT AND, UPON DISCOVERY, BECOMES LIABLE FOR FULL REPAYMENT OF ANY MONEY RECEIVED AS A CONSEQUENCE.

\_\_\_\_\_  
Signature of Participant

\_\_\_\_\_  
Date

OFFICE USE ONLY: Plan Manager Signature (when applicable) \_\_\_\_\_ Date: \_\_\_\_\_



# SHEET METAL WORKERS' LOCAL UNION NO. 292 ANNUITY FUND

## Lump Sum Distribution ELECTION FORM

I hereby acknowledge receipt of the SPECIAL TAX NOTICE REGARDING SHEET METAL WORKERS' LOCAL UNION NO. 292 ANNUITY FUND PLAN PAYMENTS which explains my right to choose how my Plan benefit will be distributed and taxed. I understand the contents of the SPECIAL TAX NOTICE, and that I have at least thirty days from the date that I received the SPECIAL TAX NOTICE to decide how I want my Plan benefit paid. I hereby affirmatively elect the following (Check only one):

- ☐ **FULL DIRECT ROLLOVER:** I hereby elect to have my entire Plan benefit paid in a direct rollover to my IRA.
- ☐ **FULL CASH DISTRIBUTION:** I hereby elect to have my entire Plan benefit paid directly to me and I understand that 20% of my benefit must be withheld for federal taxes, and that Michigan State Taxes will be withheld based on the election I make on the MI W-4P form.
- ☐ **COMBINATION DIRECT ROLLOVER AND CASH DISTRIBUTION:** I hereby elect to have my Plan benefit divided as follows:  
I elect to have \$ \_\_\_\_\_ paid in a direct rollover to my IRA and to have the remainder of my Plan benefit paid directly to me. I understand that 20% of the amount to be paid directly to me in cash must be withheld for federal taxes, and that Michigan State Taxes will be withheld based on the election I make on the MI W-4P form.

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### DIRECT ROLLOVER INSTRUCTIONS:

If you have elected a direct rollover of all or part of your benefit, please complete the section below:

Name of your IRA \_\_\_\_\_

Your IRA Account Number \_\_\_\_\_

Address of the Custodian of IRA \_\_\_\_\_

Authorized Signature of Custodian \_\_\_\_\_

Printed Name of Custodian \_\_\_\_\_

Phone Number of Custodian \_\_\_\_\_

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Your Signature \_\_\_\_\_

Date \_\_\_\_\_

Your Name (please print) \_\_\_\_\_

SSN \_\_\_\_\_



# CERTIFICATION OF MARITAL/SINGLE STATUS

Federal Law requires the Trustees to confirm whether a previous spouse is entitled to any portion of your pension benefits. As such, it is necessary that we request the following certification and supporting documentation. **Failure to complete this form fully, including signing it in front of a notary public, and providing ALL documentation requested, will result in a delay of the processing of your application.**

Your Name: \_\_\_\_\_ SSN: \_\_\_\_\_

- Current marital status:
- ☐ SINGLE, NEVER MARRIED
  - ☐ SINGLE, PREVIOUSLY MARRIED\*
  - ☐ MARRIED, NO PREVIOUS MARRIAGES
  - ☐ MARRIED, WITH PREVIOUS MARRIAGE(S)\*
  - ☐ LEGALLY SEPARATED\*

\*If you have had previous marriages, please list the names of your ex-spouses, the date(s) of marriage and date(s) of divorce (if any of your previous marriages ended due to the death of your spouse at the time, please list the date of death):

<u>Ex-spouse's Name</u>	<u>Date of Marriage</u>	<u>Date of Divorce/Death</u>
_____	_____	_____
_____	_____	_____

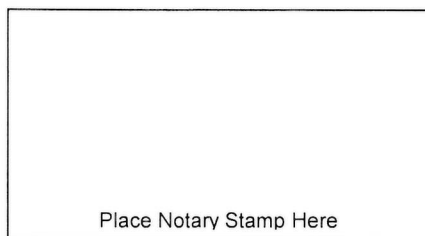
Please provide complete copies of ALL marriage certificates, divorce decrees, separation agreements, Qualified Domestic Relations Orders and any other accompanying documents related to the termination of your previous marriage(s). If any previous spouses have passed away, please provide a copy of the death certificate(s). If you do not have these documents, you should contact the appropriate court through which the proceedings occurred in order to obtain certified copies.

