

Account Number
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## Premiere Select® Retirement Plan Periodic Distribution Request

Use this form to establish, change, or delete a periodic distribution plan for your **Premiere Select Defined Contribution Retirement Plan participant or Beneficiary Distribution Account** (collectively, "Account"). Type on screen or fill in using CAPITAL letters and black ink. Read the attached Customer Instructions and Terms and Conditions before completing this form. You should also confirm that your Broker-Dealer has your most current address prior to submission so that we can withhold appropriate taxes. See the General Instructions and the Marginal Rate Tables contained in the IRS Form W-4R at <https://www.irs.gov/forms-pubs/about-form-w-4r> for additional information. To update your address, contact your investment representative.

### 1. Plan Participant or Beneficiary

Provide all information requested.	Participant or Beneficiary First Name	Middle Name	Last Name
	Plan Name		
	Plan Administrator		

- Profit Sharing Plan       Money Purchase Plan

#### Participant Marital Status

- Check this box if the participant is married. Refer to Section 6 for the spousal signature requirements.

### 2. Distribution Request

#### Type of Request

- Check one.  Establish a new distribution plan
- Fill out ONLY sections with changes.  Change an existing distribution plan
- Skip to Section 4.  Delete an existing distribution plan

Plan ID
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Plan ID
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If you have multiple plans and are changing or deleting an existing plan, include the plan ID number. Obtain the plan ID number from your investment representative.

#### Reason for Distribution

- Check one.  Attainment of age 59½
- Plan termination
- Death of participant For Beneficiary Distribution Accounts only
- Termination of employment or service
- Disability As defined by the Premiere Select Defined Contribution Retirement Plan Basic Plan Document No. 04

continued on next page



## 2. Distribution Request *continued*

### Periodic Distribution Instructions

Check one option (A through D), then provide any required information.

**A.** Fixed amount per period:

Amount
\$ _____ . _____

**B.** Fixed Period Plan – deplete the entire balance over:

No. of Years
_____

If you select C, you must choose Single or Another individual's life expectancy.

**C.** Life expectancy distribution from a Premiere Select Retirement Plan – Beneficiary Distribution Account

- Single life expectancy of account owner
- Another individual's life expectancy whose date of birth is:

Date of Birth MM DD YYYY
_____

This is optional. ▶

- Include last year's 12/31 market value of an outstanding rollover, transfer, or recharacterization amount:

Amount
\$ _____ . _____

**D.** Required minimum distribution (RMD) *Not available to Premiere Select Retirement Plan – Beneficiary Distribution Accounts.*

If you select D, these are optional. ▶

- Recalculation due to change in beneficiary
- Spousal exception
- Include last year's 12/31 market value of an outstanding rollover, transfer, or recharacterization amount:

Amount
\$ _____ . _____

**First-Year RMD** *Optional. Only applies if you selected Option D as your Periodic Distribution Instructions.*

- Defer last year's RMD until Jan 1–April 1 of this year
- Defer this year's RMD until Jan 1–April 1 of next year

Complete if deferring your First-Year RMD. ▶

Calculate and distribute first-year RMD on

Date MM DD YYYY (Jan 1 – Apr 1 ONLY)
_____

### Frequency of Periodic Distribution Payments

Check one. If Payment Frequency is not selected, payments will be made annually based on the Month and Year of First Withdrawal provided.

- Annually *Default if no choice indicated.*
- Monthly
- In the selected months of:

- Jan    Feb    Mar    Apr    May    Jun
- Jul    Aug    Sep    Oct    Nov    Dec

If Payment Frequency and Month and Year of First Withdrawal are not provided, payments will be made annually in December.

Day of Month Each Withdrawal Will Occur:

Day DD
_____

All subsequent payments will be made on this day of the month. If you do not provide a day of the month, payments will be made on the 5th of the month.

Month and Year of First Withdrawal:

Month/Year MM YYYY
_____

*continued on next page*

## 2. Distribution Request *continued*

**Funding for the Periodic Distribution Requested** *Payments will be made by liquidating from the selection.*

Check one and provide any required information.

- A.** Core account ONLY
- B.** Core account AND all your money market mutual funds and other mutual funds proportionately
- C.** Money market mutual funds and/or other mutual funds in the proportions noted below:

Use whole number ► percentages only.

Fund Name	CUSIP or Fund Symbol	Percentage
		.0%
		.0%
		.0%

**TOTAL** Must add up to 100% .0%

**Contingent Funding Options** *Optional Selection. Will be used ONLY if main funding source has insufficient funds.*

- Check one.  **A.** Any money market mutual fund position
- B.** Any money market mutual fund and then other mutual fund positions

## 3. Payment Method *Choose one. Refer to instructions for default provisions if choices in this section are left blank.*

Check one and provide additional details, as applicable, in this section.

- A.** Intra-Bank Payment (IBP)  **C.** Electronic Funds Transfer (EFT)
- B.** Check Distribution  **D.** Distribution to a Nonretirement Account (via Journal)

**A. Intra-Bank Payment (IBP)** *Bank-affiliated Broker-Dealer only.*

You must have standing instructions on file.

- Deposit directly to your bank account via IBP *Check with your investment representative to confirm if this is available to you.*

**B. Check Distribution** *Choose 1st Party Check or 3rd Party Check and provide additional details as applicable.*

- 1st Party Check *Paid and mailed to name and mailing address on record.*

- Use standing instructions on file

Line Number
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*If you have multiple standing instructions, obtain the line number from your investment representative.*

- 3rd Party Check *Paid and/or mailed to an alternate name(s) and/or address.*

- Check one. ►  Use standing instructions on file

Line Number
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*If you have multiple standing instructions, obtain the line number from your investment representative.*

**OR**

- Alternate Instructions *Not applicable when using standing instructions.*

Avoid any account number or SSN that compromises a customer's identity. If needed, use the Memo and Check Stub Information fields.

Payee		
Attention <i>maximum 32 characters total, including "Attn:"</i>	<b>OR</b>	Care of <i>maximum 32 characters total, including "C/O"</i>
Attn:		C/O
Address		
City	State/Province	Zip/Postal Code

### 3. Payment Method *continued*

#### C. Electronic Funds Transfer (EFT) *Choose 1st Party EFT or 3rd Party EFT and provide additional details as applicable.*

When using EFT, allow 2–3 business days after the date the distribution is processed for funds to reach your bank or credit union.

