



G & W Equipment, Inc. 401(k) Profit Sharing Plan and Trust

1351893-01

**When would this form be used?**

**When the Beneficiary is making a claim on this account due to the death of the Participant (Decedent).**

- Please note that this withdrawal request may be subject to an administrative review period prior to processing and the investments in your account will not be sold until the withdrawal is processed. The administrative review period may take several business days. Note that your investments may fluctuate with market performance so you may want to re-direct or diversify those investments prior to making a withdrawal request. If you initiate a fund transfer during the administrative review period, it may delay the processing of your withdrawal. If you want to make changes to the investments in your account prior to withdrawal, please contact Service Center or access your account online.

**Additional Information**

- If there are multiple Beneficiaries, each named Beneficiary must complete a separate Death Benefit Claim Request form for their portion of the proceeds. Death Benefit Claim Request forms received in good order by market close will be processed using that business day's effective date.
- For purposes of this form, the terminology 'Withdrawal' is the same as 'Distribution'.
- For questions regarding this form, refer to the Guide, visit the website at myretirement.americanfunds.com or contact Service Center at 1-800-204-3731.
- Return Instructions for this form are in Section I.
- Use black or blue ink when completing this form.

**A What is the Decedent's information?** (All information requested is required.)

Account extension, if applicable, identifies a participant with multiple accounts.

Account Extension

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U.S. Social Security/U.S. Taxpayer Identification Number  
(Must provide all 9 digits)

Last Name

First Name

M.I.

Date of Birth (mm/dd/yyyy) **Required**

(The name provided MUST match the name on file with Service Center.)

Date of Death (mm/dd/yyyy)

City, State and Country of Legal Domicile at Time of Death

**B Who is the Beneficiary?** (All information requested is required, if applicable.)

Beneficiary is (Select One):  Female  Male  Entity

Beneficiary's relationship to the decedent, if an Individual

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U.S. Social Security/U.S. Taxpayer Identification/U.S. Employer Identification Number (Must provide all 9 digits - See Guide for additional details.)

**Select One (Required):**

I am a U.S. Citizen or U.S. Resident Alien

I am a Non-Resident Alien or Other.

(Complete 'Non-Resident Alien or Other Certification' section.)

**Required** - Provide Country of Residence: \_\_\_\_\_

Last Name

First Name

M.I.

Date of Birth or Trust Date (mm/dd/yyyy)  
**(Required)**

OR Estate/Trust/Charity/Organization Name

Street Address

Daytime Phone Number

City

State

Zip Code

Alternate Phone Number

Email Address

Decedent's: Last Name

First Name

M.I.

U.S. Social Security Number

Number

**B Who is the Beneficiary?** (All information requested is required, if applicable.)

Please provide the information of the Representative (if applicable; See Guide for details.):

\_\_\_\_\_ ( )  
 Title (if acting in a representative capacity) or Relationship to Minor Daytime Phone Number (if different from above)

\_\_\_\_\_ ( )  
 Last Name First Name M.I. Alternate Phone Number (if different from above)

\_\_\_\_\_ ( )  
 Street Address Alternate Phone Number (if different from above)

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

\_\_\_\_\_ ( )  
 Email Address

**C What election is the Beneficiary requesting?** (Continue to the next section after completing.)

- Establish an Account for Beneficiary's Benefit** (Subject to minimum distribution rules and Plan Document provisions. See Guide for details.)
  - Claimant is requesting a one-time partial withdrawal of \$ \_\_\_\_\_ or \_\_\_\_\_ % at the same time as the account is established.
  - Spousal Beneficiary
  - Non-Spousal Beneficiary



If Beneficiary only wants to Establish an Account for his or her benefit at this time, and selected the checkbox above, Beneficiary can skip to Section H for Signatures and Consent. For any other options, Beneficiary must continue with the rest of this section.

