

# LOCAL UNION #306 I.B.E.W. PENSION ANNUITY PLAN

33 Fitch Boulevard

Austintown, Ohio 44515

1-800-435-2388

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## INSTRUCTIONS FOR COMPLETING APPLICATION FOR BENEFITS

1. Please read the entire application carefully before beginning to complete it.
2. If you are married, you and your spouse should review the following before completing and signing the application: A - The Notice to Married Participants and Surviving Spouse Regarding Qualified Joint and Survivor Annuity Benefits; B - The Notice to Married Participants and Spouse – Benefits Available; C - Questions and Answers. These notices begin on page 6 of the application. If you are not married, you should review the Notice to Unmarried Participants on page 11 before completing and signing the application.
3. Form A which is located on the last two (2) pages must be completed if you request specific annuity quotes for any benefits you and/or your spouse are considering. If annuity quotes are not requested check the last box on Form A. Form A must be signed and dated by the married Participant and Spouse or the unmarried Participant.
4. Please print all information.
5. Be sure to complete all applicable items. This will avoid any delay in the processing of your application.
6. The application and Spousal Consent and Waiver should be signed and witnessed by either a Notary Public or Fund Representative.
7. The Plan is required to withhold payment of benefits for at least thirty (30) days after completion of the application and necessary forms. This requirement may be waived by you and your spouse provided the payment of benefits commences at least more than seven (7) days after the completion of the application and review of the information provided therein.
8. If any information provided is not entirely clear, do not hesitate to contact the Fund Office for assistance at (800) 435-2388. Return all pages of the application (pages 1 through 5) to the above address along with Form A attached. **RETAIN FOR YOUR RECORDS, THE NOTICE TO PARTICIPANTS AND SURVIVING SPOUSE REGARDING QUALIFIED JOINT AND SURVIVOR ANNUITY BENEFITS AND THE SPECIAL TAX NOTICE.**

**SECTION I -- PERSONAL INFORMATION**

Name: \_\_\_\_\_  
Last First Middle Initial

Soc. Sec. No. Birth Date Local #

Address: \_\_\_\_\_  
Number and Street City State Zip Code

Spouse's \_\_\_\_\_  
Last First Middle Initial

*(If you are not married, write "None" on the line above)*

Spouse's \_\_\_\_\_  
Soc. Sec. No. Birth Date

Telephone No. \_\_\_\_\_ Spouse's Telephone No. \_\_\_\_\_  
(if different)

**SECTION II -- PARTICIPANT'S CERTIFICATION IF NO SPOUSE**

I hereby certify that I am not now married and that to my knowledge there are no Plan benefits payable to a former spouse under a Qualified Domestic Relations Order.

I hereby certify that I am not now married; however, there may be a reduction in my benefits as a result of a Qualified Domestic Relations Order.

**SECTION III -- REASON FOR DISTRIBUTION**

A.  Retirement.

I have attained age fifty-five (55) and I have retired.

I have attained age sixty-five (65).

I have attained age 70 ½ (required minimum distribution).

B.  Disability.

I am totally and permanently disabled as that term is defined under the Plan. I became disabled on \_\_\_\_\_ Please submit certification of disability.

C.  Termination of Employment.

I have not had any Annuity Plan contributions made on my behalf for at least 3 months.

I last worked under the jurisdiction of the Local 306 I.B.E.W. Pension-Annuity Plan on: \_\_\_\_\_(Date) for \_\_\_\_\_(Employer)

**If you are applying for this form of distribution, only a Single Lump Sum with spousal waiver is available.**

D.  Beneficiary of Participant.

E.  Alternate Payee

**SECTION IV -- DATE OF PAYMENT**

- I do not wish to defer payment of my benefits and request that my benefits be paid or begin after my application is approved by the Board of Trustees.
- I wish to defer payment of my benefits until \_\_\_\_\_ (date not later than April 1 following the calendar year in which you attain age 70 ½)

**SECTION V -- FORM OF PAYMENT:**

**A. NORMAL FORM OF BENEFITS FOR NON MARRIED PARTICIPANTS ONLY:**

- Single Life Annuity.

**B. NORMAL FORM OF BENEFITS FOR MARRIED PARTICIPANTS ONLY:**

- Qualified Joint and 50% Survivor Annuity.

**C. OPTIONAL BENEFIT FORMS:**

- Single Lump Sum.
  - Payable directly to Participant.
  - Rollover distribution payable directly to: \_\_\_\_\_  
\_\_\_\_\_
  
- Joint and 75% Survivor Annuity.
- Joint and 100% Survivor Annuity.
- Nearly Equal Installment Distributions payable:
  - monthly (until account exhausted) \$ \_\_\_\_\_
  - quarterly (until account exhausted) \$ \_\_\_\_\_
  - annually (until account exhausted) \$ \_\_\_\_\_
  - based on my life expectancy
  - based on both my and my spouse's life expectancy
    - with recalculation of:  without recalculation of:
    - my life
    - my spouse's life expectancy
    - based on life expectancy of me and my spouse
  - based on the life expectancy of my Designated Beneficiary and myself

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*(Identify name of Designated Beneficiary and date of birth, if other than spouse).*

- Single Full Cash Refund Life Annuity.
- Single Non Periodic Withdrawal of \$ \_\_\_\_\_.

