

**FOOD & BEVERAGE WORKERS UNION LOCAL 23
& EMPLOYERS PENSION FUND
7130 Columbia Gateway Drive, Suite A
Columbia, MD 21046
(410) 872-9500**

PENSION APPLICATION

INSTRUCTIONS: PLEASE READ ALL QUESTIONS CAREFULLY AND PRINT ALL ANSWERS. BE SURE TO SIGN AND DATE THE APPLICATION. MAIL THE COMPLETED APPLICATION AND PROOF OF AGE TO THE FUND OFFICE.

PERSONAL DATA

1. Name: _____

2. Address: _____

3. Telephone Number: _____

4. Social Security Number: _____

5. Date of Birth: ____/____/____ **(Attach Proof of Age. See instruction sheet- page 3)**

6. Date You Last Worked in Covered Employment ____/____/____

7. Marital Status - Please mark the choice that applies to your current marital status:

_____ I have never been legally married.

_____ I am legally separated from my spouse. **(Attach a copy of the separation decree or other document establishing your legal separation).**

_____ I am divorced. **(Attach a copy of the divorce decree).**

If divorced, have you and your former spouse entered into an agreement
awarding your former spouse a portion of your pension benefit? Yes / No

_____ I am unable to locate my spouse. (The Fund Office will contact you to obtain additional information).

_____ I am a widow/widower. **(Attach a copy of spouse's death certificate).**

_____ I am currently married. **(Attach a copy of your current marriage certificate).**

If you marry between the time you submit this application and the date you commence receipt of benefits, you MUST contact the Fund Office.

EMPLOYMENT HISTORY

Please list all employers that contribute to the Plan for whom you worked. List your most recent employment first, and continue in backwards chronological order.

Name of Company	Address	From	To

DISABILITY BENEFIT

a) Are you are applying for a benefit as a result of a disability? No _____ Yes _____

If yes, complete the following. If no, continue onto next page.

b) Date you became totally disabled _____

c) Nature of disability _____

d) Have you applied for a Social Security Disability Pension? Yes _____ No _____

e) If yes, has it been approved or rejected? Approved _____ Rejected _____ Pending _____

If a decision has been made, submit with this application the Social Security Disability Award.

f) Name, address and telephone number of your doctor.

Please provide copies of all documentation proving that you are totally and permanently unable to continue working in the industry.

CERTIFICATE OF ACKNOWLEDGEMENT

This page must be signed and notarized or Application will be returned to you.

I hereby certify that the information I have provided herein is true and correct to the best of my knowledge and belief. I certify that there is no qualified domestic relations order that applies to my benefit that I have not

provided to the Fund Office. I understand that a false statement may disqualify me for pension benefits, and that the Trustees shall have the right to recover any payments made to me because of a false statement.

Participant's Signature

Date

Sworn to and subscribed to before me this _____ day of _____, 20____.

Notary Public
My Commission Expires _____

PROOF OF AGE

Most items are self-explanatory. Items which require further explanation are listed below.

Proof of age must be furnished as high in order on the list as possible. Additional proof of age will be requested by us if the document you submit is not convincing proof. You must attach a copy of proof of age. If you do not have any of the documents below, contact the Fund office.

1. Birth certificate
2. Passport
3. Drivers License
4. Baptismal certificate or statement as to date of birth shown by church record, certified by custodian of such record.
5. Notification of registration of birth in public registry of vital statistics.
6. Hospital birth record, certified by custodian.
7. Document showing approval of Social Security pension.
8. Foreign church or government record.
9. Naturalization record.
10. Immigration papers.
11. Military record
12. School record, certified by custodian.
13. Marriage record showing date of birth or age (application for marriage or church record, certified by custodian, or marriage certificate).

