



# **BAC SAVE-Bricklayers & Trowel Trades International Retirement Savings Fund**

620 F Street, N.W., Suite 700 Washington, D.C. 20004  
Phone: 202-638-1996 Fax: 202-347-7339 [www.bacbenefits.org](http://www.bacbenefits.org)

---

## **APPLICATION FOR BENEFITS**

### **1. PERSONAL DATA:**

Name \_\_\_\_\_ Phone No. \_\_\_\_\_

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

Street & Number

City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_ Local Union \_\_\_\_\_ # \_\_\_\_\_ State \_\_\_\_\_

SSN \_\_\_\_\_ I.U. No. \_\_\_\_\_ e-mail address \_\_\_\_\_

Last Employer \_\_\_\_\_

Date of Last IPF Covered Employment \_\_\_\_\_

### **2. FORM OF BENEFIT: (Inactive or Retirement Benefits see page 2)**

I wish to apply (withdraw) \$ \_\_\_\_\_ from my account in the Bricklayers and Trowel Trades Retirement Savings Plan for the following reason: **(Check A, B, or C)**

☐ **A. Financial Hardship\*** (Specify type and verify)

- ☐ \*Expenses related to the purchase of the participant's principal residence
- ☐ \*Expenses to prevent eviction or foreclosure of the participant's principal residence
- ☐ \*Expenses for the repair of damage to the participant's principal residence
- ☐ \*Burial or funeral expenses for the participant's deceased parent, spouse, children or dependents
- ☐ \*Unreimbursed medical expenses of a participant or any of the participant's dependents
- ☐ \*Educational expenses of a participant or the participant's spouse, children, or dependents
- ☐ \*Other extraordinary financial hardship

**\*You must attach proof of the expenses for a withdrawal.** The withdrawal is requested as you do not have the available resources to satisfy your financial need and is limited to the amount of the expense or your account balance as of the immediately preceding valuation date - whichever is less. A Hardship Withdrawal must be paid directly and not as a rollover to a financial institution.

Your **Hardship Withdrawal** is considered a Non-Eligible Distribution and is subject to 10% federal income tax withholding. You may specify the percentage you wish to withhold or elect not to have federal income tax withheld. If you are under age 59½ your hardship withdrawal may be subject to an additional 10% tax penalty. Please read the attached mandatory hardship taxation notice and check one:

- ☐ Withhold 10% federal income tax from my Hardship Withdrawal.
- ☐ Withhold an additional \_\_\_\_\_% federal income tax from my Hardship Withdrawal.
- ☐ Do not withhold any tax from my Hardship Withdrawal. I am aware that this withdrawal cannot be rolled over and I may be responsible for taxes at tax time.

☐ **B. Inactive:**  
No employer contributions made on my behalf for at least a 24 month period constituting a break in service. Date of Last Employment: \_\_\_\_\_  
**Verification of your employment since hours were last received on your behalf will be required in accordance with Section 7 of this application.**

☐ **C. Retirement:**  
IPF Pension Effective Date: \_\_\_\_\_  
Disability Pension (Check One) Yes ☐ No ☐

Your **Retirement or Inactive Withdrawal** is subject to 20% federal income tax withholding unless you elect a direct rollover and indicate a financial institution on the attached rollover election form.

- ☐ Withhold 20% federal income tax from my withdrawal.  
☐ Do not withhold federal taxes. I have indicated a financial institution on the attached form to have my withdrawal transferred to.

**3. BENEFICIARY DESIGNATION:**

Name \_\_\_\_\_ Relation \_\_\_\_\_

SSN \_\_\_\_\_

Address \_\_\_\_\_  
Street & Number City State Zip Code

**4. MARITAL STATUS: (Check one and attach proof. Please refer to Section 9 for detailed instructions)**

- |                                      |                                       |  |
|--------------------------------------|---------------------------------------|--|
| <input type="checkbox"/> Single*     | <input type="checkbox"/> Married**    | <input type="checkbox"/> Married and Previously Married*** |
| <input type="checkbox"/> Separated** | <input type="checkbox"/> Divorced**** | <input type="checkbox"/> Widow(er)*****                    |

\*If you were never married, a Notary Public must witness your signature in Section 6.

\*\*If you are married (including common law marriage) or separated and do not wish to receive a Joint & Survivor Annuity, you and your spouse must sign in Section 6 below in the presence of a Notary Public.

\*\*\*If you were previously married, you must also submit a copy of your previous divorce decree including your property settlement agreement with your application.

\*\*\*\*If you are divorced, you must also sign in Section 6 below in the presence of a Notary Public and you must send a copy of your divorce decree including your property settlement agreement with your application.

\*\*\*\*\*If you are widowed, you must send a copy of your spouse's death certificate with your application.