**I hereby certify, subject to the penalty of perjury, that the above information is, to the best of my belief and knowledge, true and complete. ANY PERSON WHO SUPPLIES A FALSE CERTIFICATION IN CLAIMING A BENEFIT FORFEITS ANY RIGHT HE OR SHE MAY HAVE TO THE BENEFIT AND, UPON DISCOVERY, BECOMES LIABLE FOR FULL REPAYMENT OF ANY MONEY RECEIVED AS A CONSEQUENCE.**

\_\_\_\_\_  
Your Signature

\_\_\_\_\_  
Your Social Security No.

\_\_\_\_\_  
Today's Date



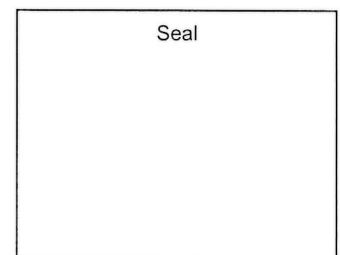
Subscribed to and sworn to before me,  
This \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

\_\_\_\_\_  
Signature of Notary

Notary Public, \_\_\_\_\_ County

State of \_\_\_\_\_

My Commission expires \_\_\_\_\_



**\*Notice to Notaries:** Federal Law (i.e., the Retirement Equity Act of 1984) requires that the above Form must be executed in the presence of an authorized Plan representative or a Notary Public. Accordingly, it is most important that you not only witness the actual signatures identified above, but also examine their credentials to satisfy yourself that they are, in fact, the same persons as the ones identified."



# SHEET METAL WORKERS' LOCAL UNION NO. 292 ANNUITY FUND

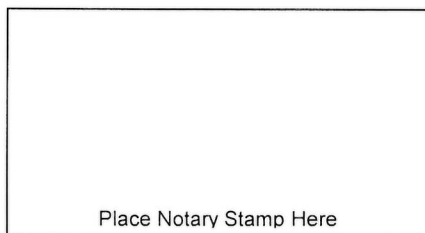
## *Spousal Consent to a Participant's Election to Waive Payment in the Form of a Joint and Survivor Annuity* (IMPORTANT: This form should be completed by the Participant's **SPOUSE**)

- I. I acknowledge that I have read and understand the following:
1. My spouse is a Participant in the Sheet Metal Workers' Local Union No. 292 Annuity Fund.
  2. The Plan is an Annuity Pension Plan, which provides for two forms of distribution options.
    - a. **LUMP SUM PAYMENT.** A Lump Sum Payment is made to the Participant at the time of his Retirement or Termination of Employment equal to his vested Account Balance in the Plan. No further benefits are payable after the payment of the Lump Sum Benefit is made and no benefits are payable to the Spouse upon his death.
    - b. **QUALIFIED JOINT & SURVIVOR ANNUITY.** If a Participant is legally married at the time of as of which payment of benefits is to commence or the date of death, the Participant's benefit will be paid in the form of a 50%, 75%, or 100% Qualified Joint & Survivor Annuity. The 50%, 75%, and 100% Qualified Joint & Survivor Annuity is an annuity (regular monthly payments) for the life of the Participant with a survivor annuity for the life of the Spouse which is equal to 50%, 75%, or 100% the amount of the annuity which is payable during the joint lives of the Participant and Spouse and which is the equal to the amount of annuity benefit which can be purchased with the Participant's entire vested Account Balance.
  3. The election of the Lump Sum Payment will not be effective unless I consent to that election. My consent must be in writing, include my acknowledgment of the effects of such an election, and must be witnessed by a representative of the Pension Plan or by a Notary Public.
  4. I fully understand that if my spouse elects the Lump Sum Payment form of distribution that upon his death, I will not receive any benefit from the Pension Plan on his behalf.
- II. I acknowledge that I have read and understand the information set out in this form. I hereby consent to my spouse's election to waive and/or reject the 50%, 75%, and/or 100% Qualified Joint & Survivor Form of distribution and to take the Lump Sum Payment. I understand that I will not be entitled to any benefit subsequent to his death.