Payments of Nearly Equal Installment Distributions may not be set up over a period exceeding the life expectancy of you and your Beneficiary. If your spouse is not the Beneficiary, special minimum distribution rules must be satisfied.

The Fund may provide benefits through the purchase from an insurance company of any appropriate annuity contract or contracts. Any fees, commissions or other costs directly incurred in connection with the purchase of any annuity may be deducted from the Individual Account balance immediately before purchase.

Since the value of your account generally changes daily and annuity purchase rates change periodically, any amounts illustrated in this application are only estimates of the monthly payments available under the standard or optional forms of benefit.

**SECTION VI -- METHOD OF DISTRIBUTION**

If your request for distribution involves only part of your account, unless you direct otherwise, the Administrative Manager will satisfy your request by allocating equal amounts from each investment account that you maintain under your direction.

If you wish for your distribution to be made from any specific investment account, please identify that account below and the proportion you wish to be allocated from that account to satisfy the distribution.

_____	_____ %
_____	_____ %
_____	_____ %

NOTE: NO BENEFITS ARE PAYABLE UNLESS THE SPOUSE'S CONSENT (IF APPLICABLE) AND PARTICIPANT'S STATEMENT ARE SIGNED AND NOTARIZED OR WITNESSED BY A PLAN REPRESENTATIVE

**SECTION VII -- PARTICIPANT'S STATEMENT**

By signing and dating below, I affirm that I have received the "Special Tax Notice Regarding Plan Payments" including a Rollover Election Form and direct that my decision chosen above be implemented as soon as my application for benefits is approved by the Trustees.

You MUST sign and date the statement below. Your signature MUST be witnessed by a Notary Public or a Fund Representative.

If you are a married Participant and both you and your spouse have chosen a benefit form other than a Qualified 50%, Joint and Survivor Annuity then your signature below shall constitute consent to such election.

I do consent to waiving the thirty (30) day notice to consider whether to waive a Qualified Joint and Survivor Annuity payment form so long as distribution occurs more than seven (7) days after the Notice to Participants and Spouses Regarding Qualified Joint and Survivor Annuity Benefits was provided to me.

If you are an unmarried Participant and have chosen a benefit form other than a Single Life Annuity then your signature below shall constitute a consent to such election and a waiver of any right to a Single Life Annuity being purchased on your behalf.

The statements contained in this application are true to the best of my knowledge and belief. I understand that a false statement may disqualify me to recover any payments made because of a false statement.

\_\_\_\_\_  
Date  
Signature of Participant  
SWORN TO and subscribed before me this \_\_\_\_\_ day of \_\_\_\_\_,  
\_\_\_\_\_.

OR

\_\_\_\_\_  
Notary Public  
\_\_\_\_\_  
Date  
Fund Representative (Witness)

**SECTION VIII -- SPOUSAL CONSENT AND WAIVER**

I, \_\_\_\_\_ (insert name of spouse), am the spouse of \_\_\_\_\_ (insert name of Participant). I have received and reviewed the Notice to Participants and Surviving Spouse Regarding Qualified Joint and Survivor Annuity Benefits **which is attached hereto**. I understand that I have the right to have the Local 306 I.B.E.W. Pension-Annuity Plan pay my spouse's retirement benefits in the Qualified Joint and Survivor Annuity payment form and I agree to give up that right. I understand that by signing this Agreement, I may receive less money, if any, than I would have received under the Qualified Joint and Survivor Annuity payment form and I may receive nothing after my spouse dies, depending on the payment form or beneficiary that my spouse chooses.

I agree that my spouse can receive retirement benefits in the form of \_\_\_\_\_ (insert form of benefit selected). If the Nearly Equal Installment Distribution is selected, I also agree to my spouse's choice of \_\_\_\_\_ (insert name of beneficiary **only** if someone other than you has been designated by your spouse as beneficiary) of the survivor benefits from the Plan after my spouse dies. I understand that my spouse cannot choose a different form of retirement benefit or a different beneficiary unless I agree to the change.

I understand that I do not have to sign this Agreement. I am signing this Agreement voluntarily. I also understand that if I do not sign this Agreement, my spouse and I will receive payments from the Fund in the form of a Qualified Joint and Survivor Annuity.

