Administered by BeneSys

# U.A. Local No. 393 Benefit Funds

HEALTH & WELFARE, SUB, DEFINED BENEFIT PENSION AND DEFINED CONTRIBUTION

6293 San Ignacio Ave ▪ San Jose, CA 95119 ▪ P.O. Box 2460 ▪ San Jose, CA 95109-2460
(408) 588-3751 ▪ (408) 436-8210 fax ▪ Staff@ualocal393benefits.org ▪ www.ualocal393benefits.org

## DEFINED CONTRIBUTTION PLAN
## APPLICATION INSTRUCTIONS FOR MONTHLY DISABILITY BENEFITS

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

- Birth Certificate for you and your spouse
- 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.
- If applying for a Disability Retirement: Copy of Disability Notice of Award from Social Security Administration or supporting medical documents for review
- If applying for Separation of Service Benefit: please include a detailed written statement of your employment history since you left the Plan.
- If a participant is younger than 55, and not receiving a distribution on the grounds of disability or Separation of Service Benefit, the only form of benefit available is a monthly installment.
- **Please note that if a participant is younger than age 55 elects to receive monthly installments, he must wait until age 59 ½ to change the amount of the monthly installment amount or elect a lump sum distribution.**
- Your application and distribution will be processed as soon as administratively possible. Please note that filing an incomplete application, not providing requested documentation and complex cases such as those involving divorce may delay your distribution.
- **PLEASE NOTE:** ELECTRONIC SIGNATURES & ELECTRONIC NOTARIES ARE NOT ACCEPTED BY THE TRUST FUND OFFICE

Please return your completed Defined Contribution Application and any supporting documentation to the Benefit Office:

| | |
|---|---|
| Mail: | U.A. Local No. 393 Defined Contribution Plan<br>P.O. Box 2460<br>San Jose, CA 95109-2460 |
| Email: | staff@ualocal393benefits.org |
| Fax: | (408) 436-8210 |
| In Person at the Benefit Office: | 6293 San Ignacio Ave, San Jose CA 95119<br>Open Monday through Friday, 8:00 a.m. – 4:30 p.m.<br>*(closed 12:00 - 1:00)* |

If you have any questions, please call the Pension Department at (408) 588-3751.

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## DEFINED CONTRIBUTION PLAN DISTRIBUTION APPLICATION FOR MONTHLY DISABILITY BENEFITS

I hereby make an application for benefits from the U.A. Local 393 Defined Contribution Plan and certify that the information listed below is correct:

Name of Participant _____ Soc. Sec. No. _____

Address _____ Date of Birth _____

_____ Telephone No._____

E- Mail Address _____

Spouse's Name _____ Spouse's Soc. Sec. No. _____

Spouse's Date of Birth _____ Last Day Worked or Separation _____

---

**Information Concerning Disabled Participants**

Name of Physician _____ Date of Treatment _____

Physician's Address _____

I hereby apply for a Disability Benefit and hereby authorize any Physician or Medical Institution that has attended to or examined me, to disclose to the Pension Trustees any information or knowledge relating to my Disability. Furthermore, I understand that I may be required to submit to medical examinations as directed by the Pension Fund Trustees.

---

**I have read the preceding instructions to this Pension Application and to the best of my ability complied with the Plan's requested and requirements. I agree to be bound by all Plan Rules and regulations. I understand that I must notify the Trust Fund Office of any change in my personal, marital or employment status. I certify under penalty of perjury that all of the foregoing is true and correct. I understand that the Trustees have the right to recover any payments made to me in error because of any false or misleading statements.**

_____ _____

Signature of Participant Date Signature of Spouse Date

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## PHYSICIAN'S MEDICAL REPORT

Name of Participant _____ Soc. Sec. No. _____

**Summary of Findings:**

I examined this patient on _____ at _____
(MM/DD/YY)