\_\_\_\_\_  
Signature of Participant's Spouse

\_\_\_\_\_  
Date

I have witnessed the execution of the foregoing consent by \_\_\_\_\_ (participant's spouse's name), who identified herself/himself to me.



Subscribed to and sworn to before me,  
This \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

\_\_\_\_\_  
Signature of Notary

Notary Public, \_\_\_\_\_ County

State of \_\_\_\_\_

My Commission expires \_\_\_\_\_

Seal



# **SHEET METAL WORKERS LOCAL 292 ANNUITY FUND**

**P.O. Box 189**

**Troy, MI 48099-0189**

**(248) 641-4992 (888) 646-6565**

## **STATEMENT OF APPLICATION RECEIPT**

**(Married participants ONLY)**

In order to comply with Federal Regulations related to the 30-day waiver form (enclosed with this application), the Fund Office must have a statement from you indicating the date you received an explanation of your benefit options.

Please indicate the date you received this application packet: \_\_\_\_\_

Your Signature: \_\_\_\_\_

(please return with your application)



# WAIVER OF 30-DAY WAITING PERIOD

\*\*\*BOTH SIGNATURES MUST BE WITNESSED BY A NOTARY PUBLIC\*\*\*

## PARTICIPANT WAIVER

I, \_\_\_\_\_, hereby acknowledge that I have been informed that federal law prohibits the Fund from paying benefits to me until at least 30 days after my spouse and I have received a written explanation of the 50% Joint and Survivor form, including my right to waive that form with the written consent of my spouse, the effect of such a waiver and the right my spouse and I each have to revoke that waiver and consent. I have also been informed that I may waive that 30 day notice period and instead elect a 7 day notice period, which will permit the Fund to commence payment of benefits to me no less than 7 days after my spouse and I received the written explanation, provided my spouse also consents in writing to waiver of the 30 day notice period.

*By signing below, I hereby elect to waive the 30-day notice period:*

Participant Signature \_\_\_\_\_ Date \_\_\_\_\_

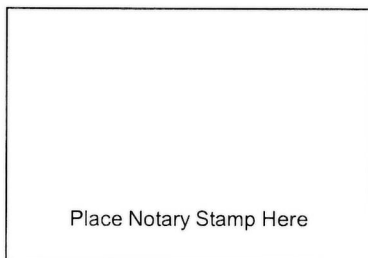
## SPOUSAL CONSENT TO WAIVER OF 30 DAY NOTICE REQUIREMENT

I am the legal spouse of \_\_\_\_\_. I acknowledge that I have been informed that my spouse wishes to waive the requirement that we receive, at least 30 days before the Fund pays benefits to my spouse, a written explanation of the 50% Joint and Survivor form, including my spouse's right to waive the 50% Joint and Survivor form with my written consent, the effect of such a waiver and the right my spouse and I each have to revoke that waiver and consent, and to elect instead a 7 day notice period as permitted by federal law.

*By signing below, I hereby consent to the election of my spouse to waive the 30 day notice period:*

Spouse Signature \_\_\_\_\_ Date \_\_\_\_\_

## Both Signatures Witnessed by Notary Public:



Subscribed to and sworn to before me,

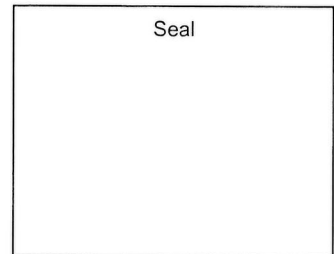
This \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

\_\_\_\_\_  
Signature of Notary

Notary Public, \_\_\_\_\_ County

State of \_\_\_\_\_

My Commission Expires \_\_\_\_\_



**IF THIS FORM IS NOT SIGNED AND RETURNED, YOUR APPLICATION WILL BE HELD FOR 30 DAYS AFTER RECEIPT OF YOUR APPLICATION.**



## Withholding Certificate for Michigan Pension or Annuity Payments

**INSTRUCTIONS:** Use Form MI W-4P to notify pension administrators of the correct amount of Michigan income tax to withhold from your pension or annuity payment(s). You may also use this form to choose not to have any Michigan income tax withheld from your payment(s). Military pensions and pensions paid by the Railroad Retirement Board are exempt from tax and withholding.