- Payable to Me Beneficiary's Share** (Both Non-Roth and Roth money sources will be distributed, if applicable.)
- Required Minimum Distribution**  
One-Time Amount \$ \_\_\_\_\_
- Rollover to an IRA or an Eligible Retirement Plan of Beneficiary's Share - Restrictions apply; see Guide for details.**

**Spousal Beneficiaries**

Non-Roth  
 Eligible Retirement Plan:  
 401(a)  401(k)  403(b)  Governmental 457(b)  
 Amount \_\_\_\_\_ % or \$ \_\_\_\_\_

Traditional IRA OR  Inherited Traditional IRA  
 Amount \_\_\_\_\_ % or \$ \_\_\_\_\_

Roth IRA OR  Inherited Roth IRA  
 (Taxable event - Subject to ordinary income taxes)  
 Amount \_\_\_\_\_ % or \$ \_\_\_\_\_

**Non-Spousal Beneficiaries**

Non-Roth  
 Inherited Traditional IRA  
 Amount \_\_\_\_\_ % or \$ \_\_\_\_\_

Inherited Roth IRA (Taxable event - Subject to ordinary income taxes)  
 Amount \_\_\_\_\_ % or \$ \_\_\_\_\_

Roth  
 Inherited Roth IRA  
 Amount \_\_\_\_\_ % or \$ \_\_\_\_\_

Roth  
 Eligible Retirement Plan (Must have a designated Roth Account):  
 401(k)  403(b)  Governmental 457(b)  
 Amount \_\_\_\_\_ % or \$ \_\_\_\_\_

Roth IRA OR  Inherited Roth IRA  
 Amount \_\_\_\_\_ % or \$ \_\_\_\_\_

**Spousal/Non-Spousal Beneficiaries**

Required Minimum Distribution - If Beneficiary is requesting a full withdrawal as a direct rollover and the minimum distribution requirements for the current year have not been met, Beneficiary must provide the amount of the required minimum distribution below. If decedent has not yet satisfied the minimum distribution requirements for the current year, the required amount must be distributed prior to processing a rollover. Note: The required minimum distribution cannot be rolled over.

Required Minimum Distribution Amount \$ \_\_\_\_\_

Unless Beneficiary makes a selection below, the Required Minimum Distribution will be prorated from all contribution sources.

- Withdraw from (Select One):
- Non-Roth contribution sources only
  - Roth contribution sources only

Complete Required Minimum Distribution portion of the 'How will Beneficiary's income taxes be withheld?' section.

Decedent's: Last Name

First Name

M.I.

U.S. Social Security Number

Number

**D To whom does the Beneficiary want their withdrawal payable?** *(Continue to the next section after completing.)*

- Complete this section if Beneficiary is requesting a Rollover to an IRA or an Eligible Retirement Plan.
- Do not complete if requesting to Establish an Account for Beneficiary's Benefit or Full Withdrawal of Beneficiary's Share.
- **Proceeds will be made payable to the Trustee/Custodian/Provider listed below and will be sent to the Beneficiary at the address provided.**
- This is an irrevocable election and Beneficiary is responsible for forwarding these payments to the new Trustee/Custodian/Provider in a timely manner.
- Any attempt to provide an address for the new Trustee/Custodian/Provider in any other address section will not be acted upon.

<p>Non-Roth</p> <hr/> <p>Name of Trustee/Custodian/Provider <i>(To whom the check is made payable)</i></p> <hr/> <p>Account Number <i>(if available)</i></p> <hr/> <p>Retirement Plan Name <i>(if applicable)</i></p>	<p>Roth</p> <ul style="list-style-type: none"> <li>• If Beneficiary would like to direct Roth earnings to a Rollover payee other than the one listed in this section, Beneficiary must attach a letter of instruction listing the name of the Trustee/Custodian/Provider and account number and must include the type of payee, Beneficiary's name, social security number, signature and date.</li> </ul> <hr/> <p>Name of Trustee/Custodian/Provider <i>(To whom the check is made payable)</i></p> <hr/> <p>Account Number <i>(if available)</i></p> <hr/> <p>Retirement Plan Name <i>(if applicable)</i></p>
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**E How does the Beneficiary want their proceeds delivered?** *(Continue to the next section after completing.)*

*Select a delivery method for each set of proceeds, if applicable. Delivery time estimates are based on completion of the withdrawal process, which includes receipt of a complete request in good order and additional/required information from the employer.*

- If Beneficiary would like to make a change to what was previously selected, cross-out and initial the change(s). If Beneficiary does not initial all changes, all proceeds will be sent by United States Postal Service ("USPS") regular mail.