**5. FORM OF PAYMENT:**

- |   |  |
|---|--|
| <input type="checkbox"/> Lump Sum*  | <input type="checkbox"/> Fixed Monthly Annuity (over 5 years only) |
| <input type="checkbox"/> Fixed Monthly Annuity (over 10 years only)   | <input type="checkbox"/> Lifetime Only Annuity                     |
| <input type="checkbox"/> Joint and Survivor (50% Annuity)   | <input type="checkbox"/> Joint and Survivor (75% Annuity)          |
| <input type="checkbox"/> Joint and Survivor (100% Annuity)  |  |
| <input type="checkbox"/> Please provide further information on certain and joint & survivor annuity options |  |

*\*Lump Sum Rollovers see attached Rollover Election Form. Participants interested in any of the above annuity options should contact the Fund office for payment estimates and details.*

## 6. SPOUSE AUTHORIZATION:

The following must be completed and notarized if you do not wish to receive your withdrawal in the monthly Qualified Joint and Survivor Annuity form (50% Joint and Survivor Annuity) or if you are single or if you are unable to locate your spouse.

I, \_\_\_\_\_, do not wish to receive annuity payments in the Qualified Joint and Survivor Annuity form. I understand that rejecting this form of payment means NO benefits will be paid to my spouse by the Bricklayers and Trowel Trades International Retirement Savings Plan after my death unless my spouse is designated as my beneficiary above and there is a balance remaining in my account after my death.

- ☐ I hereby swear that the person co-signing this document is my current and legal spouse.
- ☐ I hereby swear that I am not legally married at this time.
- ☐ I hereby swear that I am unable to locate my spouse.

\_\_\_\_\_  
Signature of Applicant

\_\_\_\_\_  
Date

### Spouse's Consent

I, \_\_\_\_\_, am the spouse of \_\_\_\_\_. I understand that I have the right to have the Bricklayers and Trowel Trades International Retirement Savings Plan pay my spouse's retirement benefits in the Qualified Pre-Retirement Survivor Annuity (QPSA) and/or Qualified Joint and Survivor Annuity (QJSA) form and I agree to give up that right. I understand that by signing this agreement, I may receive less money than I would have received under the QPSA or QJSA form and I may receive nothing after my spouse dies, depending on the payment form or beneficiary that my spouse chooses. **I agree that my spouse can receive retirement benefits in the form of a lump-sum payment, fixed annuity, or a lifetime annuity.** I also agree to my spouse's choice of beneficiary who will receive one hundred percent of survivor benefits from the plan, if applicable, after my spouse dies. I understand that my spouse cannot choose a different form of retirement benefit or a different beneficiary unless I agree to that change. I understand that I do not have to sign this agreement. I am signing this agreement voluntarily. I understand that if I do not sign this agreement then I will receive the QPSA benefit if my spouse dies before he or she begins to receive retirement benefits or my spouse and I will receive payments from the Plan in the QJSA form.

\_\_\_\_\_  
(Signature of Spouse)

On the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_

before me came \_\_\_\_\_ and \_\_\_\_\_  
Applicant Spouse (if married)

known to me to be the persons described in and acknowledged to me that he and she executed the foregoing statements and he and she duly acknowledged to me that he and she executed the same.

\_\_\_\_\_  
Notary Public Name / My Commission Expires

## 7. COVERED EMPLOYMENT CERTIFICATION

The following is a summary of the Rules and Regulations of the International Retirement Savings Plan regarding Non-covered Masonry Employment. Make sure you read this summary and indicate your compliance by signing at the bottom of this form.

***Your application cannot be processed unless you provide this signed form or provide an explanation of your Non-covered Employment. The explanation must include the dates, job classification, and the name of the Employer who was not party to a Collective Bargaining Agreement.***

Non-covered Masonry Employment means employment in the Masonry Industry on or after the first contribution was made on your behalf to the Plan, for an employer which does not have, or self-employment which is not covered by, a collective bargaining agreement between the Union and the employer.

Under the Plan rules, for every calendar quarter in which an employee or former employee performed at least one hour of Non-covered Masonry Employment, the date they will become eligible to receive payment is automatically postponed six months.

I hereby apply for benefits from the Bricklayers and Trowel Trades International Retirement Savings Plan. I have read and understand the above rules on Non-covered Masonry Employment. This is to certify that I have not engaged in Non-covered Masonry Employment since my participation in the Plan. I realize that any false statement by me may cause me to delay my entitlement to benefits from the Bricklayers and Trowel Trades International Retirement Savings Plan.

