

**MONROE PLUMBERS AND PIPEFITTERS LOCAL NO. 671 RETIREMENT PLAN  
INFORMATION SHEET**

Please provide the information requested below. The requested information will enable the Fund Office to begin processing your request for a payment from the Plan.

1. Your name (please print) \_\_\_\_\_
2. Your Social Security Number \_\_\_\_\_
3. Date of your birth \_\_\_\_\_
4. Your home local\* \_\_\_\_\_
5. Last employer for which you worked \_\_\_\_\_  
\_\_\_\_\_
6. Date you last worked in the jurisdiction of Local No. 671 \_\_\_\_\_
7. Your spouse's name \_\_\_\_\_
8. Your spouse's Social Security Number \_\_\_\_\_
9. Date of your spouse's birth \_\_\_\_\_
10. Address to which your benefit payment should be mailed  
\_\_\_\_\_  
(Street)  
\_\_\_\_\_  
(City, State, Zip)
11. Date you completed this form \_\_\_\_\_

\* \* \* \* \*

Eligibility for benefit approved:

\_\_\_\_\_  
Business Manager

\_\_\_\_\_  
Date

\_\_\_\_\_  
Plan Administrator

\* If your home local is not Local No. 671, a pension reciprocity agreement may be in effect that requires the transfer of employer contributions made for you to another pension plan. This could mean that you are not entitled to a benefit from the Local No. 671 Retirement Plan.

**MONROE PLUMBERS AND PIPEFITTERS LOCAL NO. 671 RETIREMENT PLAN**  
**APPLICATION FOR BENEFITS**

I hereby apply for benefits from the Monroe Plumbers and Pipefitters Local No. 671 Retirement Plan.

I wish to receive my benefit from the Plan in the following form (choose only one):

- Joint and Survivor Annuity (monthly payments to me for my life, and monthly payments for life to the person to whom I am married when benefits to me begin equal to one half of my monthly payment). [NOTE: The joint and survivor annuity is not available unless your account balance is more than \$5,000. The joint and survivor annuity is available only if you are married when benefits begin.] Your monthly payment for life will be \$\_\_\_\_\_. The survivorship benefit will be one half of that amount. (The benefit amount is an estimate and is subject to verification by the insurance company.)
  
- Single Life Annuity (monthly payments to me for my life, with no survivorship benefits to anyone. [NOTE: The single life annuity is not available unless your account balance is more than \$5,000. The single life annuity is not available if you are married.] Your monthly payment for life will be approximately \$\_\_\_\_\_. (This is an estimate and is subject to verification by the insurance company.)
  
- Lump sum payment.
  
- Monthly payments of \$\_\_\_\_\_ per month until my account balance is exhausted.\* (The payment amount can be changed effective with any future valuation date.)
  
- Semiannual payments of \$\_\_\_\_\_ until my account balance is exhausted\* (The payment amount can be changed effective with any future valuation date.)
  
- Lump sum payment of \$\_\_\_\_\_, plus monthly payments of \$\_\_\_\_\_ until my account balance is exhausted.\* (The payment amount can be changed effective with any future valuation date.)

**NOTE: The amount of the monthly or semi-annual payment you specify may have to be increased to satisfy IRS minimum payout rules.**

I hereby certify and acknowledge that:

1. There is no domestic relations order that affects my benefit in the Retirement Plan that I have not given to the Fund Office.
  
2. I will completely withdraw from all employment covered by the plan and refrain from engaging in any further such employment, which would be inconsistent with my status as a retired participant.
  
3. I understand that there may be income taxes on the benefits I receive as a result of this Application. I agree to be solely responsible for the filing of any and all tax returns, forms and the payment of any and all federal, state or local taxes that may be due with regard to the benefits.
  
4. In consideration of the payment of the benefits to me in accordance with this Application, I hereby release, and forever discharge the Board of Trustees of the Monroe Plumbers and Pipefitters Local No. 671 Retirement Plan and its agents, employees, successors and assigns from all debts, dues, claims, demands, actions and causes of action that I may now have or have had relating to my participation in the Monroe Plumbers and Pipefitters Local No. 671 Retirement Plan.