Entities subject to Michigan taxes that disburse pension or annuity payments are required to collect withholding if the payment is expected to be taxable unless **you opt out using this form** (see instructions for line 1). Entities over which Michigan does not have jurisdiction are not required to withhold Michigan income tax from your pension or annuity payment(s). If your pension administrator does not withhold, you may need to make estimated income tax payments to avoid owing penalty and interest. For further information, see General Instructions on page two, the *Michigan Estimated Income Tax for Individuals* (MI-1040ES) or consult a tax advisor.

If you have more than one pension administrator, you will need to complete a form for each pension or annuity. If you do not file MI W-4P, the administrator may withhold even if you will not owe tax on your pension income. **See instructions on page two.**

GENERAL INFORMATION		
Name	Social Security Number	
Mailing Address (Number, Street, P.O. Box)		
City	State	ZIP Code
Marital Status <input type="checkbox"/> Single <input type="checkbox"/> Married <input type="checkbox"/> Married (withhold the same as "Single")		

**Check only ONE box. For joint filers, the age of the oldest spouse determines the age category.**

- ☐ 1. Check here if your pension or annuity payments are not taxable or you wish to opt out. See lines 7 or 8 for additional voluntary withholding.  
**NOTE:** Opting out may result in a balance due on your MI-1040 as well as penalty and/or interest.
- ☐ 2. Check here if you (or your spouse if older) were born before 1946. See instructions for line 2.
- ☐ 3. Check here if you (or your spouse if older) were born during the period 1946 through 1952 (deduction is \$20,000 single/\$40,000 joint). See instructions for line 3.
- ☐ 4. Check here if you were born during the period 1946 through 1952 and your pension or retirement benefits were from employment with a governmental agency that was not covered by the Social Security Act (deduction is \$35,000 single/\$55,000 joint).
- ☐ 5. Check here if you (and your spouse) were born after 1952, either you or your spouse are now age 62, and your pension or retirement benefits were from employment with a governmental agency that was not covered by the the Social Security Act (deduction is \$15,000).
- ☐ 6. Check here if you (and your spouse) were born after 1952. See instructions for line 5.
7. Enter number of personal exemptions allowed on your *Michigan Income Tax Return* (MI-1040). Do not claim more than your allowable personal exemptions on all MI W-4s (wages) or MI W-4P forms combined. 7.

**Additional Voluntary Withholding from Pension or Annuity Payment:**

8. **Voluntary percentage amount** you want withheld from each pension or annuity payment (if permitted by your pension administrator). This amount must be a percentage. 8. 

<input type="text"/>	%
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9. **Voluntary dollar amount** you want withheld from each pension or annuity payment (if permitted by your pension administrator). 9. 

<input type="text"/>	00
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AUTHORIZATION	
Signature	
Printed or Typed Name and Title	Date

**Sign and return this completed form to the administrator of your pension or annuity. Keep a copy for your records.**

Visit [www.michigan.gov/taxes](http://www.michigan.gov/taxes) for additional information.

## Instructions for Completing MI W-4P, Withholding Certificate for Michigan Pension or Annuity Payments

### General Instructions

Significant income tax changes took effect in 2012 and going forward. As a result, your pension payment may be subject to tax and an underpayment may result if the incorrect amount of tax is withheld. These changes may result in a balance due if the incorrect amount is withheld from pension or annuity payment(s). Caution: Some benefits do not meet the definition of "pension and retirement benefits" under Michigan's individual income tax laws and are not eligible for subtraction on your Michigan income tax return. Visit [www.michigan.gov/taxes](http://www.michigan.gov/taxes) for additional information. For these instructions the words "retirement benefits" mean pensions, annuities, and other retirement benefits.

