

U.A. Local No. 467 Trust Funds

MAILING ADDRESS: P.O. BOX 5057, ZIP 95150-5057 • 1120 S. BASCOM AVE., ZIP 95128-3590 • SAN JOSE, CALIF. • PHONE(408) 288-4400

ADMINISTRATORS

UNITED ADMINISTRATIVE
SERVICES



U. A. Local 467 Pension Trust Defined Contribution Plan Application Procedures

This is being distributed so that you will know the length of time needed to process requests for Retirement Benefits. You should apply 60 days prior to your planned requested retirement date. Applying 90 days prior will ensure that you will receive your first check on the first day of the month that your retirement will become effective.

Defined Contribution Plan (DCP)

- A. The Application forms will be sent to the Member when forms are requested from the Plan office.
- B. The Member must fully complete all of the forms and return to the Plan office with all of the following documents:
 - 1. Proof of Age (member and spouse)
 - 2. Marriage License
 - 3. Divorce Documents, if applicable including Qualified Domestic Relations Order
 - 4. Death Certificate, if applicable
 - 5. Social Security Award (if applying for Disability)
- C. Once all fully completed forms and documents noted in B above are received, the Plan office will review member's eligibility for distribution:
 - 1. If determined eligible, the Plan office will send a distribution form to be completed by the member
 - 2. If determined not eligible, the Plan office will send member a denial letter

This process will take approximately 30 days from the date the Plan office receives all of the required forms and documents. If all of the required information is not received, it will delay the processing of your application.

- D. DCP benefits are payable as follows:
 - 1. Lump Sum
 - 2. Partial Lump Sum
 - 3. Monthly Installment Payments
 - 4. Rollover of Funds (Cash only)

Please Note: All requests for a distribution must be received in the Plan office no later than the 10th (effective 8-1-2001) of a month in order to be generated on the 1st day of the following month. If the request is received after the 10th (effective 8-1-2001) of a month, there will be an additional month's delay.

U.A. Local No. 467 Trust Funds

MAILING ADDRESS: P.O. BOX 5057, ZIP 95150-5057 • 1120 S. BASCOM AVE., ZIP 95128-3590 • SAN JOSE, CALIF. • PHONE (408) 288-4400

ADMINISTRATORS
UNITED ADMINISTRATIVE
SERVICES



PENSION APPLICATION DEFINED CONTRIBUTION PLAN ONLY

INSTRUCTIONS

1. Please read each question carefully
2. Print all information
3. Be sure to submit a Proof of Age
4. Mail the completed application to:

United Administrative Services
1120 S. Bascom Avenue
San Jose, CA 95128

PERSONAL DATA

1. Name: _____
(Last) (First) (Middle)
2. Address: _____
No. and Street City State Zip Code
3. Social Security Number: _____
4. Date of Birth: _____
5. Telephone No. _____
6. Date you plan to retire: Month _____ Year _____
7. Last date worked: Month _____ Year _____
8. Name of Spouse _____
9. Spouse's Date of Birth _____
10. Spouse's Social Security No. _____
11. Marital Status: Married _____ Single _____ Divorced _____ Widowed _____
12. Have you ever been divorced? Yes _____ No _____
(If yes please provide a Qualified Domestic Relations Order)

TYPE OF PENSION

If eligible, I wish to apply for: Defined Contribution Plan: _____ (Please Initial)

Signature _____ Date _____

Witness _____ Date _____

This form must be submitted before any payments can be distributed.

The Administrative Office will advise you of the payment amount to which you are entitled and provide you with the necessary forms.

U.A. Local No. 467 Trust Funds

MAILING ADDRESS: P.O. BOX 5057, ZIP 95150-5057 • 1120 S. BASCOM AVE., ZIP 95128-3590 • SAN JOSE, CALIF. • PHONE(408) 288-4400

ADMINISTRATORS

UNITED ADMINISTRATIVE
SERVICES



INSTRUCTIONS CONCERNING SUBMISSION OF PROOFS OF AGE

The acceptable Proofs of Age are listed below in two (2) groups. Submit a copy of one of the proofs listed in **Group I**, if you have it or can possibly obtain it; since this class of proof of age is the more convincing.

If you cannot submit a proof in the **Group I** classification, submit copies of two (2) of the proofs listed in **Group II**.

Additional proofs of age may be requested if the documents you submit do not constitute convincing Proof Of Age.

GROUP I

1. A Birth Certificate
 2. A Baptismal Certificate or a Statement as to the Date of Birth shown by a church record, certified by the custodian of such record.
 3. Notification of registration of birth in a Public Registry of Vital Statistics
 4. Certification of record of age by the US Census Bureau
 5. Hospital birth record, certified by the custodian of such record.
 6. A foreign Government Record.
 7. A signed statement by the Physician or Midwife who was in attendance at birth, as to the Date of Birth shown on their records.
 8. Naturalization Record.
 9. Immigration Papers.
-

GROUP II

1. Military Record.
2. Passport.
3. School Records, certified by the custodian of such record.
4. An insurance policy, which shows the age or Date of Birth.
5. Marriage Records showing date of birth or age (application for Marriage License or Church Record, certified by the custodian of such record; or Marriage Certificate).
6. Other evidence such as signed statements from person who have knowledge of the Date of Birth.
7. Letter from social security stating your Date of Birth as shown in their records.
8. Drivers' License.

U.A. Local No. 467 Trust Funds

MAILING ADDRESS: P.O. BOX 5057, ZIP 95150-5057 • 1120 S. BASCOM AVE., ZIP 95128-3590 • SAN JOSE, CALIF. • PHONE (408) 288-4400

ADMINISTRATORS

UNITED ADMINISTRATIVE SERVICES



DEFINED CONTRIBUTION PLAN REQUEST FOR DISTRIBUTION (Married Member)

Participant's Name: _____

SSN: _____

Spouse's Name: _____

SSN: _____

I hereby state that I have not performed Industry Service in the Plumbing and Pipefitting Industry for the past 30 days. My last day was _____.

