

# GREATER PENNSYLVANIA CARPENTERS ANNUITY AND SAVINGS FUND

ADMINISTRATIVE OFFICE

CARPENTERS' COMBINED FUNDS, INC.  
JAMES R. KLEIN, ADMINISTRATOR  
650 RIDGE ROAD - SUITE 300  
PITTSBURGH, PA 15205

## MEMBER APPLICATION FOR DISTRIBUTION BEFORE AGE 72

Phone: (412) 922-5330  
Fax: (412) 922-3420  
Toll Free (PA) 800-242-2539

### Section I: Member Information

Name: \_\_\_\_\_ Soc. Sec. No: \_\_\_\_\_  
Address: \_\_\_\_\_ Birth Date: \_\_\_\_\_  
City: \_\_\_\_\_ State: \_\_\_\_\_ Zip Code: \_\_\_\_\_ Telephone: \_\_\_\_\_  
Last Employer: \_\_\_\_\_ Local Union No: \_\_\_\_\_  
Marital Status:  Married  Not married

### Section II: Application for Distribution of Account

I hereby apply for distribution of my Account under the Annuity and Savings Fund on account of:

Retirement (at or age 55) Retirement Date: \_\_\_\_\_  
 Disability (eligible for disability pension under Pension Fund) Pension Eligibility Date: \_\_\_\_\_  
 Termination/Permanent Withdrawal (left union or no work for six months) Last Day Worked: \_\_\_\_\_  
 Permit Worker/Traveler Left Jurisdiction of Union Date of Departure: \_\_\_\_\_

### Section III: Election of Form of Distribution

I hereby elect that my Account under the Annuity and Savings Fund be distributed in the form of: (elect only one)

Total Lump Sum Payment (entire balance of Account)  
 Partial Lump Sum Payment of \$ \_\_\_\_\_  
 Payment in Monthly or Annual Installments  
 Monthly Installments for \_\_\_\_\_ Months  
 Monthly Installments in the amount of \$ \_\_\_\_\_  
 Annual Installments for \_\_\_\_\_ Years  
 Annual Installments in the amount of \$ \_\_\_\_\_

### Section IV: Direct Rollover/Payment Election for Eligible Rollover Payments

(Complete if you elect to have your Account distributed in (1) a Total Lump Sum Payment, (2) a Partial Lump Sum Payment, (3) Monthly Installments to be paid or expected to be paid for less than 120 months, or (4) Annual Installments to be paid or expected to be paid for less than 10 years.)

A. I hereby elect that each Eligible Rollover Payment be distributed by: (elect only one)

direct payment of the entire amount to me; or  
 direct rollover of the entire amount to the IRA or Eligible Employer Plan designated in B. below; or  
 direct rollover of \$ \_\_\_\_\_ (\$500 minimum) to the IRA or Eligible Employer Plan designated in B. below and direct payment of the remaining balance to me.

B. The direct rollover, if any, I elected in A. above is to be made to: (designate only one)

- A Traditional IRA
- A Roth IRA
- An Eligible Employer Plan (includes another 401(a) qualified plan)

Name of IRA or Eligible Employer Plan: \_\_\_\_\_

Account Number (if applicable): \_\_\_\_\_

Trustee/Custodian of IRA or Eligible Employer Plan: \_\_\_\_\_

Address of Trustee/Custodian: \_\_\_\_\_  
\_\_\_\_\_

C. For a direct payment, if any, elected in A. above, I hereby elect:

- withholding of only the mandatory 20% federal income tax withholding; or
- withholding of the mandatory 20% federal income tax withholding plus an additional \_\_\_\_\_%.

(Note that the direct payment of a distribution eligible for direct rollover is subject to mandatory 20% federal income tax withholding. You may not waive the 20% federal income tax withholding or elect a smaller percentage, but you may elect to have an additional percentage withheld.)

Section V: Member Signature and Certification

I hereby certify that the information furnished above is true and correct to the best of my knowledge, and I hereby authorize all action necessary to implement the elections made above. I understand that all payments are governed by the document for the Annuity and Savings Fund and that I must hold any payments not provided for in the document for the benefit and reimbursement of the Fund.

Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Section VI: Spouse's Consent

(If you are married, your spouse must consent to your application for distribution.)

I certify that I am the lawful spouse of the above-named Member, and I hereby consent to my spouse's application for distribution of his or her Account under the Annuity and Savings Fund.

Spouse's Signature: \_\_\_\_\_ Date: \_\_\_\_\_  
(Sign in Presence of Notary Public)

State of: \_\_\_\_\_. County of: \_\_\_\_\_. On \_\_\_\_\_, 20\_\_\_\_, the above-named spouse appeared before me and acknowledged that he or she signed this Spouse's Consent for the reasons set forth herein.

[SEAL] Notary Public: \_\_\_\_\_

Commission Expires: \_\_\_\_\_

Section VII: Administrative Office Use Only

Application and Instructions sent to Member on: \_\_\_\_\_ Application received from Member on: \_\_\_\_\_

Approved by: \_\_\_\_\_ Amount: \$ \_\_\_\_\_ Date: \_\_\_\_\_

# GREATER PENNSYLVANIA CARPENTERS ANNUITY AND SAVINGS FUND

ADMINISTRATIVE OFFICE

CARPENTERS' COMBINED FUNDS, INC.  
JAMES R. KLEIN, ADMINISTRATOR  
650 RIDGE ROAD - SUITE 300  
PITTSBURGH, PA 15205

Phone: (412) 922-5330  
Fax: (412) 922-3420  
Toll Free (PA) 800-242-2539

## INSTRUCTIONS FOR MEMBER APPLICATION FOR DISTRIBUTION BEFORE AGE 72

### Application

Use the Application for Distribution to apply for a distribution of your Account upon your retirement, disability or eligible termination of employment before the calendar year in which you attain age 72.

Please print or type all information (except for required signatures). File the completed Application with the Administrative Office at the above address, along with, if applicable, a completed IRS Form W-4P (see "Federal Income Tax Withholding Election - IRS Form W-4P" below).

### Forms of Distribution - Section III of the Application

You may elect one of the following forms for the distribution of your Account.

Total Lump Sum Payment - The entire balance of your Account will be distributed in a single payment.

Partial Lump Sum Payment - You must specify the amount of the Partial Lump Sum Payment. The amount you specify will be distributed in a single payment.

Monthly or Annual Installments - You must specify how the installments are to be paid.

- If you specify the number of monthly or annual installments, your Account will be paid in installments for the number of months or years you specify (or until the entire balance of the Account has been distributed if earlier). The amount of the installments will be adjusted each year by dividing the then balance of your Account by the remaining period for the installments.
- If you specify the amount of the monthly or annual installments, the installments will be paid at the frequency and in the amount you specify until the entire balance of your Account has been distributed.
- After payment begins, you may elect to stop or change the installments or to receive the remaining balance of your Account in a Total Lump Sum Payment.

If there is a balance in your Account in the calendar year in which you attain age 72, you will be required to elect a Total Lump Sum Payment, Monthly Installments for up to 120 months, or Annual Installments for up to 10 years for the distribution of the balance.

### Direct Rollover/Payment Election - Section IV of the Application

The direct rollover/payment elections are discussed in the Special Tax Notice Regarding Your Rollover Options, which contains the IRS's explanation of the election of a direct payment and/or direct rollover for your distribution. Please contact the Administrative Office if you have not received a copy of this Special Tax Notice.

Note that:

- Monthly or annual installments that are to be paid, or expected to be paid, for 120 or more months or 10 or more years are not eligible for a direct rollover to an IRA or an Eligible Employer Plan and are not subject to mandatory 20% federal income tax withholding (see "Federal Income Tax Withholding Election - IRS Form W-4P" below). If you want to specify the amount of the installments, you may contact the Administrative Office for a determination of whether the installments are expected to be paid for 120 or more months or 10 or more years.