- Check one.  1st Party EFT *The IRA owner is an owner of the bank account.*  
**To transfer funds via 1st Party EFT, you MUST have EFT standing instructions on your account.**

Line Number									

*If you have multiple standing instructions, obtain the line number from your investment representative.*

- 3rd Party EFT *The bank account is owned by someone other than the IRA owner. This option can only be used for disbursements.*

Line Number									

*If you have multiple standing instructions, obtain the line number from your investment representative.*

#### D. Distribution to a Nonretirement Account (via Journal)

- Distribute to the following account:

Account Number									

### 4. Tax Withholding Elections

Complete this section only if the account owner is a U.S. person (including a U.S. resident alien). The tax withholding elections below will apply to each payment in the series until changes to elections are made in writing. Changes to your tax elections for subsequent distributions can be made by completing a Premiere Select Retirement Plan Periodic Distribution Request and submitting it to your investment representative. **See "Tax Withholding — Retirement Plan Withdrawals" at the end of this form.**

**Note:** Combined percentage cannot exceed 99%.

#### Federal

- Check one in each column.  
*The state of residence in the legal address on this Account will determine the state income tax withholding requirements for your distributions.*
- Do NOT withhold federal taxes
- Withhold federal taxes at the rate of:

Percentage	
	.0%

*Maximum 99% if the distributions are not rollover eligible. Minimum 20%, maximum 99% if the distributions are rollover eligible. Whole numbers, no dollar amounts or decimals.*

#### State

- Do NOT withhold state taxes unless required by law
- Withhold state taxes at the minimum rate
- Withhold state taxes at the rate of:

Percentage	
	.0%

*Maximum 99%. Whole numbers, no dollar amounts or decimals. If the percentage rate entered is less than your state's minimum withholding requirements, your state's minimum will be withheld.*

#### For Connecticut residents:

- Connecticut requires withholding on distributions from retirement accounts. If you are exempt from state tax, you have the option to elect out of tax withholding.
- You confirm that your state tax withholding election is true, complete, and correct.

## 5. Signatures and Dates *Form cannot be processed without signatures and dates.*

By signing below, you:

- Certify that you have carefully read, fully understand, and agree to comply with, the **Customer Instructions and Terms and Conditions**, including the **Notice of Withholding** attached to this **Premiere Select Retirement Plan Periodic Distribution Request**.
- Certify that the information supplied on this form is complete and accurate.
- Certify that you understand the reason for distribution options applicable to you (or to the Account beneficiary or beneficiaries) a you have requested a reason for distribution option that is consistent with your status (or the Account beneficiary's status, if applicable).
- Acknowledge receipt of the Special Tax Notice regarding the mandatory 20% federal income tax withholding.

- Have viewed, read, and understand the IRS Instructions for Form W-4R.
- Certify that the address associated with this account is current and up to date.
- Acknowledge, if requesting distributions via EFT, that National Financial Services, LLC ("NFS") cannot verify the account registration at the receiving institution. By signing below, you and the Plan Administrator:
- Certify that this distribution plan is being made pursuant to the Premiere Select Defined Contribution Retirement Plan and Trust Agreement.
- Indemnify the Trustee of your Account and NFS and their agent(s), successors, affiliates and employees from any liability in the event that you fail to meet the IRS requirements regarding distributions from your Premiere

Select Defined Contribution Retirement Plan Account or Beneficiary Distribution Account as applicable.

### Plan Administrator Certification

By signing below, I approve the included distribution request. Additionally, I:

- Certify that I have reviewed this request and confirm it is in accordance with any applicable plan document requirements, including, but not limited to, spousal consent requirements.
- Confirm that the plan participant or beneficiary is eligible for the distribution
- Indemnify the Trustee and NFS and their agent(s), successors, affiliates, and employees from any liability for any action take or not taken in processing the distribution instructions.

Participant or Beneficiary Name <i>First, M.I., Last</i>	
Participant or Beneficiary Signature	
Date <i>MM - DD - YYYY</i>	
<b>SIGN</b>	<b>X</b>
Plan Administrator Name <i>First, M.I., Last</i>	
Plan Administrator Signature	
Date <i>MM - DD - YYYY</i>	
<b>SIGN</b>	<b>X</b>

## 6. Spousal Consent *For Participant Accounts ONLY. Notarized signature of spouse may be required. Confirm with your Plan Administrator.*

By signing below, you:

- Consent to the distributions indicated on this form.
- Acknowledge that you are giving up your right to receive a payment benefit that would otherwise be payable to you
- Understand that this withdrawal will not be repaid to the account and that this may reduce the benefit payment that would otherwise be payable to you upon your spouse's death.

Spouse Name <i>First, M.I., Last</i>	
Spouse Signature	
Date <i>MM - DD - YYYY</i>	
<b>SIGN</b>	<b>X</b>

▼ NOTARY STAMP OR SEAL ▼



# Premiere Select® Retirement Plan Periodic Distribution Request Customer Instructions and Terms and Conditions

The attached form should be used to request periodic distributions from your Premiere Select Defined Contribution Retirement Plan participant or Beneficiary Distribution Account (collectively, "Account"), to change an existing periodic distribution plan, or to delete an existing periodic distribution plan. If you wish to request periodic distributions from more than one Account, you must complete a separate form for each Account.

Please read these Customer Instructions and Terms and Conditions carefully before completing the attached form. You are responsible for complying with IRS rules governing retirement plan distributions, including required minimum distributions (RMDs). If you fail to meet any IRS requirements regulating retirement plan distributions, you may be subject to tax penalties. If you have any questions regarding your specific situation, please consult with your tax advisor.

Please read the attached Special Tax Notice for more information on the tax consequences of certain plan distributions/payments.

In general, distributions to married participants from all Money Purchase Plans and certain Profit Sharing Plans must be made in the form of a Qualified Joint and Survivor Annuity (QJSA), or if a participant dies before distributions under the Plan have begun, in the form of a Qualified Pre-Retirement Survivor Annuity (QPSA), unless the participant's spouse waives the annuity requirements in writing. Please consult your tax advisor for more information.