**I HAVE READ, UNDERSTOOD AND AGREE to all of the foregoing before signing.**

\_\_\_\_\_  
Date

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

\_\_\_\_\_  
Printed Name of Participant

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

**\* Please complete the beneficiary designation form.**

**MONROE PLUMBERS AND PIPEFITTERS LOCAL NO. 671 RETIREMENT PLAN  
ELECTION OF LUMP SUM AND INSTRUCTIONS FOR PAYMENT**

I, \_\_\_\_\_ (name of Retirement Plan participant), hereby state as follows:

I have read and understand the information on the reverse side (under the heading INFORMATION ABOUT BENEFIT AND CONSENT OF SPOUSE) that explains the amount I will receive each month for life if I elect the joint and 50% survivor annuity. However, I DO NOT wish to receive benefits from the Monroe Plumbers and Pipefitters Local No. 671 Retirement Plan in the form of a joint and 50% survivor annuity. Instead, I wish to receive a lump sum payment.

I elect to have my lump sum paid as follows:

**Payment to Me of the Entire Amount** (I understand I will be subject to a 20% withholding tax and that there may be other income taxes and penalties payable as a result of this election.)

**Transfer Directly to Another Tax-Qualified Plan**

If this option is elected, you must obtain a signature from the receiving plan sponsor to signify acceptance of the plan transfer.

\_\_\_\_\_  
Company/Organization

\_\_\_\_\_  
Address

\_\_\_\_\_  
Name of qualified plan

X

\_\_\_\_\_  
Signature of receiving plan sponsor (MUST be completed if this option is chosen)

**Rollover to an Individual Retirement Plan (IRA)**

\_\_\_\_\_  
Bank/Organization

\_\_\_\_\_  
Account number of rollover IRA

\_\_\_\_\_  
Address

WITNESS:

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

\_\_\_\_\_  
Printed Name of Participant

\_\_\_\_\_  
Date



**MONROE PLUMBERS AND PIPEFITTERS LOCAL NO. 671 RETIREMENT PLAN  
BENEFICIARY DESIGNATION FORM**

I, \_\_\_\_\_ (print name of Retirement Plan participant), direct that any death benefit payable from the Monroe Plumbers and Pipefitters Local No. 671 Retirement Plan be paid to (check one of the following boxes, and obtain your spouse's written consent if required):

- My spouse. ("Spouse" means the person to whom you are married at your death. The Spousal Consent on the reverse side does not have to be completed if you name your spouse as your only beneficiary.)
- The following person(s) if he, she or they survive me: (The Spousal Consent on the reverse side must be completed.)

Name	Relationship	Percentage
Name	Relationship	Percentage
Name	Relationship	Percentage
Name	Relationship	Percentage

If more than one beneficiary is named, benefits will be paid to them equally, unless you indicate otherwise. Also,

- if one or more beneficiaries is not living when you die, benefits will be paid equally to the surviving beneficiaries; and
- if a beneficiary dies before all (or any) death benefit payments have been made, the payments will be paid equally to the remaining surviving beneficiaries.

This revokes and supersedes any previous beneficiary designations I have made for the Retirement Plan.

WITNESS:

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

If you are married at your death (even to a subsequent spouse), a nonspouse beneficiary designation will not be effective unless the reverse side is properly completed. If no named beneficiary survives you, the death benefit will be paid to your surviving spouse (if any) or, if none, to your estate.







**MONROE PLUMBERS AND PIPEFITTERS LOCAL NO. 671 RETIREMENT PLAN**  
**NOTICE OF WITHHOLDING ON PERIODIC PAYMENTS**

The payments you receive from the Monroe Plumbers and Pipefitters Local No. 671 Retirement Plan will be subject to federal income tax withholding unless you elect not to have withholding apply. Withholding is like wage withholding because your payments are subject to federal income tax.

