NORTHWEST BRICKLAYERS AND ALLIED CRAFTWORKERS
DEFINED CONTRIBUTION HARDSHIP WITHDRAWAL REQUEST CHECKLIST

Listed below are documents you must submit with your completed application. Please review this checklist and mark those that apply to you. Also, please sign, date and return this completed form to the Northwest Bricklayers Pension Trust Office along with copies of all applicable documents and your signed application.

☐ **I am experiencing financial hardship due to deductible medical expense incurred by me, my spouse or by one or more of my dependents.** I have included:

- ☐ Copies of Explanation Of Benefits (EOB) from my insurance company(ies) for each expense I am claiming and,
- ☐ Current statements (issued less than 30 days ago) from each provider listing the patient name, service date, amount charged, and remaining amount due.

☐ **The purchase (excluding mortgage payments) of my principal residence.** I have included:

- ☐ Copy of Purchase Agreement which lists property address, purchase price, and is signed and dated by both the seller and me.
- ☐ Copy of documents from my lender itemizing purchase price, my down payment, and estimated closing costs.

☐ **Post-secondary education expense for me, my legal spouse, or my dependent**.

- ☐ This document is recently issued by the educational institution and includes name of enrolled student and applicable term dates. It also includes an itemized list of tuition, fees, books, scholarships, and grant awards.

☐ **To prevent *eviction* from my principal residence.** (Check each box applicable to your situation.)

- ☐ Enclosed is a copy of my written Lease Agreement.
- ☐ Enclosed is a copy of my eviction notice.
- ☐ I have not received an eviction notice.
- ☐ My landlord and I have an informal rental arrangement.
- ☐ Enclosed is the Landlord Affidavit completed by my landlord. (Mandatory if no written Lease Agreement.)

☐ **To prevent *foreclosure* on the mortgage of my principal residence.**

- ☐ Enclosed is a copy of the current statement from my lender. It was issued less than 30 days ago.

I understand the documents needed to apply for a Hardship Withdrawal request and certify that the information provided in and with this checklist are factual.

____

Signature of Applicant Date

NORTHWEST BRICKLAYERS & ALLIED CRAFTWORKERS
DC RETIREMENT PLAN

HARDSHIP WITHDRAWAL REQUEST

HARDSHIP WITHDRAWAL INFORMATION

You may, upon approval, take a withdrawal from your Employer Contribution Account in the Plan if the reason for such withdrawal is *financial hardship*. For a complete description of the money available in your account for a hardship withdrawal, please refer to your *Summary Plan Description or Plan Highlights*.

Financial Hardship means that your immediate and heavy financial need cannot be met from other reasonably available resources and is caused by one or more of the following:

1. Deductible medical expense incurred by you, by your spouse or by one or more of your dependents,
2. The purchase (excluding mortgage payments) of a principal residence for you,
3. The payment of post-secondary education for you, for your spouse or for one or more of your dependents,
4. To prevent your eviction from your principal residence or to prevent the foreclosure on the mortgage of your principal residence.

The following restrictions will apply to you when you receive a hardship distribution:

1. You are limited to only receive 2 hardship distributions per year.
2. You must have worked at least 200 Hours of Service in each of the two calendar years prior to the year the request is submitted.
3. You cannot receive a hardship distribution greater than the amount of your immediate financial need (or 80% of your account balance if less than your financial need.)
4. You must have obtained all distributions, other than the hardship distribution, and all nontaxable loans available under this plan and all other plans in which you may participate.
5. Your employer will require you to pay the hardship-withdrawal processing fee. The fee will be charged to your account and will reduce the amount available to you only if your account does not have enough funds available to pay the fee.

Please note that a hardship withdrawal is not a loan and therefore you cannot repay it to your account. It is a taxable distribution that is income to you in the year you receive it. The distribution will be reported to the IRS on a Form 1099-R.