The Defined Contribution Plan of U.A. Local No. 467 provides that you may select the form of payment you prefer from the following choices:

_____ 1. Lump Sum – ENTIRE ACCOUNT.

_____ 2. A partial lump sum in the gross amount of \$_____.

NOTE: You can **only** take two (2) Partial Lump Sums from January 1st to December 31st.

DIRECTIONS: Please initial before your choice. **Please note that your signatures on this form must be notarized.**

Please be advised that all distributions (except for members over 70½) are subject to, and will be reduced by, a 20% Federal withholding tax and any additional withholdings requested by you, the member.

PLEASE NOTE THAT TO RECEIVE YOUR DISTRIBUTION BY THE FIRST OF THE FOLLOWING MONTH, YOUR REQUEST MUST BE RECEIVED NO LATER THAN THE TENTH (10th) OF THE CURRENT MONTH

I understand that I have a community property or other interest in my spouse's pension benefits. I further understand that my spouse may not withdraw any funds from the Defined Contribution Plan Account unless I give my written permission and consent below.

I hereby consent to my spouse's election of the distribution indicated above.

Signature of Applicant

Signature of Spouse

Date

Date

PLEASE SEE NOTARIZATION ON BACK

State of _____

County of _____

Subscribed and sworn to (or affirmed) before me on this ____ day of _____, 20____, by _____
_____, personally proved to me on the basis of
satisfactory evidence to be the person(s) who appeared before me.

(Seal)

Signature _____
Notary Public in and for said County and State

Withholding Certificate for Pension or Annuity Payments

2010

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

Your options depend on whether the payment is periodic, nonperiodic, or an eligible rollover distribution, as explained on

pages 3 and 4. Your previously filed Form W-4P will remain in effect if you do not file a Form W-4P for 2010.

What do I need to do? Complete lines **A** through **G** of the **Personal Allowances Worksheet**. Use the additional worksheets on page 2 to further adjust your withholding allowances for itemized deductions, adjustments to income, any additional standard deduction, certain credits, or multiple pensions/more-than-one-income situations. If you do not want any federal income tax withheld (see *Purpose* above), you can skip the worksheets and go directly to the Form W-4P below.

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

Personal Allowances Worksheet (Keep for your records.)

A	Enter "1" for yourself if no one else can claim you as a dependent	A	_____
B	Enter "1" if: { • You are single and have only one pension; or • You are married, have only one pension, and your spouse has no income subject to withholding; or • Your income from a second pension or a job, or your spouse's pension or wages (or the total of all) is \$1,500 or less. }	B	_____
C	Enter "1" for your spouse . But, you may choose to enter "-0-" if you are married and have either a spouse who has income subject to withholding or you have more than one source of income subject to withholding. (Entering "-0-" may help you avoid having too little tax withheld.)	C	_____
D	Enter number of dependents (other than your spouse or yourself) you will claim on your tax return	D	_____
E	Enter "1" if you will file as head of household on your tax return	E	_____
F	Child Tax Credit (including additional child tax credit). See Pub. 972, Child Tax Credit, for more information. • If your total income will be less than \$61,000 (\$90,000 if married), enter "2" for each eligible child; then less "1" if you have three or more eligible children. • If your total income will be between \$61,000 and \$84,000 (\$90,000 and \$119,000 if married), enter "1" for each eligible child plus "1" additional if you have six or more eligible children	F	_____
G	Add lines A through F and enter total here. (Note. <i>This may be different from the number of exemptions you claim on your tax return.</i>)	G	_____

For accuracy, complete all worksheets that apply.
 {
 • If you plan to **itemize or claim adjustments to income** and want to reduce your withholding, see the **Deductions and Adjustments Worksheet** on page 2.
 • If you have more than one source of income subject to withholding or a spouse with income subject to withholding **and** your combined income from all sources exceeds \$18,000 (\$32,000 if married), see the **Multiple Pensions/More-Than-One-Income Worksheet** on page 2 to avoid having too little tax withheld.
 • If **neither** of the above situations applies, **stop here** and enter the number from line G on line 2 of Form W-4P below.

----- Cut here and give Form W-4P to the payer of your pension or annuity. Keep the top part for your records. -----

Withholding Certificate for Pension or Annuity Payments

2010

▶ For Privacy Act and Paperwork Reduction Act Notice, see page 4.

Type or print your first name and middle initial.	Last name	Your social security number : : : : : : : : :
Home address (number and street or rural route)		Claim or identification number (if any) of your pension or annuity contract
City or town, state, and ZIP code		

Complete the following applicable lines.

1	Check here if you do not want any federal income tax withheld from your pension or annuity. (Do not complete lines 2 or 3.) ▶ <input type="checkbox"/>		
2	Total number of allowances and marital status you are claiming for withholding from each periodic pension or annuity payment. (You may also designate an additional dollar amount on line 3.) ▶ _____		(Enter number of allowances.)
	Marital status: <input type="checkbox"/> Single <input type="checkbox"/> Married <input type="checkbox"/> Married, but withhold at higher "Single" rate		
3	Additional amount, if any, you want withheld from each pension or annuity payment. (Note. <i>For periodic payments, you cannot enter an amount here without entering the number (including zero) of allowances on line 2.</i>) . . . ▶ \$ _____		

Your signature ▶ _____

Date ▶ _____

Deductions and Adjustments Worksheet

Note. Use this worksheet **only** if you plan to itemize deductions or claim certain credits or adjustments to income.