RELATIVE VALUE OF OPTIONAL BENEFIT FORMS

As required by federal law, this form will provide information to help you decide which benefit form to elect. As explained in more detail in this benefit application, the forms of benefits available under the Plan are the Single Life Annuity, the Lump Sum Cashout, the 75% Joint and Survivor Annuity and the 50% Qualified Joint and Survivor Annuity. If you are not married, only the Single Life Annuity and the Lump Sum Cashout are available to you.

If you elect to receive your benefit as a Single Life Annuity, 75% Joint and Survivor Annuity or 50% Qualified Joint and Survivor Pension, the Fund will purchase the annuity contract from an insurance company with the money that is in your account. The amount of your monthly annuity will be based on the applicable interest rate and

your average life expectancy at the time the annuity is purchased. The Fund has estimated that, at this time, a reasonable interest rate for an annuity contract is 4.5%. Together with a reasonable mortality assumption, the forms of estimated payments as an annuity or lump sum have been estimated to be actuarially equivalent.

The relative value of the actual amounts paid to you or your spouse will vary depending on how long you live.

You may request specific information regarding the actual amount of an annuity payable to you by calling or writing the Fund Office. You may also request additional information regarding the assumption used to calculate the value of your benefit options.

AVAILABLE FORMS OF BENEFITS

The following information is provided in order to assist you in deciding which form of benefit to elect.

The Fund offers you a choice of benefit. If you are married at the time your benefits commence, you may receive your benefit in the form of a 50% Qualified Joint and Survivor Annuity, or if you and your spouse both agree to waive the 50% Qualified Joint and Survivor Annuity, as described below, you may elect to receive your benefit as a 75% Optional Joint and Survivor Annuity, Single Life Annuity or in a Single Lump Sum Payment. If you are unmarried at the time your benefits commence, you may elect to receive your benefit as a Single Life Annuity or in a Single Lump Sum Payment.

A 50% Qualified Joint and Survivor Annuity provides you with a monthly payment for your life and, upon your death, a monthly payment during your spouse's life, equal to 50% of the monthly payment you were receiving. Because your spouse will receive a survivor payment, election of a 50% Qualified Joint and Survivor Annuity benefit will reduce the monthly payments you would otherwise have received had payments been made to you as a single life monthly pension benefit.

You may elect in writing not to receive the benefit in the form of a Husband and Wife Pension during the 180-day period before your benefits are due to be paid. If you and your spouse decide to waive this benefit, you **MUST** execute the Waiver of the 50% Qualified Joint and Survivor Annuity and return it to the Fund office with your application. In addition, your spouse must also execute the Waiver of the 50% Qualified Joint and Survivor Annuity and have it acknowledged before a notary public.

ELECTION OF PENSION

Please complete this section to elect benefits under the Food & Beverage Workers Union Local 23 & Employers Pension Fund.

_____ **50% Qualified Joint and Survivor Annuity.** The Fund will use your account balance to purchase an annuity. You will receive a monthly benefit for your lifetime, and upon your death, your spouse will receive a monthly benefit, equal to 50% of the benefit you were receiving, for your spouse's lifetime.

_____ **Single Life Annuity.** The Fund will use your account balance to purchase an annuity which will be paid to your monthly for your lifetime. Your benefit terminates upon your death.

_____ **75% Optional Joint and Survivor Annuity.** The Fund will use your account balance to purchase an annuity. You will receive a monthly benefit for your lifetime, and upon your death, your spouse will receive a monthly benefit, equal to 75% of the benefit you were receiving, for your spouse's lifetime.

_____ **Single Sum Distribution.** You will receive your total account balance in a one-time payment.

IF YOU CHOOSE THE SINGLE LIFE ANNUITY, 75% OPTIONAL JOINT AND SURVIVOR ANNUITY OR SINGLE SUM DISTRIBUTION AND YOU ARE MARRIED, YOU AND YOUR SPOUSE MUST SIGN BELOW.

I understand that the law provides that if I am married at the time I begin receiving my pension under the Plan ("Benefit Effective Date"), my spouse must be provided with at least a 50% surviving spouse benefit for his or her life after I die unless my spouse and I elect to waive the spousal benefit within the 180-day period ending on my Benefit Effective Date. I understand that I may revoke the following election at any time before my Benefit Effective Date.