If this distribution is being made from an inherited Money Purchase Plan account, then the distribution options outlined below are only available if the participant elected out of the QJSA or QPSA and, if married, obtained written spousal consent to the waiver. Please contact the Plan Administrator to determine if any waivers were made. If the plan participant was unmarried, then the QJSA/QPSA requirements do not apply.

If the distribution is being made from an inherited Profit Sharing Plan account, then the QJSA/QPSA requirements do not apply if both of the following are met: (1) the plan participant elected not to receive distributions in the form of a life annuity, and (2) the plan participant's spouse takes the distribution within 90 days following the date of the participant's death.

Upon depletion of all assets in your Account, a \$125 termination fee and a final year annual maintenance fee, if applicable, as described in your Premiere Select Retirement Plan Account Application or in some other manner acceptable to the Trustee of your Account, Fidelity Management Trust Company ("Trustee"), if applicable, will be collected from the final distribution amount. If your periodic distribution plan results in an account balance that is less than the amount of any fees due, which include the termination fee and the annual maintenance fee, for a particular year, NFS may instead process a full distribution of your entire account balance and collect the applicable fees at that time. Please note that this could result in a payment amount that is less than the amount requested due to the payment of the applicable fees. In addition, your Account may be closed.

If you have any questions, please consult your Broker, Financial Advisor, or Investment Professional (investment representative).

**Write your account number in the boxes in the upper right-hand corner of the form.**

## 1. Plan Participant or Beneficiary

Please provide the name of the participant or beneficiary. Please provide the name of the Plan and Plan Administrator and indicate the plan type. If you have both a Money Purchase and a Profit Sharing Plan, you must complete a separate periodic distribution request form for each plan type.

## 2. Distribution Request

### Type of Request

If establishing/changing/deleting a periodic distribution plan, please check the appropriate box. If you are changing/deleting an existing periodic distribution plan that is one of multiple periodic distribution plans for the Account indicated on the form, please indicate the periodic distribution plan number provided by your investment representative.

### Reason for Distribution

Please indicate the reason for this distribution, choosing only one. Distributions from a Account are only permitted when a participant attains age 59½, if the plan is terminated, due to death of participant, if the Account is a Beneficiary Distribution Account, termination of employment or service, or disability as defined by the Premiere Select Defined Contribution Retirement Plan Basic Plan Document No. 04. If one of these distributable events does not occur, then the distribution cannot be processed. Distributions for any other reasons can result in plan disqualification.

If you are a participant and are under age 59½ and you request a distribution, your distribution will be taxed as ordinary income and may also be subject to a 10% early distribution penalty. Please consult your tax advisor for details.

If you wish to take death distributions from inherited Premiere Select Defined Contribution Retirement Plan assets, you must first transfer the assets to a Beneficiary Distribution Account (BDA) and then take the death distributions from the BDA.

If you wish to request a transfer pursuant to a divorce of the Premiere Select Defined Contribution Retirement Plan participant, do not complete this form. Please contact your investment representative for additional instructions.

### Periodic Distribution Instructions

Choose one of the 4 options listed.

- A. Fixed amount per period** Specify the dollar amount to be distributed each period.
- B. Fixed period** Indicate the number of years over which you wish to deplete your Account. The amount of each payment will be calculated by dividing the total Account balance by the remaining number of payments. For Participant Accounts, each payment will be calculated based on the total balance of your account up to four days before the distribution is scheduled. For BDAs, each payment will be calculated based on your prior year-end total balance.
- C. Life expectancy distribution** (For BDAs ONLY) Life expectancy distributions from a BDA are not an RMD calculation service. If you are an eligible designated beneficiary\* establishing a life expectancy periodic distribution plan to satisfy your RMD, please consult with your tax advisor to ensure that the plan you establish, including the life expectancy information you provide, is applicable to your specific situation and satisfies your RMD requirements. If you do not indicate the life expectancy to be used to calculate the distribution, your distribution will be calculated based on your single life expectancy. If you choose to have your payments based on another individual's life expectancy, you must provide that individual's date of birth. Additional paperwork may be required; please check with your investment representative.

\* An eligible designated beneficiary is a beneficiary who is the surviving spouse or minor child of the original owner or who is disabled, chronically ill, or not more than 10 years younger than the original owner.

- D. Required minimum distribution (RMD)** (NOT available to BDAs) Your RMD, including a first-year RMD that is being deferred to April 1 of this year (if applicable), will be calculated using either the uniform distribution table or the joint life expectancy table (for spousal exceptions only—see below), as applicable.

Distributions will be paid in equal installments in accordance with the payment frequency selected in the Frequency of Periodic Distribution Payments section.

**RMD Spousal Exception** You may elect the spousal exception if your sole designated beneficiary for the entire distribution calendar year is your spouse who is more than 10 years younger than you. If you elect the spousal exception, your RMD will be calculated based on your and your spouse's joint life expectancies. **Important:** If the beneficiary designation on file with NFS indicates that you do not qualify for the spousal exception, your RMD will be calculated using the uniform distribution table.

If you wish to include last year's 12/31 market value of an outstanding rollover, transfer, or recharacterization in the RMD calculation, please provide the amount.

#### Notes

- RMD calculations will only include your Participant Account indicated on the form. If you maintain more than one Participant Account and/or retirement plan accounts at other institutions, you are required to calculate and satisfy your RMD for each account separately.
- If you are establishing your periodic distribution plan mid-year, your entire RMD for the current year will be paid out evenly over the remaining number of scheduled payments in the year.
- If you would like your distribution amount adjusted for distributions already taken within the applicable distribution year, you must notify NFS in writing of the date(s) and the distribution amount(s) already taken.
- If you change your beneficiary designation at any time during the year by submitting a properly completed Premiere Select Retirement Plan Beneficiary Designation form, you must inform NFS of the change, including the impact of such change to the requested RMD calculations by submitting another properly completed Premiere Select Retirement Plan Distribution Request form and your RMD amount may increase or decrease. If you fail to instruct NFS as to the impact of any beneficiary change, subsequent distributions in your payout plan may not satisfy your RMD requirements. Consult with your tax advisor to determine how a beneficiary change may affect your RMD amount.
- With the implementation of the new Setting Every Community Up for Retirement Enhancement (SECURE) Act, effective on January 1, 2020, the rules for beneficiary distributions have changed. Please consult with your tax advisor regarding the current rules pertaining to your specific situation.