Attached is a *Special Tax Notice Regarding Plan Payments* for your review. This notice addresses the withholding of taxes from distributions that are not eligible for rollover. Hardship withdrawals are not eligible for rollover.

The tax notice explains the 10% excise tax on the withdrawal. You will be subject to the 10% excise tax if you have not reached age 59 ½ when you receive the distribution, unless one of the exceptions noted applies.

Sample Hardship Withdrawal and Withholding Elections:

1. If the amount of cash you need to meet your immediate financial need is $5,000, you could request $5,000 and elect to have no taxes withheld. You would receive a check for $5,000; however, you would be responsible for paying the applicable taxes when you file your annual tax return.

2. If you would like to have taxes withheld at the time you take the withdrawal, you can elect to have a stated percentage of income taxes withheld. The law allows you to increase your distribution so that the distribution after withholding for taxes is large enough to meet your need. For example, if you elect to have 20% withheld as an estimated payment of income taxes but you want to net the $5,000 you need, you can check the "Yes" box following the question about increasing your distribution by the amount of taxes withheld in the *Withdrawal Request* section of the hardship application. If you chose to increase your distribution by the tax-withholding amount, your gross distribution would be $6,250, your taxes withheld would be $1,250 (20% of $6,250,) and your net distribution would be $5,000. If you asked to have 20% withheld as taxes and you chose not to increase your distribution by the tax withholding, your gross distribution would be $5,000, your taxes withheld would be $1,000 (20% of $5,000,) and your net distribution would be $4,000.

3. If you wanted to increase the withholding rate to cover the 10% excise tax because you are under age 59-1/2, you could elect to have 30% withheld as an estimated payment of income taxes. As a result, your gross distribution would be $7,142.86, your taxes withheld would be $2,142.86 (30% of $7,142.86,) and your net distribution would be $5,000.

You may wish to consult your own personal tax advisor to discuss the tax consequences of your decision on the withdrawal and tax withholding amounts.

NORTHWEST BRICKLAYERS & ALLIED CRAFTWORKERS
DC RETIREMENT PLAN

HARDSHIP WITHDRAWAL REQUEST

I Participant Information **The Participant must provide all of the information requested below:**

Participant Name: ______________________ Social Security Number: ______________
Street Address: ______________________ Date of Birth: ______________
______________________ Date of Hire: ______________
______________________ Daytime Phone Number: ______________
City: ______________________ Email Address (Optional): ______________
State: __________ Zip: __________

II Hardship Withdrawal Request and Tax Withholding Elections **Complete all four items below.**
(A fee of $50 will be charged against your account for processing this distribution request.)

Before making your election below, read the attached *Special Tax Notice Regarding Plan Payments* and *State Tax Withholding Information* attachments. The election you make will have both financial and federal and state (if applicable) income tax consequences. Please consult with your tax and financial advisor if necessary.

1. I hereby apply for a Hardship Withdrawal of **$**____________________from my Employer Contribution Account in the Plan. If the maximum amount available is less than the amount requested above, I request the withdrawal to be made for the maximum available.

2. This withdrawal is for the purpose of:

   ☐ Medical expenses for myself, my spouse, or my dependents not covered or paid for by the Masonry Welfare Plan, or by an insurance company or any other third party.

   ☐ Purchase of my principal residence, excluding mortgage payments.

   ☐ Payment of tuition and related educational expenses for the next 12 months of post-secondary education for myself, my spouse, or my dependents.

   ☐ Prevention of eviction from, or foreclosure on, my principal residence.

3. I understand that this Hardship Withdrawal is not eligible to be rolled over into an IRA or another qualified plan. Therefore, the mandatory and immediate 20% federal tax withholding rules do not apply.

   Federal Income Taxes: I have read the attached *Special Tax Notice Regarding Plan Payments* and request that you please withhold _________ % of my withdrawal for federal income taxes (in the event no election is made, 10% will be withheld). Note: The total amount of this withdrawal will be treated as ordinary income for annual income tax filing purposes and, if you are under age 59-½, it will be subject to a 10% early withdrawal penalty unless you meet one of the requirements for waiver of the penalty.