I elect to waive receipt of my benefits in the form of a 50% Qualified Joint and Survivor Annuity. I understand that rejecting this form of benefit means that, unless I have elected the 75% Optional Joint and Survivor Annuity, no benefits will be paid to my spouse after my death, unless such benefits are payable under other sections of the Plan.

I hereby certify that the information I have provided in this Pension Application is true and correct to the best of my knowledge and belief. I certify that there is no qualified domestic relations order that applies to my benefit that I have not provided to the Fund Office. I understand that a false statement may disqualify me for pension benefits, and that the Trustees shall have the right to recover any payments made to me because of a false statement.

Participant's Signature

Date

Sworn to and subscribed to before me this _____ day of _____, 20_____.

Notary Public

My Commission Expires _____

SPOUSE'S WAIVER OF HUSBAND AND WIFE PENSION

I, _____, certify that I am the legal spouse of the Participant named above. I understand that the law requires that I receive lifetime survivor benefits equal to at least 50% of my spouse's lifetime benefit, unless I consent to my spouse's election to waive such benefit. I also understand that lifetime survivor benefits are provided under the 50% Qualified Joint and Survivor Annuity. However, my spouse has elected to receive benefits in another form, which may not provide me with any benefit upon his/her death. I consent to my spouse's waiver of the 50% Qualified Joint and Survivor Annuity. I understand that the effect of the waiver may be to give up my survivor benefit protection. I also understand that if my spouse has elected a Single Life Annuity, the pension paid to my spouse while he or she is living may be higher than it would be if I had the survivor protection. I agree to the election of benefit made by my spouse.

Spouse Signature

Date

Spouse's signature must be witnessed by a Notary Public

Sworn to and subscribed to before me this _____ day of _____, 20_____.

Notary Public
My Commission Expires: _____

WAIVER OF 30-DAY WAITING PERIOD ON DECISIONS
TO WAIVE THE MARRIED COUPLE FORM

Participant

I understand that, unless I execute the waiver below, my pension benefit will not be effective or commence until I have had at least 30 days following my receipt of this Pension Application Form to consider my election. However, I choose to waive this thirty day waiting period with the understanding that my benefits will not commence earlier than seven (7) days after my receipt of this Pension Application Form.

Participant's Signature

Date

Spouse

I understand that, unless I execute the waiver below, my spouse's pension benefit shall not be effective nor commence until I have had at least 30 days following my receipt of this Pension Application Form to consider my consent to my spouse's waiver of the Married Couple Form. However, I choose to waive this thirty day waiting period with the understanding that my spouse's benefits will not commence earlier than seven (7) days after my receipt of this Pension Application Form.

Spouse's Signature

Date

CONSEQUENCES OF DEFERRING RECEIPT OF YOUR BENEFIT

If you have a right to defer receipt of your benefits, federal law requires that the Fund inform you of the consequences of electing to receive your benefits now instead of at a later date, including the investment options available to you and the fees charged to your account. If your benefits remain in your account following your termination of employment with a participating employer, the Board of Trustees will continue to have the discretion to invest your benefits to the same extent as prior to your termination. If you take a distribution of your account, you will have the ability to direct your own investments.

Your account will be charged the same administrative and operating expenses as while you worked in active employment. The Fund's Board of Trustees reserves the right to change these fees at any time. In addition, there are certain investment expenses that are paid directly by the mutual funds or other investment options that are available. You can consult the prospectus for each investment option regarding these investment expenses.

You should also review pages 7-11 of the Fund's Plan document, which have provisions that, if relevant to you, may affect the amount of your pension benefit based on your commencement date.

ELECTION TO ROLLOVER ELIGIBLE DISTRIBUTIONS

Please indicate below whether or not you elect to rollover over your pension benefits. This page must still be returned even if you choose not to rollover.