You may elect not to have withholding apply to your payments by signing and dating this election form and returning it to the Local No. 671 Fund Office, 1255 S. Telegraph Road, P.O. Box 986, Monroe, Michigan 48161, Attention: Ted A. Meyer. Your election will remain in effect until you revoke it. You may revoke it at any time by returning a signed and dated revocation to the Local No. 671 Fund Office, 1255 S. Telegraph Road, P.O. Box 986, Monroe, Michigan 48161, Attention: Ted A. Meyer. (This form can also be used to revoke an election.) Any election or revocation will be effective no later than the January 1, April 1, July 1 or October 1 after it is received, as long as it is received at least 30 days before that date. You may make and revoke elections not to have withholding apply as often as you wish. Additional election forms may be obtained from the Local No. 671 Fund Office, 1255 S. Telegraph Road, Monroe, Michigan 48161, or from the Union Hall, 309 Detroit Avenue, Monroe, Michigan 48161.

If you do not return the election form before payments start, federal income tax will be withheld from your payments as if you were a married individual claiming three withholding allowances.

If you elect not to have withholding apply to your payments, or if you do not have enough federal income tax withheld from your payments, you may be responsible for payment of estimated tax. You may incur penalties under the estimated tax rules if your withholding and estimated tax payments are not sufficient.

**ELECTION FOR RECIPIENTS OF PERIODIC PAYMENTS**

Instructions: Check A if you do not want federal income tax withheld from your payments. Check B if you do want withholding to apply. Then sign and date this election form and return it to the Local No. 671 Fund Office, 1255 S. Telegraph Road, P.O. Box 986, Monroe, Michigan 48161, Attention: Ted A. Meyer.

Even if you elect not to have federal income tax withheld, you are liable for payment of federal income tax on your payments. You also may be subject to tax penalties under the estimated tax payment rules if your payments of estimated tax and withholding, if any, are not adequate.

- A. **I DO NOT** want federal income tax withheld from my payments.
- B. **I DO** want federal income tax withheld from my payments.

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

Date \_\_\_\_\_

**MONROE PLUMBERS AND PIPEFITTERS LOCAL NO. 671 RETIREMENT PLAN**  
**WAIVER OF 30-DAY WAITING PERIOD**

Under federal law, you must have at least 30 days after you receive the attached materials to decide how to receive your benefits from the Monroe Plumbers and Pipefitters Local No. 671 Retirement Plan. You have the right to use the entire 30 days to review these materials and make your decision. If, however, you make your decision and return your application form before 30 days have passed, we are allowed to treat your application as a waiver of the 30-day requirement and process your benefit application without waiting for the end of the 30 days.

\* \* \* \* \*

I hereby waive the 30-day period.

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Signature of Participant

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Signature of Spouse

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Date

**MONROE PLUMBERS AND PIPEFITTERS LOCAL NO. 671 RETIREMENT PLAN  
SPECIAL TAX NOTICE REGARDING PLAN PAYMENTS**

This notice explains how you can continue to defer federal income tax on your retirement savings in the **MONROE PLUMBERS AND PIPEFITTERS LOCAL NO. 671 RETIREMENT PLAN** (the “Plan”) and contains important information you will need before you decide how to receive your Plan benefits.

This notice is provided to you by the **Board of Trustees of the Monroe Plumbers and Pipefitters Local No. 671 Retirement Plan** (your “Plan Administrator”) because all or part of the payment that you will soon receive from the Plan may be eligible for rollover by you or your Plan Administrator to a traditional IRA or an eligible employer plan.

A rollover is a payment by you or the Plan Administrator of all or part of your benefit to another plan or IRA that allows you to continue to postpone taxation of that benefit until it is paid to you. Your payment cannot be rolled over to a Roth IRA, a SIMPLE IRA, or a Coverdell Education Savings Account (formerly known as an education IRA). An “eligible employer plan” includes a plan qualified under section 401(a) of the Internal Revenue Code, including a 401 (k) plan, profit-sharing plan, defined benefit plan, stock bonus plan, and money purchase plan; a section 403 (a) annuity plan; a section 403(b) tax-sheltered annuity; and an eligible section 457(b) plan maintained by a governmental employer (governmental 457 plan).