#### Frequency of Periodic Distribution Payments

Periodic distributions will not be permitted more often than once per month.

Your periodic distribution plan will be activated in accordance with your instructions after this form is received in good order by the Trustee. Please keep in mind mail and processing time when providing the

#### Month and Year of First Withdrawal

The **Month and Year of First Withdrawal** cannot be greater than one year from the date of receipt of this distribution request by the Trustee. If a **Month and Year of First Withdrawal** is not provided, payment(s) will begin on the next scheduled pay date.

If no payment frequency is provided, payment(s) will be made annually in December.

The **Day of Month Each Withdrawal Will Occur** must be the same day for each payment period. If no **Day of Month Each Withdrawal Will Occur** is provided, payment(s) will be made on the 5th day of the month(s).

Periodic distribution payments scheduled to be paid out in December may result in your distribution being processed prior to the date selected to help ensure that your distribution is processed prior to year end.

Periodic distribution payments scheduled to be paid out in early January may be delayed if year-end balance recalculations are required in computing the payment amount.

#### Funding for the Periodic Distribution Requested

Your periodic distribution payments will be made based on the funding instructions you provide in this section of the form. If you do not select either option A, B, or C, then payments will be made by liquidating/withdrawing assets from your core account only (option A). If more space for investment information is needed, please list the information requested along with your name, account number, and U.S. taxpayer identification number (or Social Security number) on a separate sheet of paper, sign and date it and attach it to the form.

Periodic distributions can be made from your core account, money market mutual funds, and certain other mutual fund positions only (check the fund's prospectus to see if systematic withdrawals or periodic distributions are permitted); any other securities/positions in your Account cannot be used to directly fund your periodic distribution plan.

NFS will place liquidating trades for the requested dollar amount of the scheduled distribution. Trades will be placed up to four business days prior to the scheduled date of distribution to allow for trade settlement.

Back-end loads, redemption fees, or transaction fees may result in insufficient funds to process the requested distribution.

Certain mutual funds may be closed to new investors. If one of these funds is subject to your distribution instructions, please be aware that your position could be fully liquidated, and this would prohibit you from future investments in the fund.

#### Contingent Funding Options

You may select a contingent funding option to be used if there are insufficient funds available in your core account and/or one or more of the money market mutual funds and/or other mutual funds selected in the Funding for the Periodic Distribution Requested section. If you do not select either Contingent Funding Option on the form, then your contingent funding option will be to distribute from your core account only. The options on the form are:

**A. Any money market mutual fund position** By checking this box, if there are insufficient funds in your core account, you are instructing the Trustee to make the distribution by liquidating assets from your other money market mutual fund positions in the same Account, beginning with the money market mutual fund position with the lowest balance.

**B. Any money market mutual fund and then other mutual fund positions** By checking this box, if there are insufficient funds in your core account, you are instructing the Trustee to make the distribution by liquidating assets from your other money market mutual fund positions in the same Account, beginning with the money market mutual fund position with the lowest balance. If there are insufficient funds in your other money market mutual fund positions, you are instructing the Trustee to make the distribution by liquidating assets from your other mutual fund positions in the same Account, beginning with the mutual fund position with the lowest balance. If two eligible positions have identical balances, the liquidation will be made from the fund with the lowest CUSIP number.

**Important Note:** Distributions made in cash will be paid from the balance of your core account. It is your responsibility to ensure there are sufficient funds available in the core account to process the distributions. If there are insufficient funds available to process the distributions in accordance with the Funding Options and/or Contingent Funding Options you choose, NFS will generally attempt to process your requested distribution each day for the next 15 business days. Generally, if there are insufficient funds available by the expiration of that 15 business day period, the requested monetary distribution for that period will not be processed unless the distribution is scheduled to pay in December, in which case a distribution of the balance in the core account may be processed. Moreover, if the use of a Contingent Funding Option requires the liquidation of all shares of a position(s) to satisfy the requested periodic distribution amount, your account may have insufficient funds to process the request due to market fluctuation

#### 3. Payment Method

If no payment method is selected, your cash distributions will be made by check and sent to your mailing address of record (Option B).

##### A. Intra-Bank Payment (IBP)

IBP is a same-day transfer system that enables distributions from your Account to be deposited to your bank account carried at your Broker-Dealer's affiliated bank. If you would like the distributions to be deposited directly to your bank account via IBP, you must have IBP instructions on your account.

##### B. Check Distribution

**1st Party Check.** Check will be paid and mailed to the name and mailing address of record. If you wish to use previously provided standing instructions, check the appropriate box.

**3rd Party Check.** If you want a check paid and/or mailed to a payee and/or address other than the mailing address of record, check this box. You may choose to use standing instructions already on file or you may provide Alternate Instructions for just this one distribution or plan. Note that Alternate Instructions will not be added to your account for use in any future distribution requests.

#### C. Electronic Funds Transfer (EFT)

**1st Party EFT.** If you would like the distributions to be deposited directly to your individually owned bank account (the retirement plan account owner is an owner of the bank account), check this box.

**3rd Party EFT.** If you would like the distributions to be deposited to your joint bank account or a third-party bank account, check this box.

If you would like the distributions to be deposited directly to your bank via EFT, you must have EFT instructions on your account. If the account is not currently set up for standing EFT, a standing instructions form must be completed to establish the EFT instructions. **Note:** EFT instructions may take 4–5 business days to become active. Business days are Monday through Friday. Bank and New York Stock Exchange holidays are not included. If you have multiple sets of standing instructions, provide the line number of the specific set of instructions, as it pertains to this situation. The line number can be obtained from your investment representative.

#### D. Distribution to a Nonretirement Account (via Journal)

If you want cash or securities distributed in-kind to a nonretirement account, provide the nonretirement account number. An application must be completed to establish a new nonretirement brokerage account.