   State Income Taxes: I have read the attached *State Tax Withholding Information* and understand that withholding state income taxes from my taxable distribution is mandatory in certain states.

   ☐ I elect to have State Income Taxes withheld from my distribution at a rate of ____________**%.**

   ☐ I elect **not** to have State Income Taxes withheld from my distribution.

4. The requested withdrawal amount above represents the ☐ **net** / ☐ **total** (check one) amount that I wish to receive. By choosing "net" amount, I request that the plan administrator "gross up" the withdrawal, so that the amount of the check (after taxes are withheld) will equal the amount above. By choosing "total" amount, I request that the plan administrator withdraw from the plan the amount shown above, withhold federal income taxes according to the election below, and send the remaining amount to me.

NORTHWEST BRICKLAYERS & ALLIED CRAFTWORKERS
DC RETIREMENT PLAN

HARDSHIP WITHDRAWAL REQUEST

III Payment Instructions

Select Method of Delivery: **Send a Check via Regular Mail**

For Regular Mail, Indicate where you would like your check sent:

☐ My Home Address shown at the beginning of this form, or

☐ An alternate address shown below

Mailing Instructions
Alternate Mailing Address
Name
Name of Business at Address
Street Address
City, State Zip

IV Participant Authorization and Distribution Acknowledgment

I understand that the law prohibits my withdrawal if my need may be satisfied from other resources reasonably available to me. I certify that my hardship cannot be satisfied by other distributions or loans currently available to me from this plan or any other plans maintained by the employer. I further understand that a loan is not reasonably available to me if the loan itself would increase the financial need.

I understand the following to be true:

1. My election is irrevocable.
2. The withdrawal will be taken in equal proportion from all funds held in my account, unless otherwise elected.
3. The Trustee of the Plan will hold the portion of my account balance that I am not withdrawing until I otherwise would receive a distribution of my benefits under the Plan, generally upon my termination of employment.
4. I should consult with my own tax advisor with respect to the proper method of reporting any distribution I receive from the Plan.
5. My account will be charged the administrative fee to process this application.

I consent to an immediate distribution of the elected portion of my account. Furthermore, I elect to waive my 30-Day Election Period (no less than 7 days) during which I may consent to a distribution from the Plan. Under penalties of perjury, I affirm that this application is true, complete and accurate and that this withdrawal will not be used for any other purpose than the one indicated above, and does not exceed this need.

X______________________________ ______________________
Signature of Participant Date

Please return your completed Distribution Election Form to: **Masonry Industry Trust Administration, Inc.**
9848 E Burnside St.
Portland, OR 97216

LANDLORD AFFIDAVIT

STATE OF _________)
) ss.
County of __________)

I, ____________________________, being first duly sworn on oath, depose and say:

1. I am the landlord (or the landlord's representative) for the ___________________ (home/apartment/townhouse, etc. - indicate which) located at ____________________________ ____ (full address required).

2. _____________________ is a tenant ("Tenant") at this location. There [is or is not] (circle correct one) a written lease agreement (if written lease agreement, please attach a copy). The lease began on _____________ (date) and is for $___________ per month.

3. Tenant has not paid the rent for the following months: _____________________ ____.

4. Tenant therefore owes $____________ in rent as of ________________(date).

5. If the back rent is not paid by __________________ (date), I intend to initiate the eviction process as to this Tenant.

6. My contact telephone number and address are as follows: ___________________, ____.

DATED this ______ day of ___________, 20

____
Landlord

SUBSCRIBED AND SWORN to before me this _____ day of _______________, 20

____
Notary Public for ___________________
My commission expires: _____________

mit\dcplan\landlordaffidavit.1.2015

AFFIDAVIT REGARDING IMMEDIATE AND HEAVY FINANCIAL NEED

STATE OF__________________)

County of__________________)

I,______________________________being first duly sworn on oath, depose and say:

- I have requested a distribution from the **Bricklayers and Allied Craftworkers Defined Contribution Retirement Plan**.