**Results of Complete Physical:**

**Diagnosis:**

**Please answer all of the following questions:**

1. Is patient: ☐ Ambulatory ☐ Bed Confined ☐ House Confined ☐ Hospital Confined
2. Date patient ceased working because of disability? _____
3. When did symptoms first appear or when did accident happen? _____
4. Has patient ever had same or similar condition? _____ If yes, state when and describe:
   _____
5. Is patient now Totally and Permanently Disabled? _____
6. When can the patient resume work? _____
7. If patient is able to return to work what work can they perform? _____

**Physician's Signature** _____ **Date** _____

Address of Facility _____ Telephone No. _____

**Please provide x-rays, MRI reports, history and physical clinical reports, notes of patient disability, and a letter from physician stating why participant is disabled.**

*The Board of Trustees reserves the right to request additional documentation of your disability.

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## DEFINED CONTRIBUTION PLAN DIRECT DEPOSIT AUTHORIZATION FORM FOR MONTHLY DISTRIBUTIONS

*Please complete this form to receive your monthly distributions via ACH deposit.*
*If you do not complete this form the monthly distributions will be issued via check.*

Name _____ SSN# _____

Address _____ Phone # _____

City _____ State _____ Zip Code _____

Email Address: _____

Name of Financial Institution _____

Bank Routing Number _____ Account No. _____

Type of Account: ☐ Checking ☐ Savings

**Note: If your account type is checking, please attach a voided check or bank direct deposit letter. If your account type is savings, please attach a deposit slip or bank direct deposit letter.** Verify that your routing number and account number are correct and are on the voided check and deposit slip.

I hereby authorize the Board of Trustees of U.A. Local No. 393 Defined Contribution Plan ("Plan") to deposit all amounts due to me under the Plan in my account at the Financial Institution named above. This authorization shall remain in effect until I revoke it in writing or until my death, whichever occurs first. If, due to lack of knowledge of my death, the Plan distributes benefit checks after my death for deposit in my account, I authorize and direct the Financial Institution to refund to the Plan any amounts paid after my death.

_____ _____

**Signature** **Date**

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**DEFINED CONTRIBUTION PLAN APPLICATION FOR MONTHLY DISABIITY BENEITS**
**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 or a representative of the Trust Fund,* and providing ALL documentation requested, will result in a delay of the processing of your application.**

Name of Participant: _____ SSN: _____

Current marital status:

- ◯ SINGLE, NEVER MARRIED
- ◯ SINGLE, PREVIOUSLY MARRIED*
- ◯ MARRIED, NO PREVIOUS MARRIAGES
- ◯ MARRIED, WITH PREVIOUS MARRIAGE(S)*

***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):**

| Ex-spouse's Name | Date of Marriage | Date of Divorce/Death |
|---|---|---|
| | | |
| | | |

**Please provide <u>complete</u> 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.**

_____ _____
**Signature of Participant** **Date**

**Participant's Signature Must be Notarized or Witnessed by a Plan Representative**

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# DEFINED CONTRIBUTION PLAN SPOUSAL CONSENT TO A PARTICIPANT'S ELECTION TO WAIVE PAYMENT IN THE FORM OF A QUALIFIED JOINT AND SURVIVOR ANNUITY

****Any reference to "Spouse" pertains to your legal spouse or your registered domestic partner****

1. I acknowledge that I have read and understand the following:

   1. My spouse, _____, is a Participant in the U.A. Local 393 Defined Contribution Plan.
      Name of Participant

   2. The Plan is an Annuity Plan, which provides many forms of distribution options.

      a. **SINGLE LUMP SUM PAYMENT**. A Single Lump Sum Payment is made on 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**. A Participant who is married on his or her annuity starting date and who is entitled to benefits under the Plan will receive his or her benefit in the form of a Joint and 50%, 75%, or 100% Survivor Annuity ("Joint Pension"). The Joint Pension is a pension for the life of the Participant, and upon the Participant's death, an actuarially reduced lifetime benefit for his or her surviving lawful spouse equal to 50%, 75%, or 100% of the benefit that the Participant had been receiving, and commencing on the first day of the month following the date of the Participant's death.

      c. **PARTIAL LUMP SUM.** A partial lump sum payment which is less than the entire account balance.

      d. **FIXED PERIODIC PAYMENTS (MONTHLY PAYMENTS).** Equal periodic installments of not less than $100 over a fixed period of years, not to exceed the life expectancy of the Employee or the Employee and a designated beneficiary.