Taxpayers born before 1946 may deduct all retirement benefits paid from public employment and retirement benefits from private plans up to \$49,861 on a single return or \$99,723 on a joint return. Recipients born during the period January 2, 1950 through December 31, 1952, are eligible to deduct retirement benefits up to \$20,000 for taxpayers filing as a single or married filing separately, or \$40,000 if married and filing a joint return. For joint filers, the age of the oldest spouse determines the age category.

For tax year 2016, recipients born during the period January 1, 1946 through January 1, 1950, are eligible to deduct \$20,000 against all income, not just retirement benefits. If the recipient will be filing a joint return and the older spouse was born during the period detailed above, the deduction is \$40,000 against all income. Recipients born during the period January 1, 1946 through January 1, 1950, may continue to use the MI W-4P so that they have the appropriate amount withheld from their income.

Recipients born after 1952 may not deduct retirement benefits on the *Michigan Income Tax Return* (MI-1040), except those age 62 who receive retirement benefits from governmental employment that was exempt from Social Security (see line 5).

**Multiple pensions:** If you (and your spouse) receive multiple pension payments, your withholding on those payments may not cover your entire tax liability. Married couples where each spouse receives retirement benefits may choose to have withholding calculated as if each was single on the MI W-4P and select one personal exemption in order to have sufficient withholding to cover the tax liability. Taxpayers with multiple pensions may need to make quarterly estimated payments (MI-1040ES) or consult a tax advisor to ensure the proper amount is withheld or paid through estimated payments.

**Estimated Payments:** There are penalties for not paying enough state income tax during the year, either through withholding or estimated tax payments. Taxpayers who choose not to have tax withheld from their retirement benefits may be required to make estimated tax payments. Refer to Form MI-1040ES for estimated tax requirements.

**When should I complete this form?** Complete Form MI W-4P and give it to the administrator of your retirement benefits as soon as possible.

Your tax situation may change from year to year; you may want to evaluate your withholding each year. You can change the amount to be withheld by submitting an updated Form MI W-4P to your pension administrator at any time.

**Is every pension administrator required to withhold Michigan tax?** Only companies over which Michigan has taxing jurisdiction are required to withhold Michigan tax from your retirement benefits. If your pension administrator does not fall under Michigan jurisdiction, you may request to have Michigan tax withheld, but the company is not required to do so. If no taxes are withheld from your payments, it is likely you will be required to make estimated payments in place of the withholding. Contact your pension and/or annuity administrator to verify whether tax will be withheld from your payments.

### Line-by-Line Instructions

**Line 1:** You may opt out of withholding tax from your retirement benefits if you believe you will not have a balance due on your MI-1040. If you (and your spouse) opt to have no Michigan tax withheld from your retirement benefits by checking the box on line 1, it may result in a balance due on your MI-1040 as well as penalty and/or interest.

**Line 2:** If you (or your spouse) were born prior to 1946, all benefits from public sources are exempt and benefits from private sources may be subtracted up to \$49,861 for a single filer or married filer filing separately or \$99,723 if married filing a joint return for the 2016 tax year. In addition, benefits that will be rolled into another qualified plan or IRA will not be taxable if the amount rolled over is not included in federal adjusted gross income (AGI). Any private retirement benefits in excess of the limits above are taxable.

**Line 3:** If you, or your spouse if your spouse is older than you, were born during the period January 1, 1946 through January 1, 1950, you may deduct the Michigan standard deduction equal to \$20,000 (\$40,000 on a joint return) from your taxable income instead of retirement benefits. If you (or your spouse if older) were born after January 1, 1950 and before January 1, 1953, the first \$20,000 for single filers or \$40,000 for joint filers of all private and public pension and annuity benefits may be subtracted from Michigan taxable income. Benefits in excess of these limits are taxable.

**Line 4:** If you were born during the period January 2, 1950 through December 31, 1952, and received retirement benefits from employment with a governmental agency that was exempt from the Social Security Act, the first \$35,000 for single filers or \$55,000 for joint filers of all retirement benefits may be subtracted from Michigan taxable income. The Michigan standard deduction for those born during the period January 1, 1946 through January 1, 1950, is also increased by \$15,000 if you received retirement benefits from employment with a governmental entity that was exempt from the Social Security Act.