An eligible employer plan is not legally required to accept a rollover. Before you decide to roll over your payment to another employer plan, you should find out whether the plan accepts rollovers and, if so, the types of distributions it accepts as a rollover. You should also find out about any documents that are required to be completed before the receiving plan will accept a rollover. Even if a plan accepts rollovers, it might not accept rollovers of certain types of distributions, such as after-tax amounts. If an employer plan accepts your rollover, the plan may restrict subsequent distributions of the rollover amount or may require your spouse’s consent for any subsequent distribution. A subsequent distribution from the plan that accepts your rollover may also be subject to different tax treatment than distributions from this Plan. Check with the administrator of the plan that is to receive your rollover prior to making the rollover.

If you have additional questions after reading this notice, you can contact your Plan Administrator by calling (888) 242-6544.

**SUMMARY**

There are two ways you may be able to receive a Plan payment that is eligible for rollover:

- 1) Certain payments can be made directly to a traditional IRA that you establish or to an eligible employer plan that will accept it and hold it for you benefit (“**DIRECT ROLLOVER**”);or
- 2) The payment can be **PAID TO YOU**.

**If you choose a DIRECT ROLLOVER:**

- Your payment will not be taxed in the current year and no income tax will be withheld.
- You choose whether your payment will be made directly to your traditional IRA or to an eligible employer plan that accepts your rollover. Your payment cannot be rolled over to a Roth IRA, a SIMPLE IRA, or a Coverdell Education Savings Account because these are not traditional IRAs.
- The taxable portion of your payment will be taxed later when you take it out of the traditional IRA or the eligible employer plan. Depending on the type of plan, the later distribution may be subject to different tax treatment than it would be if you received a taxable distribution from this Plan.

**If you choose to have a Plan payment that is eligible for rollover PAID TO YOU:**

- You will receive only 80 percent of the taxable amount of the payment, because the Plan Administrator is required to withhold 20 percent of that amount and send it to the IRS as income tax withholding to be credited against your taxes.
- The taxable amount of your payment will be taxed in the current year unless you roll it over. Under limited circumstances, you may be able to use special tax rules that could reduce the tax you owe. However, if you receive the payment before age 59½ you may have to pay an additional 10 percent tax.
- You can roll over all or part of the payment by paying it to your traditional IRA or to an eligible employer plan that accepts your

rollover within 60 days after you receive the payment. The amount rolled over will not be taxed until you take it out of the traditional IRA or the eligible employer plan.

- If you want to roll over 100 percent of the payment to a traditional IRA or an eligible employer plan, you must find other money to replace the 20 percent of the taxable portion that was withheld. If you roll over only the 80 percent that you received, you will be taxed on the 20 percent that was withheld and that is not rolled over.

#### **Your Right to Waive the 30-Day Notice Period.**

Generally, neither a direct rollover nor a payment can be made from the Plan until at least 30 days after your receipt of this notice. Thus, after receiving this notice, you have at least 30 days to consider whether or not to have your withdrawal directly rolled over. If you do not wish to wait until this 30-day notice period ends before your election is processed, you may waive the notice period by making an affirmative election indicating whether or not you wish to make a direct rollover. Your withdrawal will then be processed in accordance with your election as soon as practical after it is received by the Plan Administrator.

#### **MORE INFORMATION**

- I. PAYMENTS THAT CAN AND CANNOT BE ROLLED OVER
- II. DIRECT ROLLOVER
- III. PAYMENT PAID TO YOU
- IV. SURVIVING SPOUSES, ALTERNATE PAYEES, AND OTHER BENEFICIARIES

#### **I. PAYMENTS THAT CAN AND CANNOT BE ROLLED OVER**

Payments from the Plan may be “eligible rollover distributions.” This means that they can be rolled over to a traditional IRA or to an eligible employer plan that accepts rollovers. Payments from a plan cannot be rolled over to a Roth IRA, a SIMPLE IRA, or a Coverdell Education Savings Account. Your Plan Administrator should be able to tell you what portion of your payment is an eligible rollover distribution.