I do consent to waiving the thirty (30) day notice to consider whether to waive a Qualified Joint and Survivor Annuity payment form so long as distribution occurs more than seven (7) days after the Notice to Participants and Spouses Regarding Qualified Joint and Survivor Annuity Benefits was provided to me.

\_\_\_\_\_  
Date  
Signature of Spouse  
SWORN TO and subscribed before me this \_\_\_\_\_ day of \_\_\_\_\_,  
\_\_\_\_\_.

OR

\_\_\_\_\_  
Notary Public  
\_\_\_\_\_  
Date  
Fund Representative (Witness)

**A. NOTICE TO MARRIED PARTICIPANTS AND SURVIVING SPOUSE REGARDING QUALIFIED JOINT AND SURVIVOR ANNUITY BENEFITS**

At the time of your eligibility for any distribution of your retirement benefits, you and/or your spouse are eligible to elect a Single Lump Sum Distribution, Nearly Equal Monthly, Quarterly or Annual Installment Distributions based upon the life expectancy of you or you and your spouse or you and your designated beneficiary, Qualified Joint and 75% Survivor Annuity issued on the joint life of the Participant and spouse, Qualified Joint and 100% Survivor Annuity issued on the joint life of the Participant and spouse, Single Full Case Refund Life Annuity, or a Single Non Periodic Withdrawal. IF you do not make such an election, you will receive a monthly benefit in the form of a Qualified 50% Joint and Survivor Annuity, as defined below.

(1) **Qualified Joint and Survivor Annuity ("QJSA")**: Federal law requires the IBEW Local 306 Pension Annuity Plan to pay retirement benefits in a special payment form unless you choose a different payment form and you and your spouse agree to that choice. This special payment form is called a "Qualified Joint and Survivor Annuity" or often a "QJSA" payment form. The QJSA payment form gives your spouse a retirement payment for the rest of his/her life. This is often called an "annuity". Under the QJSA payment form, after you die, each month the plan will pay your spouse at least fifty percent (50%) of the retirement benefit that was paid to you. The benefit paid to your spouse after you die is often called a "survivor annuity" or a "survivor benefit". Your spouse will receive this survivor benefit for the rest of his/her life.

(2) **Qualified Election**: As a participant, you have the ability to waive the Qualified Joint Survivor Annuity payment form. The waiver must be in writing and must be consented to by your spouse. It is important to understand that any decision to waive survivor benefits is purely voluntary on your part and/or your spouse's part. Furthermore, your spouse's consent to a waiver must be witnessed by a Plan representative or a notary public and must be limited to a benefit for a specific alternate beneficiary, or a specific form of benefits. Notwithstanding this consent requirement, if a Participant establishes to the satisfaction of a Plan representative that the written consent of his/her spouse cannot be obtained because there is no spouse, or the spouse cannot be located, a written waiver by the Participant will be deemed a Qualified Election. Any consent necessary under this provision will not be valid with respect to any other spouse. A revocation of a prior waiver may be made by a Participant without the consent of the spouse at any time before this commencement of benefits. The number of revocations is not limited. Any new waiver or change of beneficiary will require a new spousal consent. It is important to understand that if you as a Participant along with your spouse, consent to the waiver of the Qualified Joint and Survivor Annuity, your spouse will not receive any lifetime benefits from this Plan after your death. EXCEPTION TO THIS RULE WOULD BE IF YOU AND YOUR SPOUSE CHOSE A MONTHLY OR QUARTERLY INSTALLMENT DISTRIBUTION FORM AND, AT THE TIME OF THE PARTICIPANT'S DEATH, MONIES ARE REMAINING IN THE PARTICIPANT'S ACCOUNT. IN SUCH CASE, YOU, AS THE PARTICIPANT'S SPOUSE WOULD RECEIVE THE REMAINING MONIES IN THE FORM OF A LUMP SUM DISTRIBUTION UNLESS YOU AGREE TO SOMEONE ELSE AS THE PARTICIPANT'S DESIGNATED BENEFICIARY. If you do not waive the Qualified Joint and Survivor Annuity you, as a Participant will receive a benefit which will be less since it will be reduced for the actuarial equivalent of the monthly benefit paid to your spouse upon your death.

If you do not make a Qualified Election within the 90 day period ending on the date benefit payments would commence, your benefits will be paid in a Qualified Joint and Survivor Annuity benefit form.

## **B. NOTICE TO MARRIED PARTICIPANTS AND SPOUSE – BENEFITS AVAILABLE**

At the time of your eligibility for a distribution of your retirement benefits from the IBEW Local 306 Pension Annuity Plan, you are eligible to receive a benefit in several different forms. These benefits are as follows:

(1) **Qualified Joint and Survivor Annuity (Standard Form of Benefit)**. If you do not make an election to any of the standard form benefits or any optional benefit and/or your spouse does not consent to such an election, the benefit will be paid in the form of a Qualified Joint and 50% Survivor Annuity.