_____ I do not wish to rollover my pension benefit into an IRA or other qualified retirement plan.

_____ I elect to rollover my entire benefit directly into the IRA or other qualified retirement plan indicated below.

_____ I elect to rollover a portion of my benefit directly into the IRA or other qualified retirement plan indicated below. Please specify the amount of your benefit that you wish to rollover: \$_____.

Please make payment of my benefit on my behalf to:

Name of IRA Trustee or Qualified Retirement Plan

Account Number

Mailing Address

PLEASE RETAIN THIS NOTICE FOR YOUR RECORDS. DO NOT RETURN TO THE FUND OFFICE WITH YOUR APPLICATION.

YOUR ROLLOVER OPTIONS

You are receiving this notice because all or a portion of a payment you are receiving from the Food & Beverage Workers Union Local 23 & Employers Pension 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.

This notice describes the rollover rules that apply to payments from the Plan that are not from a designated Roth account (a type of account with special tax rules in some employer plans). If you also receive a payment from a designated Roth account in the Plan, you will be provided a different notice for that payment, and the Plan administrator or the payor will tell you the amount that is being paid from each account.

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

GENERAL INFORMATION ABOUT ROLLOVERS

How can a rollover affect my taxes?

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

Where may I roll over the payment?

You may roll over the payment to either an IRA (an individual retirement account or individual retirement annuity) or an employer plan (a tax-qualified plan, section 403(b) plan, or governmental section 457(b) plan) that will accept the rollover.

The rules of the IRA or employer plan that holds the rollover will determine your investment options, fees, and rights to payment from the IRA or employer plan (for example, no spousal consent rules apply to IRAs and IRAs may not provide loans). Further, the amount rolled over will become subject to the tax rules that apply to the IRA or employer plan.

How do I do a rollover?

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

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

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

How much may I roll over?

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

- Certain payments spread over a period of at least 10 years or over your life or life expectancy (or the lives or joint life expectancy of you and your beneficiary)
- Required minimum distributions after age 70½ (or after death)
- Hardship distributions
- ESOP dividends
- Corrective distributions of contributions that exceed tax law limitations
- Loans treated as deemed distributions (for example, loans in default due to missed payments before your employment ends)
- Cost of life insurance paid by the Plan
- Contributions made under special automatic enrollment rules that are withdrawn pursuant to your request within 90 days of enrollment
- Amounts treated as distributed because of a prohibited allocation of S corporation stock under an ESOP (also, there will generally be adverse tax consequences if you roll over a distribution of S corporation stock to an IRA).

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

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

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

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

- Payments made after you separate from service if you will be at least age 55 in the year of the separation
- Payments that start after you separate from service if paid at least annually in equal or close to equal amounts over your life or life expectancy (or the lives or joint life expectancy of you and your beneficiary)

- Payments from a governmental defined benefit pension plan made after you separate from service if you are a public safety employee and you are at least age 50 in the year of the separation
- Payments made due to disability
- Payments after your death
- Payments of ESOP dividends
- Corrective distributions of contributions that exceed tax law limitations
- Cost of life insurance paid by the Plan
- Contributions made under special automatic enrollment rules that are withdrawn pursuant to your request within 90 days of enrollment
- Payments made directly to the government to satisfy a federal tax levy
- Payments made under a qualified domestic relations order (QDRO)
- Payments up to the amount of your deductible medical expenses
- Certain payments made while you are on active duty if you were a member of a reserve component called to duty after September 11, 2001 for more than 179 days
- Payments of certain automatic enrollment contributions requested to be withdrawn within 90 days of the first contribution.