The following types of payments cannot be rolled over:

**Payments Spread over Long Periods.** You cannot roll over a payment if it is part of a series of equal (or almost equal) payments that are made at least once a year and that will last for:

- your lifetime (or a period measured by your life expectancy), or
- your lifetime and your beneficiary’s lifetime (or a period measured by your joint life expectancies), or

- a period of 10 years or more.

**Required Minimum Payments.** Beginning when you reach age 70½ or retire, whichever is later, a certain portion of your payment cannot be rolled over because it is a “required minimum payment” that must be paid to you. Special rules apply if you own more than 5 percent of your employer.

The Plan Administrator of this Plan should be able to tell you if your payment includes amounts which cannot be rolled over.

#### **II. DIRECT ROLLOVER**

A DIRECT ROLLOVER is a direct payment of the amount of your Plan benefits to a traditional IRA or an eligible employer plan that will accept it. You can choose a DIRECT ROLLOVER of all or any portion of your payment that is an eligible rollover distribution, as described in Part I above. You are not taxed on any taxable portion of your payment for which you choose a DIRECT ROLLOVER until you later take it out of the traditional IRA or eligible employer plans. In addition, no income tax withholding is required for any taxable portion of your Plan benefits for which you choose a DIRECT ROLLOVER.

**DIRECT ROLLOVER to a Traditional IRA.** You can open a traditional IRA to receive the direct rollover. If you choose to have your payment made directly to a traditional IRA, contact an IRA sponsor (usually a financial institution) to find out how to have your payment made in a direct rollover to a traditional IRA at that institution. If you are unsure of how to invest your money, you can temporarily establish a traditional IRA to receive the payment. However, in choosing a traditional IRA, you may wish to make sure that the traditional IRA you choose will allow you to move all or part of your payment to another traditional IRA at a later date, without penalties or other limitations. See IRS Publication 590, Individual Retirement Arrangements, for more information on traditional IRAs (including limits on how often you can roll over between IRAs).

**DIRECT ROLLOVER to a Plan.** If you are employed by a new employer that has an eligible employer plan, and you want a direct rollover to that plan, ask the plan administrator of that plan whether it will accept your rollover. An eligible employer plan is not legally required to accept a rollover. Even if your new employer’s plan does not accept a rollover, you can choose a DIRECT ROLLOVER to a traditional IRA. If the employer plan accepts your rollover, the plan may provide restrictions on the circumstances under which you may later receive a distribution of the rollover amount or may require spousal consent to any subsequent distribution. Check with the plan administrator of that plan before making your decision.

**DIRECT ROLLOVER of a Series of Payments.** If you receive a payment that can be rolled over to a traditional IRA or an eligible employer plan that will accept it, and it is paid in a series of payments for less than 10 years, your choice to make or not make a DIRECT ROLLOVER for a payment will apply to all later payments in the series until you change your election. You are free to change your election for any later payment in the series.

**Change in Tax Treatment Resulting from a DIRECT ROLLOVER.** The tax treatment of any payment from the eligible employer plan or traditional IRA receiving your DIRECT ROLLOVER might be different than if you received your benefit in a taxable distribution directly from the Plan. For example, if you were born before January 1, 1936, you might be entitled ten-year averaging or capital gain treatment, as explained below. However, if you have your benefit rolled over to a section 403(b) tax-sheltered annuity, a governmental 457 plan, or a traditional IRA in a DIRECT ROLLOVER, your benefit will no longer be eligible for that special treatment. See the sections below entitled “Additional 10 Percent Tax If You Are Under Age 59½” and “Special Tax Treatment If You Were Born Before January 1, 1936.”

### **III. PAYMENT PAID TO YOU**

If your payment can be rolled over (see Part I above) and the payment is made to you in cash, it is subject to 20 percent federal income tax withholding on the taxable portion (state tax withholding may also apply). The payment is taxed in the year you receive it unless, within 60 days, you roll it over to a traditional IRA or an eligible employer plan that accepts rollovers. If you do not roll it over, special tax rules apply.