1	Enter an estimate of your 2010 itemized deductions. These include qualifying home mortgage interest, charitable contributions, state and local taxes, medical expenses in excess of 7.5% of your income, and miscellaneous deductions	1	\$ _____
2	Enter: $\left\{ \begin{array}{l} \$11,400 \text{ if married filing jointly or qualifying widow(er)} \\ \$ 8,400 \text{ if head of household} \\ \$ 5,700 \text{ if single or married filing separately} \end{array} \right\}$	2	\$ _____
3	Subtract line 2 from line 1. If zero or less, enter “-0-”	3	\$ _____
4	Enter an estimate of your 2010 adjustments to income and any additional standard deduction. (See Pub. 919)	4	\$ _____
5	Add lines 3 and 4 and enter the total. (Include any credit amounts from <i>Worksheet 6</i> in Pub. 919.)	5	\$ _____
6	Enter an estimate of your 2010 income not subject to withholding (such as dividends or interest)	6	\$ _____
7	Subtract line 6 from line 5. If zero or less, enter “-0-”	7	\$ _____
8	Divide the amount on line 7 by \$3,650 and enter the result here. Drop any fraction.	8	_____
9	Enter the number from the Personal Allowances Worksheet , line G, page 1	9	_____
10	Add lines 8 and 9 and enter the total here. If you use the Multiple Pensions/More-Than-One-Income Worksheet , also enter this total on line 1 below. Otherwise, stop here and enter this total on Form W-4P, line 2, page 1	10	_____

Multiple Pensions/More-Than-One-Income Worksheet

Note. Complete only if the instructions under line G, page 1, direct you here. This applies if you (and your spouse if married filing a joint return) have more than one source of income subject to withholding (such as more than one pension, or a pension and a job, or you have a pension and your spouse works).

1	Enter the number from line G, page 1 (or from line 10 above if you used the Deductions and Adjustments Worksheet)	1	_____
2	Find the number in Table 1 below that applies to the LOWEST paying pension or job and enter it here. However , if you are married filing jointly and the amount from the highest paying pension or job is \$65,000 or less, do not enter more than “3.”	2	_____
3	If line 1 is more than or equal to line 2, subtract line 2 from line 1. Enter the result here (if zero, enter “-0-”) and on Form W-4P, line 2, page 1. Do not use the rest of this worksheet	3	_____
Note. If line 1 is less than line 2, enter “-0-” on Form W-4P, line 2, page 1. Complete lines 4–9 below to figure the additional withholding amount necessary to avoid a year-end tax bill.			
4	Enter the number from line 2 of this worksheet	4	_____
5	Enter the number from line 1 of this worksheet	5	_____
6	Subtract line 5 from line 4.	6	_____
7	Find the amount in Table 2 below that applies to the HIGHEST paying pension or job and enter it here	7	\$ _____
8	Multiply line 7 by line 6 and enter the result here. This is the additional annual withholding needed	8	\$ _____
9	Divide line 8 by the number of pay periods remaining in 2010. For example, divide by 12 if you are paid every month and you complete this form in December 2009. Enter the result here and on Form W-4P, line 3, page 1. This is the additional amount to be withheld from each payment	9	\$ _____

Table 1

Table 2

Married Filing Jointly		All Others		Married Filing Jointly		All Others	
If wages from LOWEST paying pension or job are—	Enter on line 2 above	If wages from LOWEST paying pension or job are—	Enter on line 2 above	If wages from HIGHEST paying pension or job are—	Enter on line 7 above	If wages from HIGHEST paying pension or job are—	Enter on line 7 above
\$0 - \$7,000	0	\$0 - \$6,000	0	\$0 - \$65,000	\$550	\$0 - \$35,000	\$550
7,001 - 10,000	1	6,001 - 12,000	1	65,001 - 120,000	910	35,001 - 90,000	910
10,001 - 16,000	2	12,001 - 19,000	2	120,001 - 185,000	1,020	90,001 - 165,000	1,020
16,001 - 22,000	3	19,001 - 26,000	3	185,001 - 330,000	1,200	165,001 - 370,000	1,200
22,001 - 27,000	4	26,001 - 35,000	4	330,001 and over	1,280	370,001 and over	1,280
27,001 - 35,000	5	35,001 - 50,000	5				
35,001 - 44,000	6	50,001 - 65,000	6				
44,001 - 50,000	7	65,001 - 80,000	7				
50,001 - 55,000	8	80,001 - 90,000	8				
55,001 - 65,000	9	90,001 - 120,000	9				
65,001 - 72,000	10	120,001 and over	10				
72,001 - 85,000	11						
85,001 - 105,000	12						
105,001 - 115,000	13						
115,001 - 130,000	14						
130,001 and over	15						

Additional Instructions

Section references are to the Internal Revenue Code.

When should I complete the form? Complete Form W-4P and give it to the payer as soon as possible. Get Pub. 919, *How Do I Adjust My Tax Withholding*, to see how the dollar amount you are having withheld compares to your projected total federal income tax for 2010. You may also use the IRS Withholding Calculator on the IRS website at www.irs.gov/individuals for help in determining how many withholding allowances to claim on your Form W-4P.

Multiple pensions/more than one income. To figure the number of allowances that you may claim, combine allowances and income subject to withholding from all sources on one worksheet. You may file a Form W-4P with each pension payer, but do not claim the same allowances more than once. Your withholding usually will be most accurate when all allowances are claimed on the Form W-4P for the highest source of income subject to withholding and zero allowances are claimed on the others.

Other income. If you have a large amount of income from other sources not subject to withholding (such as interest, dividends, or capital gains), consider making estimated tax payments using Form 1040-ES, *Estimated Tax for Individuals*. Call 1-800-TAX-FORM (1-800-829-3676) to get Form 1040-ES and Pub. 505, *Tax Withholding and Estimated Tax*. You can also get forms and publications from the IRS website at www.irs.gov.

If you have income from wages, see Pub. 919 to find out if you should adjust your withholding on Form W-4 or Form W-4P.

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

Withholding From Pensions and Annuities

Generally, federal income tax withholding applies to the taxable part of payments made from pension, profit-sharing, stock bonus, annuity, and certain deferred compensation plans; from individual retirement arrangements (IRAs); and from commercial annuities. The method and rate of withholding depends on (a) the kind of payment you receive, (b) whether the payments are delivered outside the United States or its commonwealths and possessions, and (c) whether the recipient is a nonresident alien individual, a nonresident alien beneficiary, or a foreign estate. Qualified distributions from a Roth IRA are nontaxable and, therefore, not subject to withholding. See page 4 for special withholding rules that apply to payments outside the United States and payments to foreign persons.

Because your tax situation may change from year to year, you may want to refigure your withholding each year. You can change the amount to be withheld by using lines 2 and 3 of Form W-4P.

