

# **PLUMBERS & PIPEFITTERS LOCAL NO. 396**

## **SECURITY PLAN**

33 Fitch Boulevard  
Austintown, Ohio 44515  
Tel. No. (330) 270-0453  
(330) 726-9868

### **INSTRUCTIONS FOR COMPLETING APPLICATION FOR BENEFITS**

1. Please read the entire application carefully before beginning to complete it.
2. Please print all information.
3. Be sure to complete all applicable items. This will avoid any delay in the processing of your application.
4. Be sure to sign the application on Page 5 and have you and your wife's signatures notarized on Pages 4 and 5, if married.
5. If any part of the application is not entirely clear, do not hesitate to contact the Fund Office for assistance. Return all pages of this application to the above address. **RETAIN FOR YOUR RECORDS THE SPECIAL TAX NOTICE REGARDING PLAN DOCUMENTS.**

### **SECTION I -- PERSONAL INFORMATION**

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

\_\_\_\_\_ Social Security Number Birth Date Local # District

Address \_\_\_\_\_  
Number and Street

\_\_\_\_\_ City State Zip Code

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

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

Spouse's \_\_\_\_\_  
Social Security Number Birth Date

Telephone No. \_\_\_\_\_ Spouse Telephone No. \_\_\_\_\_

**SECTION II -- REASON FOR DISTRIBUTION**

Amount of Distribution Requested \$ \_\_\_\_\_

- A. \_\_\_\_\_ Retirement
- B. \_\_\_\_\_ Total and Permanent Disability
- C. \_\_\_\_\_ Death
- D. \_\_\_\_\_ Other (must be at least age 23)

You should note that, if you apply for and receive a distribution of all, or a portion, of your individual account, you will not receive interest on that portion of your account. If it is withdrawn prior to a valuation date, interest will not be credited.

**SECTION III -- ELECTION OF FORM OF BENEFIT**

Federal law requires that a married member's benefit be paid in the form of a Joint & 50% Survivor Annuity, unless rejected by the member and his spouse. An unmarried member's benefit will be paid in the form of a Single Life Annuity unless rejected by the member. Please read the following options carefully, and check one:

- A. \_\_\_\_\_ I DO wish to receive any benefit which may be payable to me in the form of a Joint & 50% Survivor Annuity (or a Single Life Annuity if I am not married). This is a monthly benefit paid to me during my lifetime. If I am married and my spouse survives me, one-half of my monthly benefit shall continue during the life of my spouse.
  
- B. \_\_\_\_\_ I DO wish to receive any benefit which may be payable to me in the form of a Joint & 75% Survivor Annuity (or a Single Life Annuity if I am not married). This is a monthly benefit paid to me during my lifetime. If I am married and my spouse survives me, 75% of my monthly benefit shall continue during the life of my spouse.
  
- C. \_\_\_\_\_ I DO wish to receive any benefit which may be payable to me in the form of a Joint & 100% Survivor Annuity (or a Single Life Annuity if I am not married). This is a monthly benefit paid to me during my lifetime. If I am married and my spouse survives me, 100% of my monthly benefit shall continue during the life of my spouse.
  
- D. \_\_\_\_\_ Payments over a period certain in monthly installments. The period over which such payment is to be made shall not exceed the lesser of: (i) thirty years or (ii) the joint life expectancy of me and my beneficiary.
  
- E. \_\_\_\_\_ A lump sum payment

\_\_\_\_\_ payable to me

\_\_\_\_\_ rollover distribution

payable directly to: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

I acknowledge receipt of the Special Tax Notice Regarding Plan Payments. I hereby waive my right to a 30 day period in which to consider the decision of whether or not to elect a direct rollover.

\_\_\_\_\_  
Signature of Participant

**SECTION IV -- SURVIVOR ANNUITY WAIVER**

TO BE COMPLETED IF YOU ARE MARRIED AND YOU CHECKED OPTION D OR E ON THE PRECEDING PAGE.

Name of Participant \_\_\_\_\_

**ELECTION TO WAIVE JOINT AND SPOUSE SURVIVOR ANNUITY**

As a Participant in the Plumbers & Pipefitters Local No. 396 Security Plan, I hereby acknowledge that I have been informed by the Plan Administrator that my benefits under the Plan will be paid to me in the form of a Joint and Spouse Survivor annuity; that I have the right to waive that form of payment, provided that my spouse consents in writing to the waiver, that I understand the terms of a Joint and Spouse Survivor annuity and the financial effect of a waiver; and that I may revoke any waiver in effect during the applicable election period.

( ) I hereby elect to waive the Joint and Spouse Survivor annuity form of payment.