#### 4. Notice of Withholding

##### Read carefully before completing the Tax Withholding Elections section of the form.

**20% Withholding**—IRS regulations require federal income tax withholding at the rate of 20% from your Premiere Select Retirement Plan distributions that are eligible to be rolled over if the distributions are not directly rolled over to another eligible retirement plan or to an IRA. Generally, distributions that are not subject to this withholding include: distributions of certain substantially equal periodic payments made over 10 or more years and required minimum distributions. Refer to the Special Tax Notice for additional information.

**10% Withholding**—If the distribution is not considered an eligible rollover distribution, the mandatory 20% withholding does not apply. Instead, your distributions are subject to federal income tax withholding at a rate of 10% unless you elect not to have withholding apply. Generally, you can't choose less than 10% for payments to be delivered outside the United States and its possessions. Withholding will apply to the gross amount of each distribution, even if you have made nondeductible contributions. Moreover, failure to provide a U.S. residential address will result in 10% withholding on the distribution proceeds even if you have elected not to have tax withheld (an IRS requirement). A Post Office Box does not qualify as a residential address.

If federal income tax is withheld from your distribution, state income taxes may also be withheld. See the "Tax Withholding — Retirement Plan Withdrawals" at the end of this form for your state's withholding rules. Your state of residence will determine your state income tax withholding requirements, if any. Your state of residence is determined by your legal address of record provided for the retirement plan account.

Whether or not you elect to have federal and, if applicable, state income tax withheld, you are still responsible for the full payment of federal income tax, any state tax or local taxes, and any penalties that may apply to your distribution(s).

Whether or not you elect to have withholding apply (by indicating so on your tax withholding election form), you may be responsible for payment of estimated taxes. You may incur penalties under the IRS and applicable state tax rules if your estimated tax payments are not sufficient.

#### 5. Signatures and Dates

Section 5 must be signed by both the Participant or Beneficiary, as applicable, and the Plan Administrator.

Before signing the **Premiere Select Retirement Plan Periodic Distribution Request**, please carefully read the **Premiere Select Defined Contribution Retirement Plan Basic Plan Document No. 04 and Trust Agreement**, as well as all sections of the **Premiere Select Retirement Plan Periodic Distribution Request** and attached **Customer Instructions and Terms and Conditions**. Your periodic distribution request is part of a legal agreement between you, the Plan Administrator, and NFS and by signing in Section 5, as applicable, you are agreeing to be bound by the terms and conditions contained in the above-mentioned documents. Please also print the current date neatly in block letters in the space provided.

#### 6. Spousal Consent

For Participant Accounts Only: Distributions to married participants from all Money Purchase Pension Plans and certain Profit Sharing Plans must be made in the form of a Qualified Joint and Survivor Annuity unless your spouse waives the right by providing spousal consent in Section 6.

**Please note:** The spouse's signature must be notarized. Please refer to Article 8 of the Premiere Select Defined Contribution Retirement Plan Basic Plan Document No. 04 for details. A participant may waive a qualified joint and survivor annuity contract, and a spouse may consent to such waiver, provided it is within 90 days before the first plan distribution.

Detach the completed distribution request form and return it to your investment representative.

Keep a copy of this form with the Customer Instructions and Terms and Conditions in your files



# Federal and State Tax Withholding— Retirement Plan Withdrawals

## Helpful to Know

- Federal and state tax withholding rules can change, and the information cited below may not reflect the current withholding from a federal or state perspective. Consult your tax advisor, the IRS, and/or your state taxing authority to obtain the most up-to-date information pertaining to your situation.
- The IRS requires Fidelity to provide you with the Marginal Rate Tables and the Tax Withholding Instructions from the *IRS Form W-4R*.
- Each state sets its own withholding rates and requirements on taxable distributions. We apply these rates unless you direct us not to (where permitted) or you request a higher rate.
- Your account's legal/residential address determines which state's tax rules apply. You should confirm that the address on your account is current prior to submitting your request.
- You are responsible for paying your federal, state, and local income taxes and any penalties, including penalties for insufficient withholding.
- The federal and state tax withholding rate, if indicated, must be provided as a whole number from 1% to 100% for any one-time withdrawals, or from 1% to 99% for any automatic withdrawals.

## Federal Tax Withholding Information

### 2023 Marginal Rate Tables

You may use these tables to help you select the appropriate withholding rate for this payment or distribution. Add your income from all sources and use the column that matches your filing status to find the corresponding rate of withholding. See the *General Instructions* section for more information on how to use this table. (Note: This is an excerpt from the *IRS Form W-4R*. For the complete copy, please go to [Fidelity.com/W-4R](https://www.fidelity.com/W-4R) or [IRS.gov/pub/irs-pdf/fw4r.pdf](https://www.irs.gov/pub/irs-pdf/fw4r.pdf).)

Single or Married filing separately		Married filing jointly or Qualifying surviving spouse		Head of household	
Total income over—	Tax rate for every dollar more	Total income over—	Tax rate for every dollar more	Total income over—	Tax rate for every dollar more
\$0	0%	\$0	0%	\$0	0%
13,850	10%	27,700	10%	20,800	10%
24,850	12%	49,700	12%	36,500	12%
58,575	22%	117,150	22%	80,650	22%
109,225	24%	218,450	24%	116,150	24%
195,950	32%	391,900	32%	202,900	32%
245,100	35%	490,200	35%	252,050	35%
591,975*	37%	721,450	37%	598,900	37%

\*If married filing separately, use \$360,725 instead for this 37% rate.

## General Instructions on Federal Tax Withholding

**Nonperiodic payments—10% withholding.** Your payer must withhold at a default 10% rate from the taxable amount of nonperiodic payments **unless** you enter a different rate. Distributions from a retirement account that are payable on demand are treated as nonperiodic payments. Note that the default rate of withholding may not be appropriate for your tax situation. You may choose to have no federal income tax withheld. See the specific instructions below for more information. Generally, you are not permitted to elect to have federal income tax withheld at a rate of less than 10% (including “-0-”) on any payments to be delivered outside the United States and its territories.

**Note:** If you don't give Form W-4R to your payer, you don't provide an SSN, or the IRS notifies the payer that you gave an incorrect SSN, then the payer must withhold 10% of the payment for federal income tax and can't honor requests to have a lower (or no) amount withheld. Generally, for payments that began before 2023, your current withholding election (or your default rate) remains in effect unless you submit a new withholding election.