Choosing not to have income tax withheld. You (or in the event of death, your beneficiary or estate) can choose not to have federal income tax withheld from your payments by using line 1 of Form W-4P. For an estate, the election to have no income tax withheld may be made by the executor or personal representative of the decedent. Enter the estate's employer identification number (EIN) in the area reserved for "Your social security number" on Form W-4P.

You may not make this choice for eligible rollover distributions. See *Eligible rollover distribution—20% withholding* on page 4.

Caution. There are penalties for not paying enough federal income tax during the year, either through withholding or estimated tax payments. New retirees, especially, should see Pub. 505. It explains your estimated tax requirements and describes penalties in detail. You may be able to avoid quarterly estimated tax payments by having enough tax withheld from your pension or annuity using Form W-4P.

Periodic payments. Withholding from periodic payments of a pension or annuity is figured in the same manner as withholding from wages. Periodic payments are made in installments at regular intervals over a period of more than 1 year. They may be paid annually, quarterly, monthly, etc.

If you want federal income tax to be withheld, you must designate the number of withholding allowances on line 2 of Form W-4P and indicate your marital status by checking the appropriate box. Under current law, you cannot designate a specific dollar amount to be withheld. However, you can designate an additional amount to be withheld on line 3.

If you do not want any federal income tax withheld from your periodic payments, check the box on line 1 of Form W-4P and submit the form to your payer. However, see *Payments to Foreign Persons and Payments Outside the United States* on page 4.

Caution. If you do not submit Form W-4P to your payer, the payer must withhold on periodic payments as if you are married claiming three withholding allowances. Generally, this means that tax will be withheld if your pension or annuity is at least \$2,080 a month.

If you submit a Form W-4P that does not contain your correct taxpayer identification number (TIN), the payer must withhold as if you are single claiming zero withholding allowances even if you choose not to have federal income tax withheld.

There are some kinds of periodic payments for which you cannot use Form W-4P because they are already defined as wages subject to federal income tax withholding. These payments include retirement pay for service in the U.S. Armed Forces and payments from certain nonqualified deferred compensation plans and deferred compensation plans of exempt organizations described in section 457. Your payer should be able to tell you whether Form W-4P applies.

For periodic payments, your Form W-4P stays in effect until you change or revoke it. Your payer must notify you each year of your right to choose not to have federal income tax withheld (if permitted) or to change your choice.

Nonperiodic payments—10% withholding. Your payer must withhold at a flat 10% rate from nonperiodic payments (but see *Eligible rollover distribution—20% withholding* on page 4) unless you choose not to have federal income tax withheld. Distributions from an IRA that are payable on demand are treated as nonperiodic payments. You can choose not to have federal income tax withheld from a nonperiodic payment (if permitted) by submitting Form W-4P (containing your correct TIN) to your payer and checking the box on line 1. Generally, your choice not to have federal income tax withheld will apply to any later payment from the same plan. You cannot use line 2 for nonperiodic payments. But you may use line 3 to specify an additional amount that you want withheld.

Caution. If you submit a Form W-4P that does not contain your correct TIN, the payer cannot honor your request not to have income tax withheld and must withhold 10% of the payment for federal income tax.

Eligible rollover distribution—20% withholding.

Distributions you receive from qualified pension or annuity plans (for example, 401(k) pension plans, and section 457(b) plans maintained by a governmental employer) or tax-sheltered annuities that are eligible to be rolled over tax free to an IRA or qualified plan are subject to a flat 20% federal withholding rate. The 20% withholding rate is required, and you cannot choose not to have income tax withheld from eligible rollover distributions. Do not give Form W-4P to your payer unless you want an additional amount withheld. Then, complete line 3 of Form W-4P and submit the form to your payer.

Note. The payer will not withhold federal income tax if the entire distribution is transferred by the plan administrator in a direct rollover to a traditional IRA, qualified pension plan, governmental section 457(b) plan (if allowed by the plan), section 403(b) contract, or tax-sheltered annuity.

Distributions that are (a) required by law, (b) one of a specified series of equal payments, or (c) qualifying "hardship" distributions are **not** "eligible rollover distributions" and are not subject to the mandatory 20% federal income tax withholding. See Pub. 505 for details. See also *Nonperiodic payments—10% withholding* on page 3.

Changing Your "No Withholding" Choice

Periodic payments. If you previously chose not to have federal income tax withheld and you now want withholding, complete another Form W-4P and submit it to your payer. If you want federal income tax withheld at the rate set by law (married with three allowances), write "Revoked" next to the checkbox on line 1 of the form. If you want tax withheld at any different rate, complete line 2 on the form.

Nonperiodic payments. If you previously chose not to have federal income tax withheld and you now want withholding, write "Revoked" next to the checkbox on line 1 and submit Form W-4P to your payer.

Payments to Foreign Persons and Payments Outside the United States

Unless you are a nonresident alien, withholding (in the manner described above) is required on any periodic or nonperiodic payments that are delivered to you outside the United States or its possessions. You cannot choose not to have federal income tax withheld on line 1 of Form W-4P. See Pub. 505 for details.

In the absence of a tax treaty exemption, nonresident aliens, nonresident alien beneficiaries, and foreign estates generally are subject to a 30% federal withholding tax under section 1441 on the taxable portion of a periodic or nonperiodic pension or annuity payment that is from U.S. sources. However, most tax treaties provide that private pensions and annuities are exempt from withholding and tax. Also, payments from certain pension plans are exempt from withholding even if no tax treaty applies. See Pub. 515, *Withholding of Tax on Nonresident Aliens and Foreign Entities*, and Pub. 519, *U.S. Tax Guide for Aliens*, for details. A foreign person should submit Form W-8BEN, *Certificate of Foreign Status of Beneficial Owner for United States Tax Withholding*, to the payer before receiving any payments. The Form W-8BEN must contain the foreign person's TIN.