---

Signature of Applicant

---

Date

## 8. PROOF OF MARITAL STATUS & FORM OF PAYMENT ELECTION (DETAILED INSTRUCTIONS)

To be eligible for benefits, you must provide proof of your marital status and elect a form of payment. Instructions for providing your marital status, and electing a form of payment in Section 5 of the application as follows:

- 1. Single** (i.e., never married) A Notary Public must witness your signature in Section 6 of the application.
- 2. Married**-You must provide a copy of your marriage certificate or a church record (if you are married and previously divorced you must also provide a copy of your Divorce Decree including any property settlement agreement) and may elect the Joint and Survivor Annuity, Lump Sum, Fixed Monthly Annuity (over 5 or 10 years), or Lifetime Annuity as follows:
  - A. Joint and Survivor Annuity**-You must check either the 50%, 75% or the 100% Joint and Survivor Annuity in Section 6 and sign your name where it says "signature of applicant." It is not necessary to go to a Notary Public for this option.
  - B. If you are married and elect Lump Sum, Fixed Monthly Annuity (over 5 or 10 years), or Lifetime Annuity**, you and your spouse must go to a Notary Public and complete section 6 of the application in his or her presence. Your spouse must sign and date the application in the presence of the Notary Public and the Notary must specifically indicate your spouse appeared in person. Also, the Notary seal or stamp must be impressed upon the form including the expiration date of their commission.
- 3. Separated** - You must provide spouse authorization in the presence of a Notary Public or notarized evidence that your spouse cannot be located, including the date of separation, to receive the Lump Sum, Fixed Monthly Annuity (over 5 or 10 years), or Lifetime Annuity.
- 4. Divorced** - You must provide a copy of your Divorce Decree including any property settlement agreement to elect the Lump Sum, Fixed Monthly Annuity (over 5 or 10 years), or Lifetime Annuity.
- 5. Widow(er)** - You must provide a copy of your spouse's death certificate to elect the Lump Sum, Fixed Monthly Annuity (over 5 or 10 years), or Lifetime Annuity.
- 6. Common-Law Marriage** - If you reside in a state that recognizes such, you should provide copies of income tax returns for at least 2 years showing you and your common-law-spouse are filing joint returns. If these are not available, you should provide a notarized statement in which you and your spouse affirm your common-law- marriage including when it started. You may elect either form of pension payment. If you have questions regarding proof of marital status or electing a form of payment, please contact the Fund office.

Revised 06/08/22



# **BAC SAVE-Bricklayers & Trowel Trades International Retirement Savings Fund**

620 F Street, N.W., Suite 700 Washington, D.C. 20004  
Phone: 202-638-1996 Fax: 202-347-7339 [www.bacbenefits.org](http://www.bacbenefits.org)

## **ELECTRONIC DEPOSIT OF YOUR LUMP SUM BENEFIT**

*Direct Deposit payments to your financial institution do not constitute a tax-free Rollover*

NAME: \_\_\_\_\_

SSN:    —   —

ADDRESS: \_\_\_\_\_

CITY: \_\_\_\_\_ STATE: \_\_\_\_\_ ZIP: \_\_\_\_\_

EMAIL: \_\_\_\_\_ ☐ Check box if new address or address of delivery is other than your home

Name of Bank or Credit Union \_\_\_\_\_

ABA Routing #          (Always 9 Digits)

Account # \_\_\_\_\_

If you intend to directly deposit your withdrawal to your checking account, the Fund **REQUIRES** you to include a **VOIDED** personal check to ensure accuracy and hasten the processing of your application.

I request that the Bricklayers and Trowel Trades International Retirement Savings Plan electronically deposit my lump sum withdrawal to my checking account.

\_\_\_\_\_  
(Signature of Participant)

\_\_\_\_\_  
(Date Signed)

**Tape Voided Check Here**

**IF YOU HAVE ANY QUESTIONS CALL US AT 1-(888) 880-8222**



# **BAC SAVE-Bricklayers & Trowel Trades International Retirement Savings Fund**

620 F Street, N.W., Suite 700 Washington, D.C. 20004  
Phone: 202-638-1996 Fax: 202-347-7339 [www.bacbenefits.org](http://www.bacbenefits.org)

## **Bricklayers and Trowel Trades International Pension Fund/ Bricklayers and Trowel Trades International Retirement Savings Plan**

### **Rollover Election Form**

Before completing this form you must read the special tax notice regarding plan payments. You may wish to consult a tax advisor before making this election. If you check box B or C below, you and your spouse must complete page 2 of this form in the presence of a Notary Public. If your spouse is not available you must verify that fact.

You may elect to have part or all of the lump sum transferred directly to an Individual Retirement Account (IRA) or to another qualified retirement plan (if it accepts rollovers). If you choose not to have an eligible rollover distribution transferred directly to an IRA or other retirement plan, the Fund is required to withhold 20% of the payment for Federal income taxes. This withholding does not increase your taxes, but will be credited against any income tax you owe. This is explained in detail in the attached Special Tax Notice Regarding Plan Payments.