**For Example:**

Pat Doe and Pat's spouse, Robin, receive payments from the retirement plan under the QJSA payment form. Beginning after Pat retires, Pat receives \$600.00 each month from the Plan. Pat then dies. Plan, depending upon the percentage of survivor benefit selected, will pay Robin at least \$300.00 a month for the rest of Robin's life.

**For Example:**

Pat Doe is 60 years of age and retired. Robin Doe is 59 years of age. Pat's account balance at the time he applies for his retirement benefit is \$120,000.00. Pat and Robin Doe elect the Qualified Joint and Survivor Annuity. Pat's monthly benefit will be \$767.86 for the remainder of his life. Upon Pat's death, Robin will receive \$383.93 for the remainder of her life which represents 50% of Pat's benefit.

(2) **Single Lump-Sum Distribution (Optional Benefit)**: If you elect a Single Lump Sum Distribution, you will receive the balance of your account in a single sum of a lump-sum amount (of \$120,000.00). If you elect a Single Lump Sum Distribution and your spouse consents to such a distribution and agrees to waive his/her rights to a Qualified Joint and Survivor Annuity you will receive your entire benefit in one lump-sum amount and your spouse will not be entitled to any benefits from the IBEW Local 306 Pension Annuity Plan.

**For Example:**

Pat Doe is 60 years of age and retired. Robin Doe is 59 years of age. Pat's account balance at the time he applies for his retirement benefit is \$120,000.00. Pat elects a Lump Sum distribution of that amount and Robin waives her right to the Qualified Joint and Survivor Annuity. Pat will receive from the Plan a distribution of \$120,000.00 or may roll over that amount to a qualified retirement plan. Upon Pat's death, Robin is not entitled to any benefits from the IBEW Local 306 Pension Annuity Plan.

(3) **Nearly Equal Installment Distributions (Optional Benefit)**: Participants who are eligible to retire may receive nearly equal installment distributions payable either monthly, quarterly or annually so long as that number of payments does not exceed the life expectancy of the Participant or the Participant and spouse or designated beneficiary. If you elect to receive such a distribution and your spouse consents to such distribution and agrees to waive any Qualified Joint and Survivor Annuity Benefit, you will receive such distribution, so long as you are otherwise qualified, until your account balance is exhausted. The only instance in which your spouse would receive any benefits, if he/she consents to your election to receive such distribution, would be if, at the time you die, you had not withdrawn all of the funds in your retirement account pursuant to such distributions. Any remaining funds would be paid to your spouse in the form of a Single Lump Sum Distribution after your death, unless, with your spouse's consent, you have selected another beneficiary. The monthly or quarterly installment benefit will depend upon the balance of your account at the time of distribution and the age and life expectancies of either you or you and your spouse or designated beneficiary.

**For Example:**

Pat Doe is 60 years of age and retired. Robin Doe is 59 years of age. Pat's account balance at the time he applies for his retirement benefit is \$120,000.00. Pat elects to receive from the Plan quarterly installment distributions for the rest of his life and Robin waives her right to the Qualified Joint and Survivor Annuity. Pat will receive from the Plan, \$1,200.00 each quarter (\$120,000.00 divided by 100 quarters, which is the number of calendar quarters remaining during Pat's life expectancy of 85 years). Each quarter Pat will be issued the same amount for the rest of his life. Upon Pat's death, only if there remains a balance in his account will Robin, if she is his beneficiary, be entitled to receive the balance of his account according to the provisions of the Plan.

**(4) Optional Qualified Joint and Survivor Annuity Benefit Forms**

(a) **Qualified Joint and 75% Survivor Annuity Amount (Optional Benefit):** This benefit is much like a Qualified Joint Survivor Annuity benefit except that your benefit will be lower than the \$600.00 amount described in the above example but your spouse will be entitled to 75% of your benefit at the time of your death or \$450.00 per month rather than the 50% in the example for the Qualified Joint and Survivor Annuity (Standard Form of Benefit) described on page 6 of this Notice.

**For Example:**

Pat Doe is 60 years of age and retired. Robin Doe is 59 years of age. Pat's account balance at the time he applies for his retirement benefit is \$120,000.00. Pat and Robin Doe elect the Qualified Joint and 75% Survivor Annuity. Pat's monthly benefit will be \$743.81 for the remainder of his life. Upon Pat's death, Robin will receive \$557.86 for the remainder of her life which represents 75% of Pat's benefit.