#### **Income Tax Withholding:**

**Mandatory Withholding.** If any portion of your payment can be rolled over under Part I above and you do not elect to make a DIRECT ROLLOVER, the Plan is required by law to withhold 20 percent of the taxable amount. This amount is sent to the IRS as federal income tax withholding. For example, if you can roll over a taxable payment of \$10,000, only \$8,000 will be paid to you because the Plan must withhold \$2,000 as income tax. However, when you prepare your income tax return for the year, unless you make a rollover within 60 days (see “Sixty-Day Rollover Option” below), you must report the full \$10,000 as a taxable payment from the Plan. You must report the \$2,000 as tax withheld, and it will be credited against any income tax you owe for the year. There will be no income tax withholding if your payments for the year are less than \$200.

**Voluntary Withholding.** If any portion of your payment is taxable but cannot be rolled over under Part I above, the mandatory withholding rules described above do not apply. In this case, you may

elect not to have withholding apply to that portion. If you do nothing, an amount will be taken out of this portion of your payment for federal income tax withholding. To elect out of withholding, ask the Plan Administrator for the election form and related information.

**Sixty-Day Rollover Option.** If you receive a payment that can be rolled over under Part I above, you can still decide to roll over all or part of it to a traditional IRA or to an eligible employer plan that accepts rollovers. If you decide to roll over, you must contribute the amount of the payment you received to a traditional IRA or eligible employer plan within 60 days after you receive the payment. The portion of your payment that is rolled over will not be taxed until you take it out of the traditional IRA or the eligible employer plan.

You can roll over up to 100 percent of your payment that can be rolled over under Part I above, including an amount equal to the 20 percent of the taxable portion that was withheld. If you choose to roll over 100 percent, you must find other money within the 60-day period to contribute to the traditional IRA or the eligible employer plan, to replace the 20 percent that was withheld. On the other hand, if you roll over only the 80 percent of the taxable portion that you received, you will be taxed on the 20 percent that was withheld.

**Example:** The taxable portion of your payment that can be rolled over under Part I above is \$10,000, and you choose to have it paid to you. You will receive \$8,000, and \$2,000 will be sent to the IRS as income tax withholding. Within 60 days after receiving the \$8,000, you may roll over the entire \$10,000 to a traditional IRA or an eligible employer plan. To do this, you roll over the \$8,000 you received from the Plan, and you will have to find \$2,000 from other sources (your savings, a loan, etc.) In this case, the entire \$10,000 is not taxed until you take it out of the traditional IRA or an eligible employer plan. If you roll over the entire \$10,000, when you file your income tax return you may get a refund of part or all of the \$2,000 withheld.

If, on the other hand, you roll over only \$8,000, the \$2,000 you did not roll over is taxed in the year it was withheld. When you file your income tax return, you may get a refund of part of the \$2,000 withheld. (However, any refund is likely to be larger if you roll over the entire \$10,000.)

**Additional 10 Percent Tax If You Are Under Age 59½.** If you receive a payment before you reach age 59½ and you do not roll it over, then, in addition to the regular income tax, you may have to pay an extra tax equal to 10 percent of the taxable portion of the payment. The additional 10 percent tax generally does not apply to (1) payments that are paid after you separate from service with your employer during or

after the year you reach age 55, (2) payments that are paid because you retire due to disability, (3) payments that are paid as equal (or almost equal) payments over your life or life expectancy (or your and your beneficiary's lives or life expectancies), (4) payments that are paid directly to the government to satisfy a federal tax levy, (5) payments that are paid to an alternate payee under a qualified domestic relations order, or (6) payments that do not exceed the amount of your deductible medical expenses. See IRS form 5329 for more information on the additional 10 percent tax.

The additional 10 percent tax will not apply to distributions from a governmental 457 plan, except to the extent the distribution is attributable to an amount you rolled over to that plan (adjusted for investment returns) from another type of eligible employer plan or IRA. Any amount rolled over from a governmental 457 plan to another type of eligible employer plan or to a traditional IRA will become subject to the additional 10 percent tax if it is distributed to you before you reach age 59½, unless one of the exception applies.