**Rollover Delivery Options**

- Rollover proceeds will be made payable to the Trustee/Custodian/Provider listed above and will be sent to the Beneficiary at the address provided.
- Beneficiary must choose from the 2 delivery options listed below. If Beneficiary does not select a delivery option for the rollover proceeds, they will be sent by USPS regular mail.

**Check by USPS Regular Mail**

- Estimated delivery time is up to 5 business days.
- No additional charge.

**Check by Express Delivery**

- Estimated delivery time is 1-2 business days.
- A non-refundable charge of up to \$25.00 will be deducted, in addition to any withdrawal fees, for each transaction.
  - For example, if Beneficiary elected to make a full withdrawal, and there are both Non-Roth and Roth contribution sources, there will be 2 different transactions and the Express delivery charges may total \$50.00.
- Available for delivery, Monday - Friday, with no signature required upon delivery.
- If address is a P.O. Box, check will be sent by USPS Priority Mail and estimated delivery time is 2-3 business days.

**Payable to Beneficiary Delivery Options**

- Beneficiary must choose from the delivery options listed below. If Beneficiary does not select a delivery option for their other proceeds, they will be sent by USPS regular mail.

**Check by USPS Regular Mail**

- Estimated delivery time is up to 5 business days.
- No additional charge.

**Check by Express Delivery**

- Estimated delivery time is 1-2 business days.
- A non-refundable charge of up to \$25.00 will be deducted, in addition to any withdrawal fees, for each transaction.
  - For example, if Beneficiary elected to make a full withdrawal, and there are both Non-Roth and Roth contribution sources, there will be 2 different transactions and the Express delivery charges may total \$50.00.
- Available for delivery, Monday - Friday, with no signature required upon delivery.
- If address is a P.O. Box, check will be sent by USPS Priority Mail and estimated delivery time is 2-3 business days.

Decedent's: Last Name

First Name

M.I.

U.S. Social Security Number

Number

**E How does the Beneficiary want their proceeds delivered?** (Continue to the next section after completing.)

Select a delivery method for each set of proceeds, if applicable. Delivery time estimates are based on completion of the withdrawal process, which includes receipt of a complete request in good order and additional/required information from the employer.

**Direct Deposit via Automated Clearing House ("ACH")**

**I understand that to establish Direct Deposit via ACH, in addition to including the required documentation requested below, I must have my signature notarized in the 'Beneficiary Signature Notarization' section or witnessed by the authorized Plan Administrator in the 'Authorized Plan Administrator Signature' section of this form. If either the required documentation is not attached or my signature is not notarized or witnessed, ACH will not be established on the account and a check will be mailed to the address provided.**

- Estimated delivery time is 2-3 business days.
- A non-refundable charge of up to \$15.00 will be deducted, in addition to any withdrawal fees, for each transaction.
  - For example, if Beneficiary elected to make a full withdrawal, and there are both Non-Roth and Roth contribution sources, there will be 2 different transactions and the ACH delivery charges may total \$30.00.
- Not available for Direct Rollovers.
- **The name on the checking/savings account MUST match the name provided to Service Center.**
- **If the Direct Deposit information is incomplete or illegible, then a check will be mailed to the address provided to avoid any delays in processing.**
- **By entering banking information, Beneficiary authorizes Service Center to access records from public and proprietary sources in order to validate that Beneficiary is the owner of the bank account. This process will not affect Beneficiary's credit.**

**Checking Account** - **MUST include a copy of a preprinted voided check** for the receiving account. Beneficiary may also attach a letter on financial institution letterhead, signed by a representative from the receiving institution, which includes Beneficiary's name, checking account number and ABA routing number.