(b) **Qualified Joint and 100% Survivor Annuity Amount (Optional Benefit):** This benefit again is much like the Qualified Joint and Survivor Annuity benefit except that your benefit will be lower than the 50% and 75% annuity amount as set forth in the example on page 6 and the survivorship benefit for your spouse at the time of your death will be in the same amount as you were receiving before your death

**For Example:**

Pat Doe is 60 years of age and retired. Robin Doe is 59 years of age. Pat's account balance at the time he applies for his retirement benefit is \$120,000.00. Pat and Robin Doe elect the Qualified Joint and 100% Survivor Annuity. Pat's monthly benefit will be \$721.23 for the remainder of his life. Upon Pat's death, Robin will receive \$721.23 for the remainder of her life which represents 75% of Pat's benefit.

**(5) Non Periodic Single Sum Distribution (Optional Benefit):** Under this form of benefit, a single sum from your account may be withdrawn until you reach your required beginning date for a required minimum distribution. Generally, this date will be April 1<sup>st</sup> of the calendar year following the calendar year in which you become 70 ½ years of age. You will not be required to take a distribution each calendar year before you reach your required beginning date or take the same sum each year. However, on your required beginning date, you will be required to take a specific amount from your account based upon minimum distribution rules established by the Internal Revenue Service under regulations issued under Section 401(a)(9) of the Internal Revenue Code. Prior to your required beginning date, each distribution you take from your account, will require a separate application for benefits and a waiver from your spouse.

**For Example:**

Pat Doe is 60 years of age and retired. Robin Doe is 59 years of age. Pat's account balance at the time he applies for his retirement benefit is \$120,000.00. If Pat elects to withdraw \$10,000.00 from his account in 2002, he may withdraw that amount providing all waivers and the application is completed. He is not required to take a withdrawal or any minimum amount from his account. In 2003, if he elects not to take a withdrawal, he will not be required to take a disbursement from his account nor will the Administrator be required to issue a disbursement to him of any minimum amount. A minimum distribution in accordance with regulations issued under I.R.C. 401(a)(9) will be required commencing no later than April 1<sup>st</sup> of the calendar year next following the calendar year Pat reaches age 70 ½ and continuing thereafter. Each disbursement requires the completion of an application and waiver forms.

(6) **Single Full Cash Refund Life Annuity (Optional Benefit):** Based upon the actuarial calculation, if you, as a Participant receive a Single Life Annuity, your monthly benefit will be paid to you for the remainder of your life based upon the balance of your account at the time of distribution, the age and life expectancy of either you and/or your beneficiary.

**For Example:**

Pat Doe is 60 years of age and retired. Robin Doe is 59 years of age. Pat's account balance at the time he applies for his retirement benefit is \$120,000.00. Pat elects a Single Life Annuity distribution of that amount and Robin waives her right to the Qualified Joint and Survivor Annuity. From this benefit, Pat shall receive \$820.93 each month from the Plan. Upon Pat's death, Robin is not entitled to any benefits from the IBEW Local 306 Pension Annuity Plan.

**The Fund may provide benefits through the purchase from an insurance company of any appropriate annuity contract or contracts. Any fees, commissions or other costs directly incurred in connection with the purchase of any annuity may be deducted from the individual account balance immediately before purchase.**

**Since the value of your account generally changes daily and annuity purchase rates change periodically, any amounts illustrated in this application are only estimates of the monthly payments available under the standard or optional forms of benefit.**

**THE INFORMATION BEING PROVIDED HEREIN IS ONLY IN A GENERAL FORM. YOU MAY REQUEST SPECIFIC QUOTES CONCERNING THE QUALIFIED JOINT AND SURVIVOR ANNUITY MONTHLY BENEFIT AMOUNTS OR ANY OF THE STANDARD OR OPTIONAL FORMS OF BENEFITS BEFORE YOU AND YOUR SPOUSE COMPLETE THE APPLICATION AND EXECUTE THE OTHER FORMS. TO MAKE SUCH A REQUEST OR TO DECLINE SUCH A REQUEST, YOU WILL NEED TO COMPLETE FORM A WHICH IS ATTACHED AND FORWARD IT TO THE FUND OFFICE; C/O COMPENSATION PROGRAMS OF OHIO, INC., 33 FITCH BLVD., AUSTINTOWN, OHIO 44515.**

**C. QUESTIONS AND ANSWERS**  
**(TO BE READ BY SPOUSE OF PARTICIPANT)**

**(1) How can your spouse change the way benefits are paid?**

You and your spouse will receive benefits from the Plan in the special 50% QJSA payment form required by Federal law unless your spouse chooses a different payment form and you agree to the choice. If you agree to change the way the Plan's retirement benefits are paid, you give up your right to the special 50% QJSA payments.

**(2) Do you have to give up your right to the 50% QJSA Benefit?**

No. Your choice must be voluntary. It is your personal decision whether you want to give up your right to the special 50% QJSA payment form.

**(3) Can your spouse make future changes if you sign this Agreement?**

If you sign this agreement, you agree that benefits under the Plan will be paid in the form stated in this agreement. You also agree that the beneficiary named in this agreement will receive all or part of the survivor benefits from the Plan after your spouse has died. Your spouse cannot change the payment form (or the beneficiary) unless you agree to the change by signing a new agreement.