**Eligible rollover distributions—20% withholding.** Distributions you receive from qualified retirement plans (for example, 401(k) plans and section 457(b) plans maintained by a governmental employer) or tax-sheltered annuities that are eligible to be rolled over to an IRA or qualified plan are subject to a 20% default rate of withholding on the taxable

amount of the distribution. You can't choose withholding at a rate of less than 20% (including "-0-"). Note that the default rate of withholding may be too low for your tax situation. You may choose to enter a rate higher than 20%.

Note that the following payments are **not** eligible rollover distributions: (a) qualifying "hardship" distributions, and (b) distributions required by federal law, such as required minimum distributions. See Pub. 505 for details. See also *Nonperiodic payments—10% withholding* above.

### **Payments to nonresident aliens and foreign estates.**

Do not use Form W-4R. See Pub. 515, Withholding of Tax on Nonresident Aliens and Foreign Entities, and Pub. 519, U.S. Tax Guide for Aliens, for more information.

**Tax relief for victims of terrorist attacks.** If your disability payments for injuries incurred as a direct result of a terrorist attack are not taxable, enter "-0-". See Pub. 3920, Tax Relief for Victims of Terrorist Attacks, for more details.

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## **Specific Instructions for IRS Form W-4R**

### **Line 1b**

For an estate, enter the estate's employer identification number (EIN) in the area reserved for "Social security number."

### **Line 2**

**More withholding.** If you want more than the default rate withheld from your payment, you may enter a higher rate on line 2.

**Less withholding (nonperiodic payments only).** If permitted, you may enter a lower rate on line 2 (including "-0-") if you want less than the 10% default rate withheld from your payment. If you have already paid, or plan to pay, your tax on this payment through other withholding or estimated tax payments, you may want to enter "-0-".

**Suggestion for determining withholding.** Consider using the Marginal Rate Tables on page 1 to help you select the appropriate withholding rate for this payment or distribution. The tables are most accurate if the appropriate amount of tax on all other sources of income, deductions, and credits has been paid through other withholding or estimated tax payments. If the appropriate amount of tax on those sources of income has not been paid through other withholding or estimated tax payments, you can pay that tax through withholding on this payment by entering a rate that is greater than the rate in the Marginal Rate Tables.

The marginal tax rate is the rate of tax on each additional dollar of income you receive above a particular amount of income. You can use the table for your filing status as a guide to find a rate of withholding for amounts above the total income level in the table.

To determine the appropriate rate of withholding from the table, do the following. Step 1: Find the rate that corresponds with your total income not including the payment. Step 2: Add your total income and the taxable amount of the payment and find the corresponding rate.

If these two rates are the same, enter that rate on line 2. (See *Example 1* below.)

If the two rates differ, multiply (a) the amount in the lower rate bracket by the rate for that bracket, and (b) the amount in the higher rate bracket by the rate for that bracket. Add these two numbers; this is the expected tax for this payment. To get the rate to have withheld, divide this amount by the taxable amount of the payment. Round up to the next whole number and enter that rate on line 2. (See *Example 2* below.)

If you prefer a simpler approach (but one that may lead to overwithholding), find the rate that corresponds to your total income including the payment and enter that rate on line 2.

**Examples.** Assume the following facts for *Examples 1* and *2*. Your filing status is single. You expect the taxable amount of your payment to be \$20,000. Appropriate amounts have been withheld for all other sources of income and any deductions or credits.

**Example 1.** You expect your total income to be \$60,000 without the payment. Step 1: Because your total income without the payment, \$60,000, is greater than \$58,575 but less than \$109,225, the corresponding rate is 22%. Step 2: Because your total income with the payment, \$80,000, is greater than \$58,575 but less than \$109,225, the corresponding rate is 22%. Because these two rates are the same, enter "22" on line 2.

**Example 2.** You expect your total income to be \$42,500 without the payment. Step 1: Because your total income without the payment, \$42,500, is greater than \$24,850 but less than \$58,575, the corresponding rate is 12%. Step 2: Because your total income with the payment, \$62,500, is greater than \$58,575 but less than \$109,225, the corresponding rate is 22%. The two rates differ. \$16,075 of the \$20,000 payment is in the lower bracket (\$58,575 less your total income of \$42,500 without the payment), and \$3,925 is in the higher bracket (\$20,000 less the \$16,075 that is in the lower bracket). Multiply \$16,075 by 12% to get \$1,929. Multiply \$3,925 by 22% to get \$863.50. The sum of these two amounts is \$2,792.50. This is the estimated tax on your payment. This amount corresponds to 14% of the \$20,000 payment (\$2,792.50 divided by \$20,000). Enter "14" on line 2.