- I have requested the distribution because of the following specific financial need:
  ____
  ____

- I represent that the amount requested for distribution from the Plan does not exceed the amount required to relieve the financial need described above.

- If this is a request for unpaid medical bills, I represent these are the most current statements available to me. I further represent that if I have secondary insurance available from any source, the secondary insurance has been billed.

- I represent that this financial need cannot be satisfied from other sources or assets that are reasonably available to me, which include any resources of my spouse or children.

______________________ ____________________________________

Date Signature

Subscribed and sworn before me this________day of________________________, 20_____.

____

Notary Public for: ______________________

My commission expires: ________________

NORTHWEST BRICKLAYERS & ALLIED CRAFTWORKERS DC RETIREMENT PLAN SPECIAL TAX NOTICE REGARDING PLAN PAYMENTS

SPECIAL TAX NOTICE REGARDING PLAN PAYMENTS

YOUR ROLLOVER OPTIONS

You are receiving this notice because all or a portion of a payment you are receiving from the **Northwest Bricklayers & Allied Craftworkers DC Retirement 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 with special tax rules in some employer plans). 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 (unless an exception applies). However, if you do a rollover, you will not have to pay tax until you receive payments later and the 10% additional income tax will not apply if those payments are made after you are age 59½ (or if an exception applies).

Where may I roll over the payment?

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

How do I do a rollover?

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

How much may I roll over?

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

- Certain payments spread over a period of at least 10 years or over your life or life expectancy (or the lives or joint life expectancy of you and your beneficiary)
- Required minimum distributions after age 70½ (or after death)
- Hardship distributions
- 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
- Contributions made under special automatic enrollment rules that are withdrawn pursuant to your request within 90 days of enrollment
- Amounts treated as distributed because of a prohibited allocation of S corporation stock under an ESOP (also, there will generally be adverse tax consequences if you roll over a distribution of S corporation stock to an IRA). The Plan administrator or the payor can tell you what portion of a payment is eligible for rollover.

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

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

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

- Payments made after you separate from service if you will be at least age 55 in the year of the separation
- Payments that start after you separate from service if paid at least annually in equal or close to equal amounts over your life or life expectancy (or the lives or joint life expectancy of you and your beneficiary)
- Payments from a governmental defined benefit pension plan made after you separate from service if you are a public safety employee and you are 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
- Contributions made under special automatic enrollment rules that are withdrawn pursuant to your request within 90 days of enrollment
- Payments made directly to the government to satisfy a federal tax levy
- Payments made under a qualified domestic relations order (QDRO)
- Payments up to the amount of your deductible medical expenses
- 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 requested to be withdrawn within 90 days of the first contribution.

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

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

- There is no exception for payments after separation from service that are made after age 55.
- The exception for qualified domestic relations orders (QDROs) does not apply (although a special rule applies under which, as part of a divorce or separation agreement, a tax-free transfer may be made directly to an IRA of a spouse or former spouse).
- The exception for payments made at least annually in equal or close to equal amounts over a specified period applies without regard to whether you have had a separation from service.
- There are additional exceptions for (1) payments for qualified higher education expenses, (2) payments up to $10,000 used in a qualified first-time home purchase, and (3) payments 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 describe any State or local income tax rules (including withholding rules).

SPECIAL RULES AND OPTIONS

If your payment includes after-tax contributions
After-tax contributions included in a payment are not taxed. If a payment is only part of your benefit, an allocable portion of your after-tax contributions is generally included in the payment. If you have pre-1987 after-tax contributions maintained in a separate account, a special rule may apply to determine whether the after-tax contributions are included in a payment.