**Special Tax Treatment If You Were Born Before January 1, 1936.** If you receive a payment from a plan qualified under section 401 (a) or a section 403(a) annuity plan that can be rolled over under Part I and you do not roll it over to a traditional IRA or an eligible employer plan, the payment will be taxed in the year you receive it. However, if the payment qualifies as a "lump sum distribution," it may be eligible for special tax treatment. A lump sum distribution is a payment, within one year, of your entire balance under the Plan (and certain other similar plans of the employer) that is payable to you after you have reached age 59½ or because you have separated from service with your employer. For a payment to be treated as a lump sum distribution, you must have been a participant in the Plan for at least five years before the year in which you received the distribution. The special tax treatment from lump sum distributions that may be available to you is described below.

**Ten-Year Averaging.** If you receive a lump sum distribution and you were born before January 1, 1936, you can make a one-time election to figure the tax on the payment by using "10-year averaging" (using 1986 tax rates). Ten-year averaging often reduces the tax you owe.

**Capital Gain Treatment.** If you receive a lump sum distribution and you were born before January 1, 1936, and you were a participant in the Plan before 1974, you may elect to have the part of your payment that is attributable to your pre-1974 participation in the Plan taxed as long-term capital gain at a rate of 20 percent.

There are other limits on the special tax treatment for lump sum distributions. For example, you can generally elect this special tax treatment only once in

your lifetime, and the election applies to all lump sum distributions that you receive in that same year. You may not elect this special tax treatment if you rolled amounts into this Plan from a 403(b) tax-sheltered annuity contract, a governmental 457 plan or an IRA not originally attributable to a qualified employer plan. If you have previously rolled over a distribution from this Plan (or certain other similar plans of the employer), you cannot use this special averaging treatment for later payments from the Plan. If you roll over your payment to a traditional IRA, governmental 457 plan, or 403(b) tax-sheltered annuity, you will not be able to use special tax treatment for later payments from that IRA, plan, or annuity. Also, if you roll over only a portion of your payment to a traditional IRA, governmental 457 plan, or 403(b) tax-sheltered annuity, this special tax treatment is not available for the rest of the payment. See IRS Form 4972 for additional information on lump sum distributions and how you elect the special tax treatment.

#### **IV. SURVIVING SPOUSES, ALTERNATE PAYEES, AND OTHER BENEFICIARIES**

In general, the rules summarized above that apply to payments to employees also apply to payments to surviving spouses of employees and to spouses or former spouses who are "alternate payees." You are an alternate payee if your interest in the Plan results from a "qualified domestic relations order," which is an order issued by a court, usually in connection with a divorce or legal separation.

If you are a surviving spouse or an alternate payee, you may choose to have a payment that can be rolled over, as described in Part I above, paid in a DIRECT ROLLOVER to a traditional IRA or to an eligible employer plan or paid to you. If you have the payment paid to you, you can keep it or roll it over yourself to a traditional IRA or to an eligible employer plan. Thus, you have the same choices as the employee.

If you are a beneficiary other than a surviving spouse or an alternate payee, you cannot choose a direct rollover, and you cannot roll over the payment yourself.

If you are a surviving spouse, an alternate payee, or another beneficiary, your payment is generally not subject to the additional 10 percent tax described in Part III above, even if you are younger than age 59½.

If you are a surviving spouse, an alternate payee, or another beneficiary, you may be able to use the special tax treatment for lump sum distributions as described in Part III above. If you receive a payment because of the employee's death, you may be able to treat the payment as a lump sum distribution if the employee met the appropriate age requirements, whether or not the employee had 5 years of participation in the Plan.

## **HOW TO OBTAIN ADDITIONAL INFORMATION**

This notice summarizes only the federal (not state or local) tax rules that might apply to your payment. The rules described above are complex and contain many conditions and exceptions that are not included in this notice. Therefore, you may want to consult with the Plan Administrator or a professional tax advisor before you take a payment of your benefits from your Plan. Also, you can find more specific information on the tax treatment of payments from qualified employer plans in IRS Publication 575, Pension and Annuity Income, and IRS Publication 590, Individual Retirement Arrangements. These publications are available from you local IRS office, on the IRS's Internet Web Site at [www.irs.gov](http://www.irs.gov), or by calling 1-800-TAX-FORMS.