   3. The election of the Single Lump Sum Payment/Life Annuity Form of 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 Trust Fund or by a Notary Public.

   4. I fully understand that if my spouse elects the Single Lump Sum Payment/Life Annuity Form of distribution that upon his death, I will not receive any benefit from the Annuity Fund on his behalf.

2. 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% Qualified Joint & Survivor Form of this distribution.

_____ _____

Signature of Spouse Date Signature of Participant Date

**Spouse's Signature Must be Notarized or Witnessed by a Plan Representative**

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## DEFINED CONTRIBUTION PLAN WAIVER OF 30-DAY NOTICE REQUIREMENT

I, _____, acknowledge that I have been informed
Name of Participant

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.

☐ I elect to waive the 30 day notice period.

_____ _____
Signature of Participant Date

## DEFINED CONTRIBUTION PLAN SPOUSAL CONSENT TO WAIVER OF 30-DAY NOTICE REQUIREMENT

I am the legal spouse of _____. I acknowledge that I have
Name of Participant

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. I consent to the election of my spouse to waive the 30 day notice period.

_____ _____
Signature of Spouse Date

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## DEFINED CONTRIBUTION PLAN TAX WITHHOLDING ELECTION FORM

**Please read the enclosed Plan Distribution Rollover Notice for all information pertaining to taxes on distributions.**

If you are under the age of 59½, you will also have to pay a 10% additional income tax on early distributions (generally, distributions made before age 59½), unless an exception applies.

1. **Federal Income Tax – select one option (if no option is selected, the mandatory 20% Federal Income Tax will be withheld):**

   ◯ I elect to have the mandatory 20% Federal Income Tax withheld

   ◯ I elect to have Federal Income Tax withheld as a percentage in the amount of

   _____% of my gross distribution (must exceed 20%).

2. **State Income Tax (California only) – select one option:**

   ◯ I elect to have **NO** CA State Income Tax withheld from my pension payment(s).

   ◯ I elect to have CA State Income Tax withholding deducted from my pension payment(s) in an amount equal to 10% of my Federal Withholding.

   ◯ I elect to have CA State Income Tax withholding deducted from my pension payment(s) in the amount of $_____.

   ◯ Other:

   _____

The election made above will remain in effect until the pension department is notified in writing by the Participant.

_____ _____

Signature of Participant Date

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**PLAN DISTRIBUTION ROLLOVER NOTICE**
**(For payments *not* from a designated Roth account)**

## YOUR ROLLOVER OPTIONS

You are receiving this notice because all or a portion of a payment you are receiving from the U.A. Local No. 393 Defined Contribution Plan (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.

This notice describes the rollover rules that apply to payments from the Plan that are not from a designated Roth account (a type of account in some employer plans that is subject to special tax rules). If you also receive a payment from a designated Roth account in the Plan, you will be provided a different notice for that payment, and the Plan administrator or the payor will tell you the amount that is being paid from each account.

Rules that apply to most payments from a plan are described in the "General Information About Rollovers" section. Special rules that only apply in certain circumstances are described in the "Special Rules and Options" section.

## 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 (generally, distributions made before age 59½), 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 to the 10% additional income tax applies).

**What types of retirement accounts and plans may accept my rollover?**
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, IRAs are not subject to spousal consent rules, 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.