**(4) What happens to this Agreement if you become separated or divorced?**

Legal separation or divorce may end your right to survivor benefits from the Plan even if you do not sign this Agreement. However, if you become legally separated or divorced, you might be able to get a special court order (which is called a "Qualified Domestic Relations Order" or "QDRO") that would give you rights to receive retirement benefits even if you sign this agreement. If you are thinking about separating or getting a divorce, you should get legal advice on your rights to benefits from the Plan.

**(5) What should you know before signing this Agreement?**

This is a very important decision. You should think very carefully about whether you want to sign this agreement. Before signing, be sure that you understand what retirement benefits you may get and what benefits you will no longer be able to receive.

You and your spouse have received information on the types of retirement benefits available from the Plan. You should read this information before you execute any Consent and Waiver. For additional information, you can contact the Fund Office (the Administrative Manager) at the following address: 33 Fitch Blvd., Austintown, Ohio 44515 or at (800) 435-2388.

I understand that I do not have to execute a Consent and Waiver and if I do not, my spouse and I will receive payments from the Plan in the form of a Qualified Joint and Survivor Annuity.

#### **D. NOTICE TO UNMARRIED PARTICIPANTS**

In accordance with federal law, the standard form of benefit payable from the Pension-Annuity Plan (for unmarried participants) is a Single Life Annuity. If you choose to accept the standard form of benefit, your Individual Account balance will be used to buy an annuity from an insurance company for you. The purchase of such an annuity will result in monthly benefit payments to you for the remainder of your life. At the time of your eligibility for a distribution of your retirement benefits from the Local 306, IBEW Pension-Annuity Fund, you are eligible to receive a benefit in other optional forms. These benefits are as follows:

(1) **Single Lump Sum Distribution:** If you elect a Lump-Sum Distribution, you will receive the balance of your account in a single sum of a lump-sum amount (of \$120,000.00). If you elect and consent to a Lump-Sum Distribution such consent shall constitute a waiver of a Single Life Annuity on your behalf.

(2) **Nearly Equal Installment Distributions:** Participants who are eligible to retire may receive nearly equal installment distributions payable either monthly or quarterly so long as that number of payments does not exceed the life expectancy of the Participant or the Participant's Designated Beneficiary. If you elect and consent to an Installment Distribution such consent shall constitute a waiver of a Single Life Annuity on your behalf. The monthly or quarterly installment benefit will depend upon the balance of your account at the time of distribution and the age and life expectancies of either you or your beneficiary.

(3) **Non Periodic Single Sum Distribution:** Under this form of benefit, a single sum from your account may be withdrawn, no more than once each calendar year, until you reach your required beginning date for a required minimum distribution. Generally, this date will be April 1<sup>st</sup> of the calendar year following the calendar year in which you become 70 ½ years of age. You will not be required to take a distribution each calendar year before you reach your required beginning date or take the same sum each year. However, on your required beginning date, you will be required to take a specific amount from your account based upon minimum distribution rules established by the Internal Revenue Service under regulations issued under Section 401(a)(9) of the Internal Revenue Code. Prior to your required beginning date, each distribution you take from your account, will require a separate application for benefits and a waiver from your spouse.

(4) **Single Life Annuity.** If you do not make an election to any of the optional benefits above, the benefit will be paid in the form of a Single Life Annuity, as defined more fully below.

**Single Life Annuity Amount:** Based upon actuarial calculations, if you, as Participant, receive a Single Life Annuity, your monthly benefit will be paid to you for the remainder of your life based upon the balance of your account at the time of distribution and the age and life expectancies of either you or your beneficiary.

Each disbursement requires the completion of an application and necessary waiver forms.

**The Fund may provide benefits through the purchase from an insurance company of any appropriate annuity contract or contracts. Any fees, commissions or other costs directly incurred in connection with the purchase of any annuity may be deducted from the individual account balance immediately before purchase.**

**Since the value of your account generally changes daily and annuity purchase rates change periodically, any amounts illustrated in this application are only estimates of the monthly payments available under the standard or optional forms of benefit.**

You have received information on the types of retirement benefits available from the Plan. You should read this information before you execute the Participant's Statement (beginning on page 4 of the Application). For additional information, you can contact the Fund Office (the Administrative Manager) at: 33 Fitch Blvd., Austintown, Ohio 44515 or at (800) 435-2388.

I understand that I do not have to choose an optional benefit and if I do not, I will receive payments from the Plan in the form of a Single Life Annuity.