- If a payment eligible for a direct rollover to an IRA or an Eligible Employer Plan is paid directly to you, mandatory 20% federal income tax withholding will apply to the direct payment. You may not waive the 20% federal income tax withholding or elect a smaller percentage, but you may elect to have an additional percentage withheld.
- If you elect a direct rollover to an IRA, it is important that you properly designate the type of IRA (Traditional or Roth) that is to receive the direct rollover. The Annuity and Savings Fund will rely on this designation in reporting the direct rollover distribution to the IRS.

### **Federal Income Tax Withholding Election for Certain Installments - IRS Form W-4P**

Monthly or annual installments that are to be paid, or expected to be paid, for 120 or more months or 10 or more years are subject to the federal income tax withholding election you make on IRS Form W-4P (and are not subject to mandatory 20% federal income tax withholding). If you want to specify the amount of the installments, you may contact the Administrative Office for a determination of whether the installments are expected to be paid for 120 or more months or 10 or more years.

Please complete and return IRS Form W-4P if you elect to have your Account distributed in monthly or annual installments that are to be paid, or expected to be paid, for 120 or more months or 10 or more years. A copy is available from the Administrative Office. Information on the withholding of federal income tax can be found in the instructions to IRS Form W-4P.

### **Spouse's Consent - Section VI of the Application**

If you are married, your spouse must consent to your Application For Distribution by completing Section VII.

Once given, your spouse's consent is irrevocable. However, your spouse's consent applies only to this Application.

### **IRS Required Information**

Under current IRS rules:

- You have the right to a 30-day period after you are provided with these Instructions and the IRS required Special Tax Notice Regarding Your Rollover Options to consider your application for a distribution and your direct rollover/payment election. You may waive that right by filing the Application within this 30-day period.
- You must be provided with these Instructions and the IRS required Special Tax Notice Regarding Your Rollover Options no earlier than 180 days before the date distribution is made. Accordingly, if, when you return the Application, the distribution cannot be made within 180 days of the date you were provided with these Instructions and the Special Tax Notice, the distribution will not be made and you will have to obtain another set of Instructions and Special Tax Notice before you can apply for the distribution.

Under the minimum distribution rules of the Internal Revenue Code, distribution of your Account must be made or begin by the April 1 following the later of (i) the calendar year in which you attain age 70½ or (ii) (if not a 5%-owner) the calendar year in which you retire from employment under the Annuity and Savings Fund. You have the right to defer the distribution of your Account until the required date of distribution. This is done by not filing an Application for Distribution.

If you defer the distribution, your Account will continue to be invested (as you direct) on a tax-deferred basis in the available Investment Funds under the Annuity and Savings Fund and will continue to be credited and charged with earnings, gains, losses and expenses accordingly. Information on the Investment Funds is available on the John Hancock website [www.myplan.johnhancock.com/login](http://www.myplan.johnhancock.com/login) or from the Administrative Office.

If you apply for and receive a distribution now, the distribution will cease to be so invested in the available Investment Funds, and if paid directly to you, will be subject to federal income tax, including potentially the additional 10% federal income tax for payment before age 59½. If distributed by direct rollover, the distribution will not be subject to federal income tax, except for a direct rollover to a Roth IRA. However, in such case, the same Investment Funds may not be available, or available only on different terms, and different costs could apply.

## **SPECIAL TAX NOTICE REGARDING YOUR ROLLOVER OPTIONS**

You are receiving this notice because all or a portion of a payment you are receiving from the Greater Pennsylvania Carpenters Annuity and Savings Fund (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 (generally, distributions made before age 59½) unless an exception applies. However, if you do a rollover, you will not have to pay tax until you receive payments later and the 10% additional income tax will not apply if those payments are made after you are age 59½ (or if an exception to the 10% additional income tax applies).

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

You may roll over the payment to either an IRA (an individual retirement account or individual retirement annuity) or an employer plan (a tax-qualified plan, section 403(b) plan, or governmental section 457(b) plan) that will accept the rollover. The rules of the IRA or employer plan that holds the rollover will determine your investment options, fees, and rights to payment from the IRA or employer plan (for example, IRAs are not subject to spousal consent rules and IRAs may not provide loans). Further, the amount rolled over will become subject to the tax rules that apply to the IRA or employer plan.