Statement of Federal Income Tax Withheld From Your Pension or Annuity

By January 31 of next year, your payer will furnish a statement to you on Form 1099-R, *Distributions From Pensions, Annuities, Retirement or Profit-Sharing Plans, IRAs, Insurance Contracts, etc.*, showing the total amount of your pension or annuity payments and the total federal income tax withheld during the year. If you are a foreign person who has provided your payer with Form W-8BEN, your payer instead will furnish a statement to you on Form 1042-S, *Foreign Person's U.S. Source Income Subject to Withholding*, by March 15 of next year.

Privacy Act and Paperwork Reduction Act Notice

We ask for the information on this form to carry out the Internal Revenue laws of the United States. You are required to provide this information only if you want to (a) request federal income tax withholding from periodic pension or annuity payments based on your withholding allowances and marital status, (b) request additional federal income tax withholding from your pension or annuity, (c) choose not to have federal income tax withheld, when permitted, or (d) change or revoke a previous Form W-4P. To do any of the aforementioned, you are required by sections 3405(e) and 6109 and their regulations to provide the information requested on this form. Failure to provide this information may result in inaccurate withholding on your payment(s). Providing false or fraudulent information may subject you to penalties.

Routine uses of this information include giving it to the Department of Justice for civil and criminal litigation, and to cities, states, the District of Columbia, and U.S. commonwealths and possessions for use in administering their tax laws. We may also disclose this information to other countries under a tax treaty, to federal and state agencies to enforce federal nontax criminal laws, or to federal law enforcement and intelligence agencies to combat terrorism.

You are not required to provide the information requested on a form that is subject to the Paperwork Reduction Act unless the form displays a valid OMB control number. Books or records relating to a form or its instructions must be retained as long as their contents may become material in the administration of any Internal Revenue law. Generally, tax returns and return information are confidential, as required by section 6103.

The average time and expenses required to complete and file this form will vary depending on individual circumstances. For estimated averages, see the instructions for your income tax return.

If you have suggestions for making this form simpler, we would be happy to hear from you. See the instructions for your income tax return.

Withholding Certificate for Pension or Annuity Payments

Type or Print Your Full Name	Your Social Security Number
Home Address (Number and Street or Rural Route)	Claim or Identification Number (if any) of Your Pension or Annuity Contract
City or Town, State and ZIP Code	

Complete the following applicable lines:

1. I elect not to have income tax withheld from my pension or annuity. (Do not complete lines 2, 3, or 4.)
2. I want my withholding from each pension or annuity payment to be figured using the number of allowances and marital status shown below:
 - a. Number of allowances you are claiming from the Regular Withholding Allowances Worksheet A 1 _____
 - b. Number of allowances from the Estimated Deductions Worksheet B..... 2 _____

SINGLE or MARRIED (with two or more incomes) MARRIED (one income) HEAD OF HOUSEHOLD
3. I want the following **additional** amount withheld from each pension or annuity payment. **Note:** You cannot enter an amount here without entering the number (including zero) of allowances on line 2 above ▶ \$ _____
4. I want this designated amount withheld from each pension or annuity payment. (Do not complete lines 1, 2, or 3.) ▶ \$ _____

Your Signature ▶ _____ Date ▶ _____

----- Cut Here -----

Give the top part of this form to the payer of your pension or annuity; keep the lower part for your records

Purpose of Form. — Unless you elect otherwise, the law requires that personal income tax be withheld from payments of pensions and annuities. The marital status and the withholding allowance claimed on your W-4P can be used to figure your State tax withholding.

The DE 4P allows you to:

- (1) Claim a different number of allowances for California personal income tax withholding than for Federal income tax withholding.
- (2) Elect not to have income tax withheld from your periodic, or nonperiodic, pension or annuity payments.
- (3) Elect to have income tax withheld on periodic or nonperiodic payments based on:
 - (a) the number of allowances and marital status specified.
 - (b) a designated dollar amount.
- (4) Change or revoke the DE 4P previously filed.

Withholding from Pensions and Annuities. — Generally, withholding applies to payments made from pension, profit-sharing, stock bonus, annuity, and certain deferred compensation plans, from individual retirement arrangements (IRA), and from commercial annuities. Withholding also applies to property other than cash distributed.

In compliance with Federal law, California income tax is not to be withheld from pension recipients who reside outside of California.

Periodic and nonperiodic payments from all of the items above are treated as wages for the purpose of withholding.

A periodic payment is one that is includible in your income for tax purposes and that you receive in installments at regular intervals over a period of more than one full year from the starting date of the pension or annuity. The intervals can be annual, quarterly, monthly, etc. For example, if you receive a monthly pension or annuity payment and will continue to receive payments for more than a year, the payments are periodic. However, distributions from an IRA that are payable upon demand are treated as nonperiodic payments.

There are some kinds of periodic and nonperiodic payments for which you cannot use the DE 4P since they are already defined as wages subject to income tax withholding. Your payer should be able to tell you whether the DE 4P will apply.

Your certificate is usually effective 30 days after you file the form. The certificate stays in effect until you change or revoke it.

Methods of Withholding. — The payer can use one of the following three methods:

- (1) An amount determined by using the State wage withholding table. Payee completes lines 2 and 3 above.
- (2) A dollar amount that you designate. Payee completes line 4 above.
- (3) Ten percent of the amount of federal withholding computed pursuant to Section 3405 of the Internal Revenue Code. Payee completes line 4 above.

Completing the Form. — Fill in your name, address, social security number, and the identification number (if any) of the pension or annuity.

Line 1, Exemption from Withholding. — Check this box if you do not want any tax withheld from your payment. You do not have to give a reason for claiming the exemption from withholding.

Caution: Remember that there are penalties for not paying enough tax during the year, either through withholding or estimated tax payments. You may be able to avoid paying quarterly estimated tax to the Franchise Tax Board by having enough tax withheld from your pension or annuity using the DE 4P.

Revoking the Exemption from Withholding. — If you want to revoke your previously filed exemption from withholding for periodic and nonperiodic payments, file another DE 4P completing lines 1, 2, 3, or 4.

Line 2, Withholding Based on Specified Withholding Allowances. — If you want withholding to be based on a specified number of allowances, write the number on this line and check the filing status box you want. The worksheets accompanying this form may be used to figure your withholding allowance.