**Line 5:** If you were born after 1952, have reached age 62, and received retirement benefits from employment with a governmental agency that was exempt from the Social Security Act, the first \$15,000 of retirement benefits may be subtracted from Michigan taxable income.

**Line 6:** If you (and your spouse) were born after 1952, all private and public retirement benefits are fully taxable and may not be subtracted from Michigan taxable income.

**Line 7:** Enter personal exemptions you are claiming for withholding. Do not claim more than your allowable personal exemptions on all MI W-4s (wages) or MI W-4P forms combined.

**Line 8:** You may designate additional withholding if you expect to owe more than the amount withheld. The amount on line 7 must be a percentage. Check with your pension administrator to see if they permit additional withholding.

**Line 9:** If allowed by your pension administrator, you may enter an additional dollar amount to be withheld from each payment.

**Failure to have sufficient tax withheld from your retirement benefits may result in a balance due on your MI-1040 as well as penalty and/or interest.**

**SPECIAL TAX NOTICE REGARDING  
SHEET METAL WORKERS LOCAL NO. 292 ANNUITY FUND  
PLAN PAYMENTS**

You are receiving this Notice because all or a portion of a payment you are receiving from the Sheet Metal Workers Local No. 292 Annuity Fund (the “Plan”) is eligible to be rolled over to an IRA or an employer plan. This Notice is intended to help you decide whether to do such a rollover.

Rules that apply to most payments from a plan are described in the “General Information About Rollovers” section, below.

Special rules that only apply in certain circumstances, including special rules applicable to recipients other than the participant, are described in the “Special Rules and Options” section, which starts on page 3 of this Notice.

**GENERAL INFORMATION ABOUT ROLLOVERS**

*How can a rollover affect my taxes?*

You will be taxed on a payment from the Plan if you do not roll it over. If you are under age 59½ and do not do a rollover, you will also have to pay a 10% additional income tax on early distributions (unless an exception applies). However, if you do a rollover, you will not have to pay tax until you receive payments later and the 10% additional income tax will not apply if those payments are made after you are age 59½ (or if an exception applies).

*Where may I roll over the payment?*

Unless you are a beneficiary who is not a surviving spouse, you may roll over the payment to either an IRA (an individual retirement account or individual retirement annuity) or an employer plan (a tax-qualified plan, section 403(b) plan, or governmental section 457(b) plan) that will accept the rollover. The rules of the IRA or employer plan that holds the rollover will determine your investment options, fees, and rights to payment from the IRA or employer plan (for example, no spousal consent rules apply to IRAs and IRAs may not provide loans). Further, the amount rolled over will become subject to the tax rules that apply to the IRA or employer plan.

If you receive a payment from the Plan because of the participant’s death and you are a designated beneficiary other than a surviving spouse, the only rollover option you have is to do a direct rollover to an inherited IRA.

*How do I do a rollover?*

There are two ways to do a rollover. You can do either a direct rollover or a 60-day rollover. If you do a direct rollover, the Plan will make the payment directly to your IRA or an employer plan. You should contact the IRA sponsor or the administrator of the employer plan for information on how to do a direct rollover.

If you do not do a direct rollover, you may still do a rollover by making a deposit into an IRA or eligible employer plan that will accept it. You will have 60 days after you receive the payment to make the deposit. If you do not do a direct rollover, the Plan is required to withhold 20% of the payment for federal income taxes (up to the amount of cash and property received other than employer stock). This means that, in order to roll over the entire payment in a 60-day rollover, you must use other funds to make up for the 20% withheld. If you do not roll over the entire amount of the payment, the portion not rolled over will be taxed and will be subject to the 10% additional income tax on early distributions if you are under age 59½ (unless an exception applies).