**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. Generally, 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, 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 joint lives or joint life expectancies of you and your beneficiary);
- Required minimum distributions after age 70½ (if you were born before July 1, 1949), after age 72 (if you were born after June 30, 1949, and before January 1, 1951), after age 73 (if you were born after December 31, 1950), or after death;
- Hardship distributions;

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- Payments of employee stock ownership plan (ESOP) dividends;
- Corrective distributions of contributions that exceed tax law limitations;
- Loans treated as deemed distributions (for example, loans in default due to missed payments before your employment ends);
- Cost of life insurance paid by the Plan;
- Payments of certain automatic enrollment contributions that you request to withdraw within 90 days of your first contribution;
- Amounts treated as distributed because of a prohibited allocation of S corporation stock under an ESOP (also, there generally will be adverse tax consequences if you roll over a distribution of S corporation stock to an IRA); and
- Distributions of certain premiums for health and accident insurance.

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 applies to the part of the distribution that you must include in income and 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 joint lives or joint life expectancies of you and your beneficiary);
- Payments from a governmental plan made after you separate from service if you are a qualified public safety employee and you (1) will be at least age 50 in the year of the separation or (2) have at least 25 years of service under the Plan, whichever is earlier;
- Payments from a tax-qualified plan or section 403(b) plan made after you separate from service if you are an employee who provides firefighting services and you (1) will be at least age 50 in the year of the separation or (2) have at least 25 years of service under the Plan, whichever is earlier;
- Payments made due to disability;
- Payments made while you are terminally ill;
- Payments after your death;
- Payments of ESOP dividends;
- Corrective distributions of contributions that exceed tax law limitations;
- Cost of life insurance paid by the Plan;
- Payments made directly to the government to satisfy a federal tax levy;
- Payments made under a qualified domestic relations order (QDRO);
- Payments of up to $5,000 made to you from a defined contribution plan if the payment is a qualified birth or adoption distribution;
- Payments up to the amount of your deductible medical expenses (without regard to whether you itemize deductions for the taxable year);
- 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;
- Payments of certain automatic enrollment contributions that you request to withdraw within 90 days of your first contribution;
- Payments of up to $22,000 made in connection with federally-declared disasters; and
- Phased retirement payments made to federal employees.

**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 on the part of the distribution that you must include in income, 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:

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- The exceptions for payments made after you separate from service if you will be at least age 55 in the year of the separation (or age 50 or following 25 years of service, whichever is earlier, for qualified public safety employees and employees providing firefighting services) do not apply;
- 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); and
- 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.

Additional exceptions apply for payments from an IRA, including:

- Payments for qualified higher education expenses;
- Payments up to $10,000 used in a qualified first-time home purchase;
- Payments for health insurance premiums after you have received unemployment compensation for 12 consecutive weeks (or would have been eligible to receive unemployment compensation but for self-employed status); and
- Payments of net income attributable to an excess IRA contribution made in a calendar year where such amounts are distributed by tax return deadline for the year (including extensions) and no deduction is allowed for the excess contribution.

Will I owe State income taxes?
This notice does not address any State or local income tax rules (including withholding 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. Under certain circumstances, you may claim eligibility for a waiver of the 60-day rollover deadline by making a written self-certification. Otherwise, to apply for a waiver from the IRS, 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-A, Contributions to 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 outstanding

amount of the loan, typically when your employment ends. The offset amount is treated as a distribution to you at the time of the offset. Generally, you may roll over all or any portion of the offset amount. Any offset amount that is not rolled over will be taxed (including the 10% additional income tax on early distributions, unless an exception applies). You may roll over offset amounts to an IRA or an employer plan (if the terms of the employer plan permit the plan to receive plan loan offset rollovers).

How long you have to complete the rollover depends on what kind of plan loan offset you have. If you have a qualified plan loan offset, you will have until your tax return due date (including extensions) for the tax year during which the offset occurs to complete your rollover. A qualified plan loan offset occurs when a plan loan in good standing is offset because your employer plan terminates, or because you sever from employment. If your plan loan offset occurs for any other reason (such as a failure to make level loan repayments that results in a deemed distribution), then you have 60 days from the date the offset occurs to complete your rollover.