You may roll over to an IRA a payment that includes after-tax contributions through either a direct rollover or a 60-day rollover. You must keep track of the aggregate amount of the after-tax contributions in all of your IRAs (in order to determine your taxable income for later payments from the IRAs). If you do a direct rollover of only a portion of the amount paid from the Plan and a portion is paid to you, each of the payments will include an allocable portion of the after-tax contributions. If you do a 60- day rollover to an IRA of only a portion of the payment made to you, the after-tax contributions are treated as rolled over last. For example, assume you are receiving a complete distribution of your benefit which totals $12,000, of which $2,000 is after-tax contributions. In this case, if you roll over $10,000 to an IRA in a 60-day rollover, no amount is taxable because the $2,000 amount not rolled over is treated as being aftertax contributions.

You may roll over to an employer plan all of a payment that includes after-tax contributions, but only through a direct rollover (and only if the receiving plan separately accounts for after-tax contributions and is not a governmental section 457(b) plan). You can do a 60-day rollover to an employer plan of part of a payment that includes after-tax contributions, but only up to the amount of the payment that would be taxable if not rolled over.

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

If your payment includes employer stock that you do not roll over
If you do not do a rollover, you can apply a special rule to payments of employer stock (or other employer securities) that are either attributable to after-tax contributions or paid in a lump sum after separation from service (or after age 59½, disability, or the participant's death). Under the special rule, the net unrealized appreciation on the stock will not be taxed when distributed from the Plan and will be taxed at capital gain rates when you sell the stock. Net unrealized appreciation is generally the increase in the value of employer stock after it was acquired by the Plan. If you do a rollover for a payment that includes employer stock (for example, by selling the stock and rolling over the proceeds within 60 days of the payment), the special rule relating to the distributed employer stock will not apply to any subsequent payments from the IRA or employer plan. The Plan administrator can tell you the amount of any net unrealized appreciation.

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

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

If your payment is from a governmental section 457(b) plan
If the Plan is a governmental section 457(b) plan, the same rules described elsewhere in this notice generally apply, allowing you to roll over the payment to an IRA or an employer plan that accepts rollovers. One difference is that, if you do not do a rollover, you will not have to pay the 10% additional income tax on early distributions from the Plan even if you are under age 59½ (unless the payment is from a separate account holding rollover contributions that were made to the Plan from a tax-qualified plan, a section 403(b) plan, or an IRA). However, if you do a rollover to an IRA or to an employer plan that is not a governmental section 457(b) plan, a later distribution made before age 59½ will be subject to the 10% additional income tax on early distributions (unless an exception applies). Other differences are that you cannot do a rollover if the payment is due to an "unforeseeable emergency" and the special rules under "If your payment includes employer stock that you do not roll over" and "If you were born on or before January 1, 1936" do not apply.

If you are an eligible retired public safety officer and your pension 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 directly 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 roll over your payment to a Roth IRA
You can roll over a payment from the Plan made before January 1, 2010 to a Roth IRA only if your modified adjusted gross income is not more than $100,000 for the year the payment is made to you and, if married, you file a joint return. These limitations do not apply to payments made to you from the Plan after 2009. If you wish to roll

over the payment to a Roth IRA, but you are not eligible to do a rollover to a Roth IRA until after 2009, you can do a rollover to a traditional IRA and then, after 2009, elect to convert the traditional IRA into a Roth IRA.

If you roll over the payment to a Roth IRA, a special rule applies under which the amount of the payment rolled over (reduced by any after-tax amounts) will be taxed. However, the 10% additional income tax on early distributions will not apply (unless you take the amount rolled over out of the Roth IRA within 5 years, counting from January 1 of the year of the rollover). For payments from the Plan during 2010 that are rolled over to a Roth IRA, the taxable amount can be spread over a 2-year period starting in 2011.

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

You cannot roll over a payment from the Plan to a designated Roth account in an employer plan.