Line 3, Multiple Pensions/More than One Income. — Indicate additional amount to be withheld from each payment. You may use Worksheet C, accompanying this form, to determine the additional amount.

Line 4, Withholding a Designated Dollar Amount. — Indicate dollar amount you want withheld on this line (in lieu of claiming withholding allowances).

WORKSHEET C

TAX WITHHOLDING AND ESTIMATED TAX

1. Enter estimate of total wages for tax year 2010 1. _____
2. Enter estimate of nonwage income (line 6 of Worksheet B) 2. _____
3. Add line 1 and line 2. Enter sum 3. _____
4. Enter itemized deductions or standard deduction (line 1 or 2 of Worksheet B, whichever is largest) 4. _____
5. Enter adjustments to income (line 4 of Worksheet B) 5. _____
6. Add line 4 and line 5. Enter sum 6. _____
7. Subtract line 6 from line 3. Enter difference 7. _____
8. Figure your tax liability for the amount on line 7 by using the 2010 tax rate tables shown below..... 8. _____
9. Enter personal exemptions (line F of Worksheet A x \$107.80) 9. _____
10. Subtract line 9 from line 8. Enter difference 10. _____
11. Enter any tax credits. (See FTB Form 540) 11. _____
12. Subtract line 11 from line 10. Enter difference. This is your total tax liability 12. _____
13. Calculate the tax withheld and estimated to be withheld during 2010. Contact your payer to request the amount that will be withheld on your pension based on the marital status and number of withholding allowances you will claim for 2010. Multiply the estimated amount to be withheld by the number of pay periods left in the year. Add the total to the amount already withheld for 2010 13. _____
14. Subtract line 13 from line 12. Enter difference. If this is less than zero, you do not need to have additional taxes withheld 14. _____
15. Divide line 14 by the number of pay periods remaining in the year. Enter this figure on line 3 of the DE 4P 15. _____

NOTE: Your employer is not required to withhold the additional amount requested on line 3 of your DE 4P. If your employer does not agree to withhold the additional amount, you may increase your withholdings as much as possible by using the "single" status with "zero" allowances. If the amount withheld still results in an underpayment of State income taxes, you may need to file quarterly estimates on Form 540ES with the Franchise Tax Board to avoid a penalty.

THESE TABLES ARE FOR CALCULATING WORKSHEET C AND FOR 2010 ONLY

SINGLE OR MARRIED WITH DUAL EMPLOYERS				
IF THE TAXABLE INCOME IS		COMPUTED TAX IS		
OVER	BUT NOT OVER	OF AMOUNT OVER ...		PLUS*
\$0	\$7,060	1.375%	\$0	\$0.00
\$7,060	\$16,739	2.475%	\$7,060	\$97.08
\$16,739	\$26,419	4.675%	\$16,739	\$336.64
\$26,419	\$36,675	6.875%	\$26,419	\$789.18
\$36,675	\$46,349	9.075%	\$36,675	\$1,494.28
\$46,349	\$1,000,000	10.505%	\$46,349	\$2,372.20
\$1,000,000	and over	11.605%	\$1,000,000	\$102,553.24

MARRIED FILING JOINT OR QUALIFYING WIDOW(ER) TAXPAYERS				
IF THE TAXABLE INCOME IS		COMPUTED TAX IS		
OVER	BUT NOT OVER	OF AMOUNT OVER ...		PLUS*
\$0	\$14,120	1.375%	\$0	\$0.00
\$14,120	\$33,478	2.475%	\$14,120	\$194.15
\$33,478	\$52,838	4.675%	\$33,478	\$673.26
\$52,838	\$73,350	6.875%	\$52,838	\$1,578.34
\$73,350	\$92,698	9.075%	\$73,350	\$2,988.54
\$92,698	\$1,000,000	10.505%	\$92,698	\$4,744.37
\$1,000,000	and over	11.605%	\$1,000,000	\$100,056.45

UNMARRIED HEAD OF HOUSEHOLD TAXPAYERS				
IF THE TAXABLE INCOME IS		COMPUTED TAX IS		
OVER	BUT NOT OVER	OF AMOUNT OVER ...		PLUS*
\$0	\$14,130	1.375%	\$0	\$0.00
\$14,130	\$33,479	2.475%	\$14,130	\$194.29
\$33,479	\$43,157	4.675%	\$33,479	\$673.18
\$43,157	\$53,412	6.875%	\$43,157	\$1,125.63
\$53,412	\$63,089	9.075%	\$53,412	\$1,830.66
\$63,089	\$1,000,000	10.505%	\$63,089	\$2,708.85
\$1,000,000	and over	11.605%	\$1,000,000	\$101,131.35

IF YOU NEED MORE DETAILED INFORMATION, SEE THE INSTRUCTIONS THAT CAME WITH YOUR LAST CALIFORNIA INCOME TAX RETURN OR CALL FRANCHISE TAX BOARD:
 IF YOU ARE CALLING FROM WITHIN THE UNITED STATES 1-800-852-5711 (voice)
 1-800-822-6268 (TTY)
 IF YOU ARE CALLING FROM OUTSIDE THE UNITED STATES
 (Not Toll Free) (916) 845-6500

* marginal tax

DE 4P information is collected for purposes of administering the Personal Income Tax law and under the Authority of Title 22 of the California Code of Regulations and the Revenue and Taxation Code, including Section 18624. The Information Practices Act of 1977 requires that individuals be notified of how information they provide may be used. Further information is contained in the instructions that came with your last California income tax return.

Example for Worksheet C for the Year 2010

Payee estimates income from his or her pension to be \$1,500 a month and is claiming the standard deduction and single with one withholding allowance.