### *How much may I roll over?*

If you wish to do a rollover, you may roll over all or part of the amount eligible for rollover. Any payment from the Plan is eligible for rollover, except:

- Certain payments spread over a period of at least 10 years or over your life or life expectancy (or the lives or joint life expectancy of you and your beneficiary)
- Required minimum distributions after age 70½ (or after death)
- Corrective distributions of contributions that exceed tax law limitations
- Loans treated as deemed distributions

The Plan administrator or the payor can tell you what portion of a payment is eligible for rollover.

### *If I don't do a rollover, will I have to pay the 10% additional income tax on early distributions?*

If you are under age 59½, you will have to pay the 10% additional income tax on early distributions for any payment from the Plan (including amounts withheld for income tax) that you do not roll over, unless one of the exceptions listed below applies. This tax is in addition to the regular income tax on the payment not rolled over.

The 10% additional income tax does not apply to the following payments from the Plan:

- Payments made after you separate from service if you will be at least age 55 in the year of the separation
- Payments that start after you separate from service if paid at least annually in equal or close to equal amounts over your life or life expectancy (or the lives or joint life expectancy of you and your beneficiary)
- Payments made due to disability
- Payments after your death
- Corrective distributions of contributions that exceed tax law limitations
- Payments made directly to the government to satisfy a federal tax levy
- Payments made under a qualified domestic relations order (QDRO)
- Certain payments made while you are on active duty if you were a member of a reserve component called to duty after September 11, 2001 for more than 179 days

### *If I do a rollover to an IRA, will the 10% additional income tax apply to early distributions from the IRA?*

If you receive a payment from an IRA when you are under age 59½, you will have to pay the 10% additional income tax on early distributions from the IRA, unless an exception applies. In general, the exceptions to the 10% additional income tax for early distributions from an IRA are the same as the exceptions listed above for early distributions from a plan. However, there are a few differences for payments from an IRA, including:

- There is no exception for payments after separation from service that are made after age 55.
- The exception for qualified domestic relations orders (QDROs) does not apply (although a special rule applies under which, as part of a divorce or separation agreement, a tax-free transfer may be made directly to an IRA of a spouse or former spouse).

- The exception for payments made at least annually in equal or close to equal amounts over a specified period applies without regard to whether you have had a separation from service.

If you receive a payment from the Plan because of the participant's death and you are a designated beneficiary other than a surviving spouse, the only rollover option you have is to do a direct rollover to an inherited IRA. Payments from the inherited IRA will not be subject to the 10% additional income tax on early distributions. You will have to receive required minimum distributions from the inherited IRA.

*Will I owe State income taxes?*

This notice does not describe any State or local income tax rules (including withholding rules). You should contact your professional tax advisor regarding those rules.

## **SPECIAL RULES AND OPTIONS**

*If you miss the 60-day rollover deadline*

Generally, the 60-day rollover deadline cannot be extended. However, the IRS has the limited authority to waive the deadline under certain extraordinary circumstances, such as when external events prevented you from completing the rollover by the 60-day rollover deadline. To apply for a waiver, you must file a private letter ruling request with the IRS. Private letter ruling requests require the payment of a nonrefundable user fee. For more information, see IRS Publication 590, Individual Retirement Arrangements (IRAs).

*If you have an outstanding loan that is being offset*

If you have an outstanding loan from the Plan, your Plan benefit may be offset by the amount of the loan. The loan offset amount is treated as a distribution to you at the time of the offset and will be taxed (including the 10% additional income tax on early distributions, unless an exception applies) unless you do a 60-day rollover in the amount of the loan offset to an IRA or employer plan.

*If you were born on or before January 1, 1936*

If you were born on or before January 1, 1936 and receive a lump sum distribution that you do not roll over, special rules for calculating the amount of the tax on the payment might apply to you. For more information, see IRS Publication 575, Pension and Annuity Income.