Check below to indicate whether or not you elect a direct rollover of your lump sum.

☐ A. I do not want to roll over any of my payment to an IRA or qualified retirement plan. Pay me the full lump sum after withholding 20% for federal income tax as required by law.

\_\_\_\_\_  
Signature of Applicant

\_\_\_\_\_  
Date

☐ B. I want to roll over my lump sum directly to an IRA or other qualified retirement plan that accepts rollovers. Please make payment on my behalf to the IRA or retirement plan named below.

☐ C. I would like to have part of my lump sum directly rolled over. Please roll over \$\_\_\_\_\_ to the IRA or qualified retirement plan named below and pay the remainder of my benefit to me, after withholding 20% for Federal income taxes as required plan.

If you elected a direct rollover, you must provide all of the following information (until you provide this information, no direct rollover can be made):

\_\_\_\_\_  
Name of IRA Trustee or Qualified Retirement Plan

\_\_\_\_\_  
Account Number

\_\_\_\_\_  
Mailing Address



## **BAC SAVE-Bricklayers & Trowel Trades International Retirement Savings Fund**

620 F Street, N.W., Suite 700 Washington, D.C. 20004 Phone:  
202-638-1996 Fax: 202-347-7339 [www.bacbenefits.org](http://www.bacbenefits.org)

### **Certification**

Marital Status (Check one and attach proof). I hereby swear that I am:

- ☐ Single\*    ☐ Married    ☐ Separated    ☐ Divorced    ☐ Widow(er)  
☐ Married and Previously Married

\*If never married sign below in the presence of Notary Public

Please read and sign the following statement:

I (we) certify that the recipient of a direct rollover that I (we) have named above is an Individual Retirement Account, an Individual Retirement Annuity, of a qualified retirement plan that accepts rollovers. I (we) understand that payment of this benefit to the bank, IRA or Qualified Retirement Plan named will release the Trustees of the Bricklayers and Trowel Trades International Retirement Savings Plan/Bricklayers and Trowel Trades International Pension Fund from any further obligations or responsibilities with respect to the benefits paid, **including monthly benefits in the husband and wife form of payment**. Further, the Trustees shall not in any way be responsible for or accountable for future earnings or losses on the principal amount or monies so transferred.

\_\_\_\_\_  
Signature of Applicant

\_\_\_\_\_  
Date

\_\_\_\_\_  
Signature of Spouse

\_\_\_\_\_  
Date

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

SSN: \_\_\_\_\_

County of \_\_\_\_\_

On the \_\_\_\_\_ day of \_\_\_\_\_ of 20\_\_\_\_ before me came \_\_\_\_\_

and \_\_\_\_\_ to me known and known to me to  
be the persons described in and who executed the foregoing statements and he and she  
duly acknowledged to me that he and she executed the same

\_\_\_\_\_  
(Notary Public)

## **YOUR ROLLOVER OPTIONS**

You are receiving this notice because all or a portion of a payment you are receiving from the Bricklayers and Trowel Trades International Retirement Savings 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, 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 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), or after death;
- Hardship distributions;
- 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 will be at least age 50 in the year of the separation;
- Payments made due to disability;
- 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 excepted from the additional income tax by federal legislation relating to certain emergencies and 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:

- The exception 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 for qualified public safety employees) does 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; and
- 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).

### **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 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 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 do a rollover to a designated Roth account in the Plan**

You cannot roll over a distribution to a designated Roth account in another employer's plan. However, you can roll the distribution over into a designated Roth account in the distributing Plan. If you roll over a payment from the Plan to a designated Roth account in the Plan, the amount of the payment rolled over (reduced by any after-tax amounts directly rolled over) 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 designated Roth account in the Plan, later payments from the designated Roth account that are qualified distributions will not be taxed (including earnings after the rollover). A qualified distribution from a designated Roth account is a payment made both after you are age 59½ (or after your death or disability) and after you have had a designated Roth account in the Plan for at least 5 years. In applying this 5-year rule, you count from January 1 of the year your first contribution was made to the designated Roth account. However, if you made a direct rollover to a designated Roth account in the Plan from a designated Roth account in a plan of another employer, the 5-year period begins on January 1 of the year you made the first contribution to the designated Roth account in the Plan or, if earlier, to the designated Roth account in the plan of the other employer. Payments from the designated Roth account 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).

### **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 and the special rules for public safety officers do 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) or age 72 (if you were born after June 30, 1949).

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) or age 72 (if the participant was born after June 30, 1949).

**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](http://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)*; IRS Publication 590-B, *Distributions from 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.