# State Tax Withholding Information

State of residence	State tax withholding options
AK, FL, HI, NH, NV, SD, TN, TX, WA, WY	<ul style="list-style-type: none"> <li>No state tax withholding is available (even if your state has income tax).</li> </ul>
AR, IA, KS, MA, ME,* NE, OK, PR,† VA, VT	<ul style="list-style-type: none"> <li>If you choose federal withholding, you will also get state withholding at your state's minimum withholding rate or an amount greater as specified by you.</li> <li>If you do NOT choose federal withholding, state withholding is voluntary.</li> <li>If you have state withholding, you can request a higher rate than your state's minimum but not a lower rate.</li> </ul>
CA, DE, GA,† MN, NC, OR	<ul style="list-style-type: none"> <li>If you choose federal withholding, you will also get state withholding at your state's minimum withholding rate unless you request otherwise.</li> <li>If you do NOT choose federal withholding, state withholding is voluntary.</li> <li>If you have state withholding, you can request a higher rate than your state's minimum but not a lower rate.</li> </ul>
CT, MI	<ul style="list-style-type: none"> <li>CT and MI generally require state income tax of at least your state's minimum requirements regardless of whether or not federal income tax is withheld.</li> <li>Tax withholding is not required if you meet certain state requirements governing pension and retirement benefits. Please reference the CT or MI W-4P Form for additional information about calculating the amount to withhold from your distribution.</li> <li>If you are subject to state tax withholding, you must elect state tax withholding of at least your state's minimum by completing the Tax Withholding section.</li> <li>Contact your tax advisor or investment representative for additional information about your state's requirements.</li> </ul>
DC <i>Only applicable if taking a full distribution of entire account balance.</i>	<ul style="list-style-type: none"> <li>If you are taking distribution of your entire account balance and not directly rolling that amount over to another eligible retirement account, DC requires that a minimum amount be withheld from the taxable portion of the distribution, whether or not federal income tax is withheld. In that case, you must elect to have the minimum DC income tax amount withheld by completing the Tax Withholding section.</li> <li>If your entire distribution amount has already been taxed (for instance, only after-tax or nondeductible contributions were made and you have no pretax earnings), you may be eligible to elect any of the withholding options.</li> <li>If you wish to take a distribution of both taxable and nontaxable amounts, you must complete a separate distribution request form for each and complete the Tax Withholding section of the forms, as appropriate.</li> </ul>
ME,† MS	<ul style="list-style-type: none"> <li>If you choose federal withholding, you will also get state withholding at your state's minimum withholding rate unless you request otherwise.</li> <li>If you do NOT choose federal withholding, state withholding will occur unless you request otherwise.</li> <li>If you have state withholding, you can request a higher rate than your state's minimum but not a lower rate.</li> </ul>
OH	<ul style="list-style-type: none"> <li>State tax withholding is voluntary. If you choose state withholding, you can choose a higher rate than your state's minimum but not a lower rate.</li> </ul>
SC	<ul style="list-style-type: none"> <li>SC requires state withholding if you have not provided a Tax ID or if you have been notified of a name/Tax ID mismatch and have not resolved the issue. Otherwise, state tax withholding is voluntary and you can choose the rate you want.</li> </ul>
All other states (and DC if not taking a full distribution)	<ul style="list-style-type: none"> <li>State tax withholding is voluntary and you can choose the rate you want.</li> </ul>

\*When taking a single distribution

†When taking periodic distributions

Important: Federal and state tax withholding rules can change, and the information cited above may not reflect the current legislation and/or ruling of your state. Consult your tax advisor, the IRS, or your state taxing authority to obtain the most up-to-date information pertaining to your situation.

This tax information is for informational purposes only, and should not be considered legal or tax advice. Always consult a tax or legal professional before making financial decisions.

We do not provide tax or legal advice and we will not be liable for any decisions you make based on this or other general tax information we provide.

# Special Tax Notice Regarding Retirement Plan Payments—Your Rollover Options

You are receiving this notice because all or a portion of a payment you are receiving from the \_\_\_\_\_ [INSERT NAME OF 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 (generally, distributions made before age 59½), unless an exception applies. However, if you do a rollover, you will not have to pay tax until you receive payments later and the 10% additional income tax will not apply if those payments are made after you are age 59½ (or if an exception applies). If you do a rollover to a Roth IRA, any amounts not previously included in your income will be taxed currently (see the section below titled “If you roll over your payment to a Roth IRA”).

### What types of retirement accounts and plans may accept my rollover?

You may roll over the payment to either an IRA (an individual retirement account or individual retirement annuity) or an employer plan (a tax-qualified plan, section 403(b) plan, or governmental section 457(b) plan) that will accept the rollover. The rules of the IRA or employer plan that holds the rollover will determine your investment options, fees, and rights to payment from the IRA or employer plan (for example, 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. Generally, you will have 60 days after you receive the taxable payment to make the deposit. If you

do not do a direct rollover, the Plan is required to withhold 20% of the taxable 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 (if you were born before July 1, 1949), after age 72 (if you were born after June 30, 1949), after age 73 (if you were born after December 31, 1949), 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;
- Payments of certain automatic enrollment contributions requested to be withdrawn within 90 days of the first contribution;
- 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);
- Distributions for premiums of accident and health insurance; and



- Qualified birth or adoption distributions from an eligible retirement plan or IRA. However, all, or a portion, of the original distribution may be repaid to an eligible retirement plan or IRA within the first three years following the original distribution.

The Plan Administrator or the payor can tell you what portion of a payment is eligible for rollover.

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

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

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

- Payments made after you separate from service if you will be at least age 55 in the year of the separation;
- Payments from a pension, profit sharing, or 401(k) plan after you attain age 59½;
- 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 plan made after you separate from service if you are a qualified public safety employee and you will be at least age 50 in the year of separation;
- Payments made due to disability;
- Payments after your death;
- Payments of ESOP dividends;
- Corrective distributions of contributions that exceed tax law limitations;
- Cost of life insurance paid by the Plan;
- Payments made directly to the government to satisfy a federal tax levy;
- Payments made under a qualified domestic relations order (QDRO);
- Payments up to the amount of your deductible medical expenses (without regard to whether you itemize deductions for the taxable year);
- Certain payments made while you are on active duty if you were a member of a reserve component called to duty after September 11, 2001, for more than 179 days;
- Payments of certain automatic enrollment contributions requested to be withdrawn within 90 days of the first contribution;
- Payments excepted from the additional income tax by federal legislation relating to certain emergencies and due to major disasters that are located in a qualified disaster area as declared by the president of the United States

under section 401 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act;

- Phased retirement payments made to federal employees
- Payments of up to \$5,000 (in aggregate) made to you from a defined contribution plan if the payment is a qualified birth or adoption distribution;
- Payments from a retirement plan if you are a qualified public safety employee who provides firefighting services (even if you are not employed in the public sector); or a public safety officer or a corrections officer, after you separate from service after attaining age 50, or if you have more than 25 years of service under the plan;
- Payments from a retirement plan made to you after the date certified by a physician that you have a terminal illness or physical condition that can reasonably be expected to result in death in 84 or fewer months;
- Qualified disaster recovery distributions due to a federally declared disaster after January 26, 2021, if you have a principal place of abode in a qualified disaster area during the relevant disaster that sustains an economic loss because of the disaster;
- Eligible payments to a domestic abuse victim that are made within one year of the date on which you are a victim of domestic abuse by a spouse or domestic partner (available only for payments made on or after January 1, 2024);
- Payments from a qualified retirement plan, other than a defined benefit plan, made to you for emergency personal or family emergency expenses due to unforeseeable or immediate financial needs that are necessary (available only for payments made on or after January 1, 2024); and
- Payments of premiums for certified long-term care insurance for you, your spouse, or eligible family members subject to the annual limit, which is the lesser of the amount paid for the coverage, 10% of your vested account balance in the plan, or \$2,500 as indexed (available only for payments made after December 29, 2025).