**IF YOU HAVE ANY QUESTIONS REGARDING THE ABOVE OPTIONS, YOU SHOULD CONSULT LEGAL COUNSEL OR OBTAIN LEGAL ASSISTANCE.**

# LOCAL UNION #306 I.B.E.W. PENSION ANNUITY PLAN

33 Fitch Boulevard

Austintown, Ohio 44515

1-800-435-2388

## FORM A

### SECTION I - PARTICIPANT INFORMATION

Name: \_\_\_\_\_

Soc. Sec. No.: \_\_\_\_\_ Birth Date: \_\_\_\_\_ Tel. No.: \_\_\_\_\_

Address: \_\_\_\_\_

### SECTION II - SPOUSE'S INFORMATION *(If you are not married, write "None" on the following line)*

Name: \_\_\_\_\_

Soc. Sec. No.: \_\_\_\_\_ Birth Date: \_\_\_\_\_

### SECTION III -- FORM OF BENEFIT(S) THAT QUOTE(S) IS/ARE BEING REQUESTED

Please check the following form of benefit(s) for which you are requesting specific quotes based upon your account valued as of the date of this request based upon your age and the age of your spouse or designated beneficiary.

- Qualified Joint and Survivor Annuity.
- Qualified Joint and 75% Survivor Annuity
- Qualified Joint and 100% Survivor Annuity
- Single Life Annuity
- Nearly Equal Installment Distributions\* payable:
  - monthly
  - quarterly
  - annually
  - based on my life expectancy
  - based on both my and my spouse's life expectancy
    - with  without recalculation of:
      - my life
      - my spouse's life expectancy
      - based on life expectancy of me and my spouse



- based on life expectancy of me and my Designated Beneficiary  
\_\_\_\_\_ (Identify name of Designated Beneficiary and date of birth, if other than spouse)
- Single Full Cash Refund Life Annuity
- We decline any specific quotes pertaining to the Standard or Optional Benefits.

Since the value of your account generally changes daily and annuity purchase rates change periodically, the amounts provided will represent estimates of the monthly payments available under the form of benefit requested.

\_\_\_\_\_  
DATE

\_\_\_\_\_  
PARTICIPANT'S SIGNATURE

\_\_\_\_\_  
DATE

\_\_\_\_\_  
SPOUSE'S SIGNATURE

**LOCAL UNION NO. 306 IBEW  
PENSION ANNUITY PLAN  
SPECIAL TAX NOTICE**

**YOUR ROLLOVER OPTIONS**

You are receiving this notice because all or a portion of a payment you are receiving from the **Local Union No. 306 IBEW Pension Annuity 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.

Rules that apply to most payments from a plan are described in the “General Information About Rollovers” section. Special rules that only apply in certain circumstances are described in the “Special Rules and Options” section.

**GENERAL INFORMATION ABOUT  
ROLLOVERS**

**How can a rollover affect my taxes?**

You will be taxed on a payment from the Plan if you do not roll it over. If you are under age 59½ and do not do a rollover, you will also have to pay a 10% additional income tax on early distributions (unless an exception applies). However, if you do a rollover, you will not have to pay tax until you receive payments later and the 10% additional income tax will not apply if those payments are made after you are age 59½ (or if an exception applies).

**Where may I roll over the payment?**

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

**How do I do a rollover?**

There are two ways to do a rollover. You can do either a direct rollover or a 60-day rollover.

If you do a direct rollover, the Plan will make the payment directly to your IRA or an employer plan. You should contact the IRA sponsor or the administrator of the employer plan for information on how to do a direct rollover.

If you do not do a direct rollover, you may still do a rollover by making a deposit into an IRA or eligible employer plan that will accept it. You will have 60 days after you receive the payment to make the deposit. If you do not do a direct rollover, the Plan is required to withhold 20% of the payment for federal income taxes. 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:

- Required minimum distributions after age 70½ (or after death)
- Corrective distributions of contributions that exceed tax law limitations.

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

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

If you are under age 59½, you will have to pay the 10% additional income tax on early distributions for any payment from the Plan (including amounts

withheld for income tax) that you do not roll over, unless one of the exceptions listed below applies. This tax is in addition to the regular income tax on the payment not rolled over.

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

- Payments made after you separate from service if you will be at least age 55 in the year of the separation
- Payments made due to disability
- Payments after your death
- Corrective distributions of contributions that exceed tax law limitations
- Payments made directly to the government to satisfy a federal tax levy
- Payments made under a qualified domestic relations order (QDRO)
- Payments up to the amount of your deductible medical expenses
- Certain payments made while you are on active duty if you were a member of a reserve component called to duty after September 11, 2001 for more than 179 days.

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

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

- There is no exception for payments after separation from service that are made after age 55.
- The exception for qualified domestic relations orders (QDROs) does not apply (although a special rule applies under which, as part of a divorce or separation agreement, a tax-free transfer may be made directly to an IRA of a spouse or former spouse).