*If you roll over your payment to a Roth IRA*

If you roll over the payment to a Roth IRA, a special rule applies under which the amount of the payment rolled over will be taxed. However, the 10% additional income tax on early distributions will not apply (unless you take the amount rolled over out of the Roth IRA within 5 years, counting from January 1 of the year of the rollover). If you roll over the payment to a Roth IRA, later payments from the Roth IRA that are qualified distributions will not be taxed (including earnings after the rollover). A qualified distribution from a Roth IRA is a payment made after you are age 59½ (or after your death or disability, or as a qualified first-time homebuyer distribution of up to \$10,000) and after you have had a Roth IRA for at least 5 years. In applying this 5-year rule, you count from January 1 of the year for which your first contribution was made to a Roth IRA. Payments from the Roth IRA that are not qualified distributions will be taxed to the extent of earnings after the rollover, including the 10% additional income tax on early distributions (unless an exception applies). You do not have to take required minimum distributions from a Roth IRA during your lifetime. For more information, see IRS Publication 590, Individual Retirement Arrangements (IRAs). You cannot roll over a payment from the Plan to a designated Roth account in an employer plan.

*If you are not a plan participant*

Payments after death of the participant.

If you receive a distribution after the participant's death that you do not roll over, the distribution will generally be taxed in the same manner described elsewhere in this notice. However, the 10% additional income tax on early distributions does not apply, and the special rule described under the section "If you were born on or before January 1, 1936" applies only if the participant was born on or before January 1, 1936.

If you are a surviving spouse.

If you receive a payment from the Plan as the surviving spouse of a deceased participant, you have the same rollover options that the participant would have had, as described elsewhere in this notice. In addition, if you choose to do a rollover to an IRA, you may treat the IRA as your own or as an inherited IRA. An IRA you treat as your own is treated like any other IRA of yours, so that payments made to you before you are age 59½ will be subject to the 10% additional income tax on early distributions (unless an exception applies) and required minimum distributions from your IRA do not have to start until after you are age 70½. If you treat the IRA as an inherited IRA, payments from the IRA will not be subject to the 10% additional income tax on early distributions. However, if the participant had started taking required minimum distributions, you will have to receive required minimum distributions from the inherited IRA. If the participant had not started taking required minimum distributions from the Plan, you will not have to start receiving required minimum distributions from the inherited IRA until the year the participant would have been age 70½.

If you are a surviving beneficiary other than a spouse.

If you receive a payment from the Plan because of the participant's death and you are a designated beneficiary other than a surviving spouse, the only rollover option you have is to do a direct rollover to an inherited IRA. Payments from the inherited IRA will not be subject to the 10% additional income tax on early distributions. You will have to receive required minimum distributions from the inherited IRA.

Payments under a qualified domestic relations order.

If you are the spouse or former spouse of the participant who receives a payment from the Plan under a qualified domestic relations order (QDRO), you generally have the same options the participant would have (for example, you may roll over the payment to your own IRA or an eligible employer plan that will accept it). Payments under the QDRO will not be subject to the 10% additional income tax on early distributions.

If you are a nonresident alien

If you are a nonresident alien and you do not do a direct rollover to a U.S. IRA or U.S. employer plan, instead of withholding 20%, the Plan is generally required to withhold 30% of the payment for federal income taxes. If the amount withheld exceeds the amount of tax you owe (as may happen if you do a 60-day rollover), you may request an income tax refund by filing Form 1040NR and attaching your Form 1042-S. See Form W-8BEN for claiming that you are entitled to a reduced rate of withholding under an income tax treaty. For more information, see also IRS Publication 519, U.S. Tax Guide for Aliens, and IRS Publication 515, Withholding of Tax on Nonresident Aliens and Foreign Entities.

### *Other special rules*

If a payment is one in a series of payments for less than 10 years, your choice whether to make a direct rollover will apply to all later payments in the series (unless you make a different choice for later payments).

You may have special rollover rights if you recently served in the U.S. Armed Forces. For more information, see IRS Publication 3, Armed Forces' Tax Guide.

### FOR MORE INFORMATION

You may wish to consult with a professional tax advisor, before taking a payment from the Plan. Also, you can find more detailed information on the federal tax treatment of payments from employer plans in: IRS Publication 575, Pension and Annuity Income; IRS Publication 590, Individual Retirement Arrangements (IRAs); and IRS Publication 571, Tax-Sheltered Annuity Plans (403(b) Plans). These publications are available from a local IRS office, on the web at [www.irs.gov](http://www.irs.gov), or by calling 1-800-TAX-FORM.