### **If I do a rollover to an IRA (including a Roth IRA), will the 10% additional income tax apply to early distributions from the IRA?**

If you receive a payment from an IRA (including a Roth IRA; see section below titled, "If you roll over your payment to a Roth IRA") when you are under age 59½, you will have to pay the 10% additional income tax on early distributions on the part of the distribution that you must include in income, unless an exception applies. In general, the exceptions to the 10% additional income tax for early distributions from an IRA are the same as the exceptions listed above for early distributions from a plan. However, there are a few differences for payments from an IRA, including:

- The exception for payments made after you separate from service if you will be at least age 55 in the year of the separation (or age 50 for qualified public safety employees) does not apply.





- The exception for qualified domestic relations orders (QDROs) does not apply (although a special rule applies under which, as part of a divorce or separation agreement, a tax-free transfer may be made directly to an IRA of a spouse or former spouse).
- 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 that apply to payments from an IRA, including (1) payments for qualified higher education expenses, (2) payments up to \$10,000 used in a qualified first-time home purchase, and (3) payments for health insurance premiums after you have received unemployment compensation for 12 consecutive weeks (or would have been eligible to receive unemployment compensation but for self-employed status).

### Will I owe state income taxes?

This notice does not 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 included in the payment, so you cannot take a payment of only after-tax contributions. However, 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. In addition, special rules apply when you do a rollover, as described below.

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 at the same time the rest is paid to you, the portion directly rolled over consists first of the amount that would be taxable if not rolled over. For example, assume you are receiving a distribution of \$12,000, of which \$2,000 is after-tax contributions. In this case, if you directly roll over \$10,000 to an IRA that is not a Roth IRA, no amount is taxable because the \$2,000 amount not directly rolled over is treated as being after-tax contributions. If you do a direct rollover of the entire amount paid from the Plan to two or more destinations at the same time, you can choose which destination receives the after-tax contributions.

Similarly, if you do a 60-day rollover to an IRA of only a portion of a payment made to you, the portion rolled over consists first of the amount that would be taxable if not rolled over and the after-tax contributions are treated as rolled over last. For example, assume you are receiving a distribution

of \$12,000, of which \$2,000 is after-tax contributions, and no part of the distribution is directly rolled over. In this case, if you roll over \$10,000 to an IRA that is not a Roth IRA in a 60-day rollover, no amount is taxable because the \$2,000 amount not rolled over is treated as being after-tax 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. Under certain circumstances, you may claim eligibility for a waiver of the 60-day rollover deadline by making a written self-certification. Otherwise, to apply for a waiver from the IRS, you must file a private letter ruling request with the IRS. Private letter ruling requests require the payment of a nonrefundable user fee. For more information, see IRS Publication 590-A, *Contributions to Individual Retirement Arrangements (IRAs)*.

### If 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, generally, the Plan. The Plan Administrator can tell you the amount of any net unrealized appreciation.

### If you were born on or before January 1, 1936

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



## If you roll over your payment to a Roth IRA

If you roll over a payment from the Plan to a Roth IRA, a special rule applies under which the amount of the payment rolled over (reduced by any after-tax amounts) will be taxed. In general, the 10% additional income tax on early distributions will not apply. However, if you take the amount rolled over out of the Roth IRA within the 5-year period that begins on January 1 of the year of the rollover, the 10% additional income tax will apply (unless an exception applies).

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

## If you 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 deceased participant was born on or before January 1, 1936.

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

An IRA you treat as your own is treated like any other IRA of yours, so that payments made to you before you are age 59½ will be subject to the 10% additional income tax on early distributions (unless an exception applies) and required minimum distributions from your IRA do not have to start until after you are age 70½ (if you were born before July 1, 1949), age 72 (if you were born after June 30, 1949), or age 73 (if you were born after December 31, 1949).

If you treat the IRA as an inherited IRA, payments from the IRA will not be subject to the 10% additional income tax on early distributions. However, if the participant had started taking required minimum distributions, you will have to

receive required minimum distributions from the inherited IRA. If the participant had not started taking required minimum distributions from the Plan, you will not have to start receiving required minimum distributions from the inherited IRA until the year the participant would have been age 70½ (if he or she was born before July 1, 1949), age 72 (if he or she was born after June 30, 1949), or age 73 (if he or she was born after December 31, 1949).

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

## Payments under a qualified domestic relations order ("QDRO")

If you are the spouse or former spouse of the participant who receives a payment from the Plan under a QDRO, you generally have the same options and the same tax treatment that the participant would have (for example, you may roll over the payment to your own IRA, Roth IRA, or an eligible employer plan that will accept it). However, payments under the QDRO will not be subject to the 10% additional income tax on early distributions (see the section titled "If you roll over your payment to a Roth IRA" above).

## 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% of the taxable amount, the Plan is generally required to withhold 30% of the taxable amount 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 on special rollover rights related to the U.S. Armed Forces, see IRS Publication 3, *Armed Forces' Tax Guide*. You also may have special rollover rights if you were affected by a federally declared disaster (or similar event), or if you received a distribution on account of a disaster. For more information on special rollover rights related to disaster relief, see the IRS website at [www.irs.gov](http://www.irs.gov).

#### **FOR MORE INFORMATION**

You may wish to consult with the Plan Administrator or payor, or a professional tax advisor, before taking a payment from the Plan. Also, you can find more detailed information on the federal tax treatment of payments from employer plans in: IRS Publication 575, *Pension and Annuity Income*; IRS Publication 590-A, *Contributions to Individual Retirement Arrangements (IRAs)*; IRS Publication 590-B, *Distributions from Individual Retirement Arrangements (IRAs)*; and IRS Publication 571, *Tax-Sheltered Annuity Plans (403(b) Plans)*. These publications are available from a local IRS office, on the web at [www.irs.gov](http://www.irs.gov), or by calling 1-800-TAX-FORM.