#### **How do I do a rollover?**

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

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

*If you do not do a direct rollover*, you may still do a rollover by making a deposit into an IRA or eligible employer plan that will accept it. Generally, you will have 60 days after you receive the payment to make the deposit. If you do not do a direct rollover, the Plan is required to withhold 20% of the payment for federal income taxes. This means that, in order to roll over the entire payment in a 60-day rollover, you must use other funds to make up for the 20% withheld. If you do not roll over the entire amount of the payment, the portion not rolled over will be taxed and will be subject to the 10% additional income tax on early distributions if you are under age 59½ (unless an exception applies).

#### **How much may I roll over?**

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

- Certain payments spread over a period of at least 10 years or over your life or life expectancy (or the joint lives or joint life expectancies of you and your beneficiary);
- Required minimum distributions after age 70½ (if you were born before July 1, 1949), after age 72 (if you were born after June 30, 1949), or after death; and
- Hardship Distributions.

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 under the Plan within the meaning of the Internal Revenue Code if you will be at least age 55 in the year of the separation;
- Payments that start after you separate from service under the Plan within the meaning of the Internal Revenue Code if paid at least annually in equal or close to equal amounts over your life or life expectancy (or the joint lives or joint life expectancies of you and your beneficiary);
- Payments made due to total and permanent disability within the meaning of the Internal Revenue Code;
- Payments after your death;
- Payments made directly to the government to satisfy a federal tax levy;
- Payments made under a qualified domestic relations order (QDRO);
- Payments (from a defined contribution plan) of a qualified or adoption distribution within the meaning of the Internal Revenue Code (\$5,000 maximum and within one year after the birth and adoption of a child);
- Payments up to the amount of your deductible medical expenses under the Internal Revenue Code (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; and
- Payments excepted from the additional income tax by federal legislation relating to certain emergencies and disasters.

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

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

- The exception for payments made after you separate from service if you will be at least age 55 in the year of the separation does not apply;
- The exception for qualified domestic relations orders (QDROs) does not apply (although a special rule applies under which, as part of a divorce or separation agreement, a tax-free transfer may be made directly to an IRA of a spouse or former spouse); and
- The exception for payments made at least annually in equal or close to equal amounts over a specified period applies without regard to whether you have had a separation from service.

Additional exceptions apply for payments from an IRA, including:

- Payments for qualified higher education expenses;
- Payments up to \$10,000 used in a qualified first-time home purchase; and
- Payments for health insurance premiums after you have received unemployment compensation for 12 consecutive weeks (or would have been eligible to receive unemployment compensation but for self-employed status).

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

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

## **SPECIAL RULES AND OPTIONS**

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

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

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

If you were born on or before January 1, 1936 and receive a lump sum distribution within the meaning of the Internal Revenue Code 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)*.

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 generally will 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 deceased participant was born on or before January 1, 1936.

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

An IRA you treat as your own is treated like any other IRA of yours, so that payments made to you before you are age 59½ will be subject to the 10% additional income tax on early distributions (unless

an exception applies) and required minimum distributions from your IRA do not have to start until after you are age 70½ (if you were born before July 1, 1949) or age 72 (if you were born after June 30, 1949).

If you treat the IRA as an inherited IRA, payments from the IRA will not be subject to the 10% additional income tax on early distributions. However, if the participant had started taking required minimum distributions, you will have to receive required minimum distributions from the inherited IRA. If the participant had not started taking required minimum distributions from the Plan, you will not have to start receiving required minimum distributions from the inherited IRA until the year the participant would have been age 70½ (if the participant was born before July 1, 1949) or age 72 (if the participant was born after June 30, 1949).

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

*Payments under a 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 or an eligible employer plan that will accept it). However, payments under the QDRO will not be subject to the 10% additional income tax on early distributions.

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

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

#### **Other special rules**

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

If your payments for the year are less than \$200 (not including payments from a designated Roth account in the Plan), the Plan is not required to allow you to do a direct rollover and is not required to withhold 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*. 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.