1. Estimate annualized income (\$1,500 a month x 12 months). Enter on line 1.	1.	\$ 18,000.00
2. Estimated nonwage income.	2.	\$ 8,000.00
3. Add lines 1 and 2 and enter total on line 3.	3.	\$26,000.00
4. Enter amount for single from line 2 of Worksheet B.	4.	\$ 3,637.00
5. Enter adjustments to income shown on line 4 of Worksheet B.	5.	0.00
6. Enter sum of lines 4 and 5.	6.	\$ 3,637.00
7. Subtract line 6 from line 3 and enter difference on line 7.	7.	\$22,363.00
8. Compute the tax liability for the amount on line 7.		
Use the 2010 tables for single from Worksheet C under the entry covering \$22,363 (over \$16,739 but not over \$26,419). Compute 4.675% of the amount over \$16,739 ($[\$22,363 - \$16,739] \times 0.04675 = \262.92).		
		\$262.92
Add the marginal tax amount.		<u>\$336.64</u>
Enter the total on line 13.	8.	\$ 599.56
9. Enter the amount for one personal exemption on line 9 (1 x \$107.80).	9.	\$ 107.80
10. Subtract line 9 from line 8 and enter the difference on line 10.	10.	\$ 491.76
11. Enter any tax credits that will be allowed for 2010 (see FTB Form 540).	11.	0.00
12. Subtract line 11 from line 10 and enter the difference on line 12.	12.	\$ 491.76
13. Calculate the tax withheld and estimated to be withheld during 2010. Withholding on the pension of \$1,500 a month claiming single with one withholding allowance based on the California withholding schedule for 2010 is $\$15.42 \times 12 = \185.04 . Enter that amount on line 13.	13.	\$ 185.04
14. Subtract line 13 from line 12. Enter difference on line 14.	14.	\$ 306.72
15. Divide line 14 by the number of pay periods remaining in the year. ($\$306.72 \div 12 = \25.56)	15.	<u>\$ 25.56</u>

Enter \$25.56 on line 3 of the DE 4P.

U.A. LOCAL NO. 467 DEFINED CONTRIBUTION PENSION PLAN

NOTICE TO PARTICIPANTS AND BENEFICIARIES CONCERNING
ELIGIBLE ROLLOVER DISTRIBUTIONS AND ELECTION FORM

PLEASE READ THIS NOTICE AND THEN COMPLETE THE ELECTION FORM.

NAME: _____ SSN: _____

The U.A. Local No. 467 Defined Contribution Pension Plan provides that you are allowed to transfer all or part of an "eligible rollover distribution" directly from the Plan to an eligible employer plan or union pension plan or a traditional individual retirement arrangement ("IRA"). If you have received this form, you are about to receive one or more "eligible rollover distributions" described below. This notice and election form explains the Plan rules for electing to have your distribution(s) rolled over. Please also read the attached Notice Regarding Plan Payments and Rollovers.

An "eligible rollover distribution" generally means any distribution over \$200, or monthly payments totaling over \$200 in a single year which are paid out over a period shorter than ten years. Under the Defined Contribution Pension Plan, the only eligible rollover distributions are: 1) lump sum distributions, and 2) installment payments for a fixed period of less than ten years.

If you elect to have an eligible distribution rolled over directly, your entire distribution (or the portion you designate, if at least \$500) will be paid to the trustee(s) for the transferee plan or traditional IRA. You may not roll your distribution over to a Roth IRA, a SIMPLE IRA, or a Coverdell Education Savings Account. If you do not elect to roll your distribution over directly, your distribution will be paid directly to you, less a mandatory 20% withholding of federal income tax, and any optional withholding of state taxes that you elect.

To elect to have your distribution(s) rolled over, you must complete this form and return it to the Administration Office promptly. If you do not return this form to the Administration Office in a timely fashion, you will be deemed to have elected to have your distribution(s) made directly to you. PLEASE NOTE: If you will be receiving a series of eligible rollover distributions, this election will apply to the entire series. However, you are free to change your election for all future distributions by submitting a new election form.

TO BE COMPLETED BY ADMINISTRATION OFFICE:

You are about to receive the following eligible rollover distribution(s)
(check one):

- a lump sum distribution in the amount of \$ _____.
- monthly installment payments of \$ _____ for _____ months.

RECIPIENT'S STATEMENT AND ROLLOVER ELECTION

TO BE COMPLETED BY PARTICIPANT OR BENEFICIARY:

Check one:

- I hereby elect to have the distribution(s) paid directly to me.
[If you make this election, sign below and do not complete the rest of this form].
- I hereby elect to have the following amount of the distribution(s) rolled directly over to an eligible employer plan or to a traditional IRA (check one):
 - All
 - Portion of distribution: _____
(Must be \$500 or more)

I hereby affirm that the recipient of the direct rollover(s) that I have requested is a trustee of an eligible employer plan or union pension plan or a traditional IRA. The name and address of the person or institution to whom the direct rollover(s) should be made is:

Name of Trustee: _____

Name of Account: _____

Account Number: _____

Name of Bank
or Institution _____

Address to which
Payment to be sent: _____

Preferred type
of transfer method: _____

Signature _____ Date _____

**U. A. LOCAL NO. 467 PENSION TRUST FUND
NOTICE REGARDING PLAN PAYMENTS AND ROLLOVERS**

This notice explains how you can continue to defer federal income tax on your retirement savings in the retirement plans administered by the U. A. Local No. 467 Pension Trust Fund (the "Plans") and contains other important information you will need before you decide how to receive your Plan benefits.

GENERAL INFORMATION ABOUT "ROLLOVERS"

This notice is required by the IRS to be provided to you by the Board of Trustees of the U. A. Local No. 467 Pension Trust Fund (your "Plan Administrator") because all or part of the payment(s) that you will soon receive from the Plan may be eligible for rollover. A rollover is a payment by you or the Plan Administrator of all or part of your benefit to another plan or traditional IRA. If you roll your payment(s) over, you may continue to postpone taxation of those funds until they are paid to you.

The types of plans into which you may legally roll your benefits over are called "eligible employer plans:" 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). The only type of IRA into which you may roll your benefits is a traditional IRA. 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).

