MARCH 15, 2019

ANNUAL REMINDER REGARDING FEDERAL TAX RESPONSIBILITY

Why is this notice being sent to me?

The Pension Fund is required by federal regulations to provide you with an annual notice of your tax obligations and the ability to make this election. Please read this notice thoroughly and carefully.

What do I need to do?

Along with your retirement application, you would have been given a Federal W-4P form to complete, upon which you would have chosen your filing status and number of exemptions. If you have been retired for a while now, you may have even requested a new form to complete since your original application.

• Your most recent election will remain in effect until you file a new form with us, which you may do at any time. **If you do not want to change your existing withholding status, DO NOTHING - it is NOT necessary to complete the form on the back and return it.**

• If you DO wish to modify your existing election, please complete the form on the back and return it to the address in this notice – to the attention of the Pension Dept.
  o If you make a change, it will be put into effect on the first of the month that is at least 30 days after the date the Fund Office receives the form.

IMPORTANT INFORMATION – PLEASE READ:

• If an election form is not on file, the Plan is required to withhold from your monthly pension payments as if you are married claiming three withholding allowances.

• **WARNING:** If you choose not to have Federal income tax withheld from your monthly pension payments, or if you do not have enough Federal income tax withheld, you may be responsible for payment of estimated tax. In addition, you may incur penalties under the estimated tax rules if your withholding and estimated tax payments are not sufficient. Please note that the Fund Office personnel are not authorized to provide tax advice or recommendations. Your decision on withholding is an important one. You may wish to discuss it with a qualified tax advisor.

• The IRS updates the federal tax withholding calculation each January.

If you have any questions, please contact the Fund Office.

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**Future developments.** For the latest information about any future developments related to Form W-4P, such as legislation enacted after it was published, go to www.irs.gov/FormW4P.

**Purpose.** Form W-4P is for U.S. citizens, resident aliens, or their estates who are recipients of pensions, annuities (including commercial annuities), and certain other deferred compensation. Use Form W-4P to tell payers the correct amount of federal income tax to withhold from your payment(s). You also may use Form W-4P to choose (a) not to have any federal income tax withheld from the payment (except for eligible rollover distributions or for payments to U.S. citizens to be delivered outside the United States or its possessions) or (b) to have an additional amount of tax withheld.

Your options depend on whether the payment is periodic, nonperiodic, or an eligible rollover distribution, as explained on pages 2 and 3. Your previously filed Form W-4P will remain in effect if you don’t file a Form W-4P for 2019.

**General Instructions**

Section references are to the Internal Revenue Code. Follow these instructions to determine the number of withholding allowances you should claim for pension or annuity payment withholding for 2019 and any additional amount of tax to have withheld. Complete the worksheet(s) using the taxable amount of the payments.

If you don’t want any federal income tax withheld (see Purpose, earlier), you can skip the worksheets and go directly to the Form W-4P below.

**Sign this form.** Form W-4P is not valid unless you sign it.

You can also use the calculator at www.irs.gov/W4App to determine your tax withholding more accurately. Consider using this calculator if you have a more complicated tax situation, such as if you have more than one pension or annuity, a working spouse, or a large amount of income outside of your pensions. After your Form W-4P takes effect, you can also use this calculator to see how much of the amount of tax you’ve having withheld compares to your projected total tax for 2019. If you use the calculator, you don’t need to complete any of the worksheets for Form W-4P.

Note that if you have too much tax withheld, you will receive a refund when you file your tax return. If you have too little tax withheld, you will owe tax when you file your tax return, and you might owe a penalty.

**Filers with multiple pensions or more than one income.** If you have more than one source of income subject to withholding (such as more than one pension or a pension and a job, or you’re married filing jointly and your spouse is working), read all of the instructions, including the instructions for the Multiple Pensions/More-Than-One-Income Worksheet, before beginning.

**Other income.** If you have a large amount of income from other sources not subject to withholding (such as interest, dividends, or capital gains), consider making estimated tax payments using Form 1040-ES, Estimated Tax for Individuals. Otherwise, you might owe additional tax. See Pub. 505, Tax Withholding and Estimated Tax, for more information. Get Form 1040-ES and Pub. 505 at www.irs.gov/FormsPubs. Or, you can use the Deductions, Adjustments, and Additional Income Worksheet on page 5 or the calculator at www.irs.gov/W4App to make sure you have enough tax withheld from your payments. If you have income from wages, see Pub. 505 or use the calculator at www.irs.gov/W4App to find out if you should adjust your withholding on Form W-4 or Form W-4P.

**Note:** Social security and railroad retirement payments may be includible in income. See Form W-4V, VoluntaryWithholding Request, for information on voluntary withholding from these payments.

**Withholding From Pensions and Annuities**

Generally, federal income tax withholding applies to the taxable part of payments made from pension, profit-sharing, stock bonus, annuity, and certain deferred compensation plans; from individual retirement arrangements (IRAs); and from commercial annuities. The method and rate of withholding depend on (a) the kind of payment you receive; (b) whether the payments are to be delivered outside the United States or its possessions; and (c) whether the recipient is a nonresident alien individual, a nonresident alien beneficiary, or a foreign estate. Qualified distributions from a Roth IRA are nontaxable and, therefore, not includible in income. See Form W-4V, Voluntary Withholding Request, for information on voluntary withholding from these payments.

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**Separate here and give Form W-4P to the payer of your pension or annuity. Keep the worksheet(s) for your records.**

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**Form W-4P**

<table>
<thead>
<tr>
<th>Your first name and middle initial</th>
<th>Last name</th>
<th>Your social security number</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>Home address (number and street or rural route)</th>
<th>Claim or identification number (if any) of your pension or annuity contract</th>
</tr>
</thead>
</table>

City or town, state, and ZIP code

Complete the following applicable lines.

1. Check here if you do not want any federal income tax withheld from your pension or annuity. (Don’t complete line 2 or 3.) □

2. Total number of allowances and marital status you’re claiming for withholding from each periodic pension or annuity payment. (You also may designate an additional dollar amount on line 3.) . . . . . . . . . . . . . . □

   **Marital status:**
   - □ Single
   - □ Married
   - □ Married, but withheld at higher Single rate.

3. Additional amount, if any, you want withheld from each pension or annuity payment. (Note: For periodic payments, you can’t enter an amount here without entering the number (including zero) of allowances on line 2.) . . . . . . □

Your signature □ Date □