If you are not a plan participant

Payments after death of the participant. If you receive a distribution after the participant's death that you do not roll over, the distribution will generally be taxed in the same manner described elsewhere in this notice. However, the 10% additional income tax on early distributions 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 participant was born on or before January 1, 1936.

If you are a surviving spouse.
If you receive a payment from the Plan as the surviving spouse of a deceased participant, you have the same rollover options that the participant would have had, as described elsewhere in this notice. In addition, if you choose to do a rollover to an IRA, you may treat the IRA as your own or as an inherited IRA.

An IRA you treat as your own is treated like any other IRA of yours, so that payments made to you before you are age 59½ will be subject to the 10% additional income tax on early distributions (unless an exception applies) and required minimum distributions from your IRA do not have to start until after you are age 70½.

If you treat the IRA as an inherited IRA, payments from the IRA will not be subject to the 10% additional income tax on early distributions. However, if the participant had started taking required minimum distributions, you will have to receive required minimum distributions from the inherited IRA. If the participant had not started taking required minimum distributions from the Plan, you will not have to start receiving required minimum distributions from the inherited IRA until the year the participant would have been age 70½.

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

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

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

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

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 for 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, see IRS Publication 3, Armed Forces' Tax Guide.

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, 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, or by calling 1-800-TAX-FORM.

* * *

STATE TAX WITHHOLDING INFORMATION

State income tax withholding falls into one of the three following categories:

1. **Mandatory State Withholding**: Some states require qualified retirement plans to withhold state income taxes from distributions to individuals who legally reside in that state if federal taxes are withheld from those payments. However, several of these states let individuals elect out of state withholding in certain situations. In these cases the individual receiving the payment must provide a written request to have no state taxes withheld.
2. **Voluntary State Withholding**: Voluntary withholding states are states that let individuals determine whether they want state taxes withheld from their payments, regardless of whether federal taxes are withheld. Individuals who legally reside in these states must determine the amount they want to have withheld. If no written election is made, there will be no state withholding.
3. **States with No Withholding**: Some states have no income tax on distributions from qualified plans. Therefore, no state withholding is required from these payments

The table below shows basic state income tax withholding information by state. For more information about withholding rates and rules, obtain information from your state.

Mandatory State Withholding

Mandatory State Withholding - No Exceptions

- AR – 5% of eligible rollover dist.; 3% non-elig.*
- CT – 6.99% of taxable portion of distribution.*
- DC – 8.95% of taxable portion of distribution.
- DE – 5% of taxable portion of distribution.*
- KS – 4.5% of taxable portion of distribution.*
- MD – 7.75% of taxable portion of distribution.
- ME – 5% of taxable portion of distribution.*
- MI – 4.25% of taxable portion of distribution.*
- NC – 4% of taxable portion of distribution.*
- NE – 5% of taxable portion of distribution.
- OK – 5% of taxable portion of distribution.*
- VT – 4.8% of eligible rollover dist.; 2.4% non-elig.*

*Payee may elect out for periodic payments.

Mandatory State Withholding - Unless Participant Provides Rate from the Applicable State Form

- IA – 5% of taxable portion.*
- MA – 5.1% of taxable portion of distribution.*
- VA – 4% of taxable portion of distribution.*

You must forward the applicable signed State Form along with your Distribution Election Form to change your withholding rate.

*Payee may elect out for periodic payments.

Mandatory State Withholding - Unless Participant Elects Out

- CA – 10% of amount of Federal taxes withheld or 6.6% of taxable amount.
- OR – 8% of taxable portion of distribution.

Voluntary State Withholding

Voluntary State Withholding - Participant Elects Amount Withheld (No Election, No Withholding)

AL, AZ, CO, GA, ID, IL, IN, KY, LA, MN, MO, MS, MT, NJ, NM, NY, ND, OH, PA, RI, SC, UT, WI, WV

States With No Withholding

No State Withholding

AK, FL, HI, NH, NV, SD, TN, TX, WA, WY