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

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

- There is no exception for payments after separation from service that are made after age 55.
- The exception for qualified domestic relations orders (QDROs) does not apply (although a special rule applies under which, as part of a divorce or separation agreement, a tax-free transfer may be made directly to an IRA of a spouse or former spouse).
- The exception for payments made at least annually in equal or close to equal amounts over a specified period applies without regard to whether you have had a separation from service.
- There are additional exceptions for (1) payments for qualified higher education expenses, (2) payments up to \$10,000 used in a qualified first-time home purchase, and (3) payments after you have received unemployment compensation for 12 consecutive weeks (or would have been eligible to receive unemployment compensation but for self-employed status).

Will I owe State income taxes?

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

SPECIAL RULES AND OPTIONS

If your payment includes after-tax contributions

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

You may roll over to an IRA a payment that includes after-tax contributions through either a direct rollover or a 60-day rollover. You must keep track of the aggregate amount of the after-tax contributions in all of your IRAs (in order to

determine your taxable income for later payments from the IRAs). If you do a direct rollover of only a portion of the amount paid from the Plan and a portion is paid to you, each of the payments will include an allocable portion of the after-tax contributions. If you do a 60-day rollover to an IRA of only a portion of the payment made to you, the after-tax contributions are treated as rolled over last. For example, assume you are receiving a complete distribution of your benefit which totals \$12,000, of which \$2,000 is after-tax contributions. In this case, if you roll over \$10,000 to an IRA in a 60-day rollover, no amount is taxable because the \$2,000 amount not rolled over is treated as being 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. To apply for a waiver, you must file a private letter ruling request with the IRS. Private letter ruling requests require the payment of a nonrefundable user fee. For more information, see IRS Publication 590, Individual Retirement Arrangements (IRAs).

If your payment includes employer stock that you do not roll over

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

If you have an outstanding loan that is being offset

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

If you were born on or before January 1, 1936

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

If your payment is from a governmental section 457(b) plan

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

If you are an eligible retired public safety officer and your pension payment is used to pay for health coverage or qualified long-term care insurance

If the Plan is a governmental plan, you retired as a public safety officer, and your retirement was by reason of disability or was after normal retirement age, you can exclude from your taxable income plan payments paid directly as premiums to an accident or health plan (or a qualified long-term care insurance contract) that your employer maintains for you, your spouse, or your dependents, up to a maximum of \$3,000 annually. For this purpose, a public safety officer is a law enforcement officer, firefighter, chaplain, or member of a rescue squad or ambulance crew.

If you roll over your payment to a Roth IRA

You can roll over a payment from the Plan made before January 1, 2010 to a Roth IRA only if your modified adjusted gross income is not more than \$100,000 for the year the payment is made to you and, if married, you file a joint return. These limitations do not apply to payments made to you from the Plan after 2009. If you wish to roll over the payment to a Roth IRA, but you are not eligible to do a rollover to a Roth IRA until after 2009, you can do a rollover to a traditional IRA and then, after 2009, elect to convert the traditional IRA into a Roth IRA.

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

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

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

If you are not a plan participant

Payments after death of the participant. If you receive a distribution after the participant's death that you do not roll over, the distribution will generally be taxed in the same manner described elsewhere in this notice. However, the 10% additional income tax on early distributions and the special rules for public safety officers do not apply, and the special rule described under the section "If you were born on or before January 1, 1936" applies only if the participant was born on or before January 1, 1936.

If you are a surviving spouse.

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

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

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

If you are a surviving beneficiary other than a spouse.

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

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

If you are a nonresident alien

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

Other special rules

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

If your payments for the year are less than \$200 (not including payments from a designated Roth account in the Plan), the Plan is not required to allow you to do a direct rollover and is not required to withhold for federal income taxes. However, you may do a 60-day rollover.

Unless you elect otherwise, a mandatory cashout of more than \$1,000 (not including payments from a designated Roth account in the Plan) will be directly rolled over to an IRA chosen by the Plan administrator or the payor. A mandatory cashout is a payment from a plan to a participant made before age 62 (or normal retirement age, if later) and without consent, where the participant's benefit does not exceed \$5,000 (not including any amounts held under the plan as a result of a prior rollover made to the plan).

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

FOR MORE INFORMATION

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