**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 a payment from the Plan to a Roth IRA, a special rule applies under which the amount of the payment rolled over (reduced by any after-tax amounts) will be taxed. In general, the 10% additional income tax on early

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distributions will not apply. However, if you take the amount rolled over out of the Roth IRA within the 5-year period that begins on January 1 of the year of the rollover, the 10% additional income tax will apply (unless an exception applies).

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-A, *Contributions to Individual Retirement Arrangements (IRAs)*, and IRS Publication 590-B, *Distributions from Individual Retirement Arrangements (IRAs).*

**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 are an eligible retired public safety officer and your payment is used to pay for health coverage or qualified long-term care insurance**
If the Plan is a governmental plan, you retired as a public safety officer, and your retirement was by reason of disability or was after normal retirement age, you can exclude from your taxable income Plan payments paid as premiums to an accident or health plan (or a qualified long-term care insurance contract) that your employer maintains for you, your spouse, or your dependents, up to a maximum of $3,000 annually. For this purpose, a public safety officer is a law enforcement officer, firefighter, chaplain, or member of a rescue squad or ambulance crew.

**If you do a rollover to a designated Roth account in the Plan**
If you roll over a payment from the Plan to a Roth IRA, a special rule applies under which the amount of the payment rolled over (reduced by any after-tax amounts) will be taxed. In general, the 10% additional income tax on early distributions will not apply. However, if you take the amount rolled over out of the Roth IRA within the 5-year period that begins on January 1 of the year of the rollover, the 10% additional income tax will apply (unless an exception applies).

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-A, Contributions to Individual Retirement Arrangements (IRAs), and IRS Publication 590-B, Distributions from Individual Retirement Arrangements (IRAs).

**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 generally will 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 deceased 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 were born before July 1, 1949), age 72

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(if you were born after June 30, 1949, and before January 1, 1951), or after age 73 (if you were born after December 31, 1950).

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 the participant was born before July 1, 1949), age 72 (if the participant was born after June 30, 1949, and before January 1, 1951), or age 73 (if the participant was born after December 31, 1950).

**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 QDRO. If you are the spouse or former spouse of the participant who receives a payment from the Plan under a QDRO, you generally have the same options and the same tax treatment that 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). However, 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 do a direct rollover will apply to all later payments in the series (unless you make a different choice for later payments).

If your payments for the year are less than $200 (not including payments from a designated Roth account in the Plan), the Plan is not required to allow you to do a direct rollover and is not required to withhold federal income taxes. However, you may do a 60-day rollover.

Unless you elect otherwise, a mandatory cashout of more than $1,000 (not including payments from a designated Roth account in the Plan) will be directly rolled over to an IRA chosen by the Plan administrator or the payor. A mandatory cashout is a payment from a plan to a participant made before age 62 (or normal retirement age, if later) and without consent, where the participant's benefit does not exceed $5,000 (not including any amounts held under the plan as a result of a prior rollover made to the plan).

You may have special rollover rights if you recently served in the U.S. Armed Forces. For more information on special rollover rights related to the U.S. Armed Forces, see IRS Publication 3, Armed Forces' Tax Guide. You also may have special rollover rights if you were affected by a

federally declared disaster (or similar event), or if you received a distribution on account of a disaster. For more information on special rollover rights related to disaster relief, see the IRS website at www.irs.gov.

**FOR MORE INFORMATION**

You may wish to consult with the Plan administrator or payor, or 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-A, *Contributions to Individual Retirement Arrangements (IRAs)*; and IRS Publication 590-B, *Distributions from Individual Retirement Arrangements (IRAs)*. These publications are available from a local IRS office, on the web at www.irs.gov, or by calling 1-800-TAX-FORM.