EXECUTED this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

\_\_\_\_\_  
Participant

Witnessed by:

\_\_\_\_\_  
Notary Public

**SPOUSE'S CONSENT TO WAIVER**

I hereby consent to the foregoing election by my spouse, not to have benefits under the Plumbers & Pipefitters Local No. 396 Security Plan paid in the form of a Joint and Spouse Survivor annuity. Further, I hereby acknowledge that I understand: (a) that the effect of my consent may be to forfeit benefits I would be entitled to receive upon my spouse's death: (b) that my spouse's waiver is not valid unless I consent to it: and (c) that my consent is irrevocable unless my spouse revokes the waiver during the applicable election period.

EXECUTED this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_\_.

Witnessed by:

\_\_\_\_\_  
Participant's Spouse

\_\_\_\_\_  
Notary Public

**SECTION V -- DESIGNATION OF BENEFICIARY**

Name \_\_\_\_\_ Sex \_\_\_\_\_

SSN \_\_\_\_\_ Relationship \_\_\_\_\_

Date of Birth \_\_\_\_\_

Address \_\_\_\_\_

(Street and Number)

\_\_\_\_\_  
(City, State, and Zip Code)

**SECTION VI -- SIGNATURES**

I hereby apply for benefits from the Plumbers & Pipefitters Local 396 Security Plan. I certify under penalty of perjury that all the statements contained herein are true and correct to the best of my knowledge. I understand that a false statement may disqualify me for benefits and that the Trustees shall have the right to recover any payment made to me because of a false statement.

Signature of Applicant \_\_\_\_\_ Date \_\_\_\_\_

Signature of Spouse \_\_\_\_\_ Date \_\_\_\_\_

**PLUMBERS & PIPEFITTERS LOCAL NO. 396**  
**SECURITY PLAN**

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*33 Fitch Boulevard  
Austintown, Ohio 44515  
Tel. No. (330) 270-0453  
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**AFFIDAVIT FOR HARDSHIP WITHDRAWAL**

State of Ohio                    )  
  ) SS:  
County of                        )

I, \_\_\_\_\_, being duly sworn, depose and state that:

- 1) I am presently an active participant in \_\_\_\_\_  
\_\_\_\_\_.
- 2) I have made an application for a hardship withdrawal from said Plan.
- 3) I have requested a distribution in the amount of \$\_\_\_\_\_ which is to be made on account of an immediate and heavy financial need and is necessary to satisfy such financial need. More specifically, the financial need to be satisfied by this distribution consists of:
  - \_\_\_\_\_ (a) Extraordinary financial hardship arising from the sickness or disability of the Participant or his spouse, children or other dependents; or
  - \_\_\_\_\_ (b) Purchasing real property which is to serve as the principal residence of the Participant; or
  - \_\_\_\_\_ (c) Financing the cost of education beyond the secondary school level for children or other dependents of the Participant; or
  - \_\_\_\_\_ (d) Extraordinary financial hardship arising outside the usual course of the Participant's business affairs other than those set forth above.
- 4) I am aware that all early, in-service plan distributions (i.e. those made prior to age 59 1/2, death or disability) may be subject to an additional 10% tax in addition to the federal income tax normally applied to this distribution.
- 5) Attached hereto is documentation to support my request for hardship withdrawal. Examples of the Documentation needed are as follows:

Hardship Reason

Documentation

Medical  
Home Purchase  
Tuition  
Eviction/Foreclosure

Doctor bills  
Purchase Agreement  
Billing Statement  
Foreclosure Notice

6) The above facts and statements are true and correct to the best of my knowledge, information, and belief.

**\*\*NOTE: REQUEST IS SUBJECT TO TRUSTEE APPROVAL**

\_\_\_\_\_

Name of Participant (Print)

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

\_\_\_\_\_

SS No.: \_\_\_\_\_

\_\_\_\_\_

Signature of Participant

BEFORE ME, a Notary Public in and for said County and State, personally appeared \_\_\_\_\_, who acknowledged and signed the above statement in my presence.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal this \_\_\_\_ day of \_\_\_\_\_, 20\_\_.

\_\_\_\_\_  
Notary Public

My Commission Expires \_\_\_\_\_

\_\_\_\_\_ This hardship withdrawal request has been APPROVED by the Trustees.

\_\_\_\_\_ This hardship withdrawal request has been DENIED by the Trustees.

TRUSTEES

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Date

**PLUMBERS & PIPEFITTERS LOCAL NO. 396  
SECURITY 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 **Plumbers & Pipefitters Local No. 396 Security 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.

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.

#### **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.