- The exception for payments made at least annually in equal or close to equal amounts over a specified period applies without regard to whether you have had a separation from service.
- There are additional exceptions for (1) payments for qualified higher education expenses, (2) payments up to \$10,000 used in a qualified first-time home purchase, and (3) payments after you have received unemployment compensation for 12 consecutive weeks (or would have been eligible to receive unemployment compensation but for self-employed status).

#### **Will I owe State income taxes?**

This notice does not describe any State or local income tax rules (including withholding rules).

### **SPECIAL RULES AND OPTIONS**

#### **If you miss the 60-day rollover deadline**

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

#### **If 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**

You can roll over a payment from the Plan made before January 1, 2010 to a Roth IRA only if your modified adjusted gross income is not more than

\$100,000 for the year the payment is made to you and, if married, you file a joint return. These limitations do not apply to payments made to you from the Plan after 2009. If you wish to roll over the payment to a Roth IRA, but you are not eligible to do a rollover to a Roth IRA until after 2009, you can do a rollover to a traditional IRA and then, after 2009, elect to convert the traditional IRA into a Roth IRA.

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

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

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

#### **If you are not a plan participant**

Payments after death of the participant. If you receive a distribution after the participant's death that you do not roll over, the distribution will

generally be taxed in the same manner described elsewhere in this notice. However, the 10% additional income tax on early distributions does not apply, and the special rule described under the section "If you were born on or before January 1, 1936" applies only if the participant was born on or before January 1, 1936.

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

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

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

**If you are a surviving beneficiary other than a spouse.** If you receive a payment from the Plan after December 31, 2009, 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. A distribution from the Plan to a beneficiary other than a surviving spouse prior to January 1, 2010, is not eligible for rollover. 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.

## FOR MORE INFORMATION

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

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

### **If you are a nonresident alien**

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

### **Other special rules**

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

If your payments for the year are less than \$200, 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.

You may have special rollover rights if you recently served in the U.S. Armed Forces. For more information, see IRS Publication 3, Armed Forces' Tax Guide.

**LOCAL UNION NO. 306 IBEW  
PENSION ANNUITY PLAN  
SPECIAL TAX NOTICE**

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**Where may I roll over the payment?**

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

**How do I do a rollover?**

There are two ways to do a rollover. You can do either a direct rollover or a 60-day rollover.

If you do a direct rollover, the Plan will make the payment directly to your IRA or an employer plan. You should contact the IRA sponsor or the administrator of the employer plan for information on how to do a direct rollover.

If you do not do a direct rollover, you may still do a rollover by making a deposit into an IRA or eligible employer plan that will accept it. You will have 60 days after you receive the payment to make the deposit. If you do not do a direct rollover, the Plan is required to withhold 20% of the payment for federal income taxes. 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).

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withheld for income tax) that you do not roll over, unless one of the exceptions listed below applies. This tax is in addition to the regular income tax on the payment not rolled over.

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- Payments made under a qualified domestic relations order (QDRO)
- Payments up to the amount of your deductible medical expenses
- Certain payments made while you are on active duty if you were a member of a reserve component called to duty after September 11, 2001 for more than 179 days.

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

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

- There is no exception for payments after separation from service that are made after age 55.
- The exception for qualified domestic relations orders (QDROs) does not apply (although a special rule applies under which, as part of a divorce or separation agreement, a tax-free transfer may be made directly to an IRA of a spouse or former spouse).

- The exception for payments made at least annually in equal or close to equal amounts over a specified period applies without regard to whether you have had a separation from service.
- There are additional exceptions for (1) payments for qualified higher education expenses, (2) payments up to \$10,000 used in a qualified first-time home purchase, and (3) payments after you have received unemployment compensation for 12 consecutive weeks (or would have been eligible to receive unemployment compensation but for self-employed status).

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This notice does not describe any State or local income tax rules (including withholding rules).

**SPECIAL RULES AND OPTIONS**

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**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**

You can roll over a payment from the Plan made before January 1, 2010 to a Roth IRA only if your modified adjusted gross income is not more than

\$100,000 for the year the payment is made to you and, if married, you file a joint return. These limitations do not apply to payments made to you from the Plan after 2009. If you wish to roll over the payment to a Roth IRA, but you are not eligible to do a rollover to a Roth IRA until after 2009, you can do a rollover to a traditional IRA and then, after 2009, elect to convert the traditional IRA into a Roth IRA.

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

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

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

#### **If you are not a plan participant**

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

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

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

**If you are a surviving beneficiary other than a spouse.** If you receive a payment from the Plan after December 31, 2009, 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. A distribution from the Plan to a beneficiary other than a surviving spouse prior to January 1, 2010, is not eligible for rollover. Payments from the inherited IRA will not be

subject to the 10% additional income tax on early distributions. You will have to receive required minimum distributions from the inherited IRA.

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

#### **If you are a nonresident alien**

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

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