Please also note the following general rules about rollovers:

- (1) 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 this is the case, you may wish instead to roll your distribution over to a traditional IRA or split your rollover amount between the employer plan in which you will participate and a traditional IRA.
- (2) Special note if you are between the ages of 55 and 59½ and you are receiving a lump sum from the Defined Contribution Plan: If you are planning to take distributions from an IRA before age 59½, you may be liable for an extra 12½% in taxes that would not apply if you get those distributions from the Plan. See the section below entitled *Taxes on Distributions PAID TO YOU* for more information. If this applies to you, you may want to consider retaining some of your Plan account and receiving the distributions from the Plan.
- (3) 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 administration office at United Administrative Services, 1120 S. Bascom Avenue, San Jose, CA 95128 (P.O. Box 5057, San Jose, CA 95150-5057), Telephone: (408) 279-3131.

SUMMARY

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

(1) **DIRECT ROLLOVER:** 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 your benefit; or

(2) **PAID TO YOU:** The payment can be paid directly to you (or to your bank account upon filling out a direct deposit request which shows that your bank account is your own or a joint account with your spouse only).

(1) 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.

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

- You will receive only 80% of the taxable amount of the payment, because the Plan Administrator is required to withhold 20% 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, or age 55 and separation from Plumbing and Pipefitting Industry service, you may have to pay an additional 10% federal tax and a 2½% California 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% of the payment to a traditional IRA or an eligible employer plan, you must find other money to replace the 20% of the taxable portion that was withheld. If you roll over only the 80% that you received, you will be taxed on the 20% that was withheld and that is not rolled over.

ROLLOVER ELECTION PROCEDURES: 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, for a one-time distribution, 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. If you received a check with this Notice, cashing the check is deemed to be an affirmative election to have your distribution PAID TO YOU, and a waiver of the 30-day notice period, in which case no further processing is required. If you are receiving a series of distributions which may be rolled over, you have 30 days to make your election for the first distribution, and the remaining distributions will be made according to your election. However, you may change your election for future distributions by submitting a new election form.

MORE INFORMATION: See below for detailed information about the following topics:

- I. Payments that Can and Cannot be Rolled Over**
- II. Direct Rollovers**
- III. Payment Paid to You**
- IV. Surviving Spouses, Alternate Payees, and Other Beneficiaries**

I . PAYMENTS THAT MAY OR MAY NOT LEGALLY 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:

(1) 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.

(2) **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 5% or more of your employer.

(3) **Hardship Distributions.** A hardship distribution cannot be rolled over.

(4) **Corrective Distributions.** A distribution that is made to correct a failed nondiscrimination test or because legal limits on certain contributions were exceeded cannot be rolled over.

(5) **Loans Treated as Distributions.** The amount of a plan loan that becomes a taxable deemed distribution because of a default cannot be rolled over. However, if loan repayments are waived because you become eligible for, and apply for a distribution which includes the loan (“ a loan offset”), the waived repayment amount is eligible for rollover, as discussed in Part III below. Ask the Plan Administrator of this Plan if distribution of your loan qualifies for rollover treatment.

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

II. DIRECT ROLLOVERS

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, subject to certain Plan rules. 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 plan. In addition, no income tax withholding is required for any taxable portion of your Plan benefits for which you choose a **DIRECT ROLLOVER**. This Plan might not let you choose a **DIRECT ROLLOVER** if your distributions for the year are less than \$200.

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 a 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).

Please note the following rules concerning DIRECT ROLLOVERS to Traditional IRAs:

1. After your benefits are transferred to an IRA, subsequent distributions from the IRA are subject to taxes for premature distributions, if you are under age 59½, just like benefits PAID TO YOU by the Plan (discussed below), with one exception. Benefits PAID TO YOU by the Plan between ages 55 and 59½ after separation from service ARE NOT subject to those taxes, while benefits PAID TO YOU from your IRA are. If you are under age 59½, before you roll your benefits into an IRA, you should consider whether you will want to take funds out of your IRA before then.
2. You may only elect a rollover to an eligible employer plan later if there are no funds in the IRA except funds from eligible employer plans. If you believe you may ever want to roll your Plan distribution from an IRA into an eligible employer plan, do not put Plan distributions and funds from other sources into the same IRA.

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 to 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% 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% 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 may 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% 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, 10% 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.

Rollovers After a Distribution is PAID TO YOU

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% of your payment that can be rolled over under Part I above, including an amount equal to the 20% of the taxable portion that was withheld. If you choose to roll over 100%, 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% that was withheld. On the other hand, if you roll over only the 80% of the taxable portion that you received, you will be taxed on the 20% 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.)

Taxes on Distributions PAID TO YOU

Additional 12½% 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 additional taxes on a “premature distribution from a qualified pension plan.” These taxes are an extra federal tax equal to 10% of the taxable portion of the payment, and if you reside in California when the distribution is issued, an extra state tax equal to 2.5% of the taxable portion of the payment. The additional tax generally does not apply to the following benefits:

- (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 retired 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; or
- (5) payments that are paid to an alternate payee under a qualified domestic relations order.

See IRS Form 5329 for more information on the additional 10% federal tax.

Special Tax Treatment If You Were Born before January 1, 1936.

If you receive a payment 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 (or, in the case of a self-employed individual, after you have reached age 59½ or have become disabled). 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 for 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%.

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 or from 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.

Special Rules for Plan Loans When You Are Eligible for Distributions

If you are eligible for, and apply for, a distribution from the Plan, when you have an outstanding loan from your Plan, you may elect to waive the repayment of the loan and have it treated like a distribution (“a plan loan offset”). This has the effect of reducing your balance in the Plan by the amount of the loan you have not repaid. The amount of your loan offset which is treated as a distribution to you at the time of the offset will be taxed unless you roll over an amount equal to the amount of your loan offset to another qualified employer plan or a traditional IRA within 60 days of the date of the offset. If the amount of your loan offset is the only amount you receive or are treated as having received, no amount will be withheld from it. If you receive other payments of cash or property from the Plan, the 20% withholding amount will be based on the entire amount paid to you, including the amount of the loan offset. The amount withheld will be limited to the amount of other cash or property paid to you. The amount of a defaulted plan loan that is a taxable deemed distribution cannot be rolled over.

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 taxes 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 primarily 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 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 your local IRS office, on the IRS's Internet Web Site at www.irs.gov, or by calling 1-800-TAX-FORMS.