**Savings Account** - **MUST include a letter on financial institution letterhead**, which includes Beneficiary's name, savings account number and ABA routing number.

An ACH request **cannot** be sent to a prepaid debit card, business account or other retirement Plan. By requesting the withdrawal via ACH deposit, Beneficiary certifies, represents and warrants that the account requested for an ACH deposit is established at a financial institution or a branch of a financial institution located within the United States and there are no standing orders to forward any portion of the ACH deposit to an account that exists at a financial institution or a branch of a financial institution in another country. Beneficiary understands that it is their obligation to request a stop to this ACH deposit request if an order to transfer any portion of payments to a financial institution or a branch of a financial institution outside the United States will be implemented in the future. Service Center reserves the right to reject the ACH request and deliver any payment via check in lieu of direct deposit.

**F Non-Resident Alien or Other Certification** (Continue to the next section after completing.)

Only Complete if Beneficiary indicated Beneficiary is a non-resident alien or other under Section A of this form.

**Do not complete if U.S. Citizen or U.S. Resident Alien was indicated in Section A of this form.**

Under penalty of perjury, if Beneficiary checked Non-Resident Alien or Other in Section A of this form, Beneficiary's signature certifies that:

- Beneficiary is the individual that is the beneficial owner of all the income to which this form relates or am using this form to document Beneficiary for chapter 4 purposes.
- Beneficiary is not a U.S. person
- The income to which this form relates is:
  - not effectively connected with the conduct of a trade or business in the United States,
  - effectively connected but is not subject to tax under applicable income tax treaty, or
  - the partner's share of a partnership's effectively connected income.
- Beneficiary is a resident of the treaty country listed below under the "Claim of Tax Treaty Benefits" (if any) within the meaning of the income tax treaty between the United States and that country.
- Beneficiary agrees that Beneficiary will submit a Form W8-BEN within 30 days if any certification made on this form becomes incorrect.

**Identification of Beneficial Owner**

Country of citizenship \_\_\_\_\_ Foreign tax identifying number \_\_\_\_\_

Permanent resident address (street, apt. or suite no., or rural route) **Do not use P.O. Box or in-care of address** \_\_\_\_\_

City or town, state or province. Include postal code where appropriate. \_\_\_\_\_ Country \_\_\_\_\_

Mailing Address (if different from above) \_\_\_\_\_

City or town, state or province. Include postal code where appropriate. \_\_\_\_\_ Country \_\_\_\_\_

**Claim of Tax Treaty Benefits** (for chapter 3 purpose only)

Beneficiary certifies that the beneficial owner is a resident of \_\_\_\_\_ within the meaning of the income tax treaty between the United States and that country.

**Special rates and conditions** (if applicable): The beneficial owner is claiming the provisions of Article and paragraph \_\_\_\_\_ of the treaty identified on the line above to claim a \_\_\_\_\_% rate of withholding on (specify type of income):

Explain the additional conditions in the Article and paragraph the beneficial owner meets to be eligible for the rate of withholding:

Decedent's: Last Name

First Name

M.I.

U.S. Social Security Number

Number

**G How will the Beneficiary's taxes be withheld?**

*(Continue to the next section after completing.)*

Beneficiary should refer to and **read the attached 402(f) Notice of Special Tax Rules on Distributions and the Guide**, as well as information from the Department of Revenue for Beneficiary's state of residence.

If applicable, **Beneficiary must attach IRS Form W-4P and/or the State Income Tax withholding form to make tax elections when required.** In the event these forms are required for Beneficiary's withdrawal and not submitted, Service Center will withhold in accordance with applicable Federal and State regulations.

**Federal Income Tax**

- Federal Income Tax will NOT be withheld from direct rollovers.
- Twenty percent (20%) mandatory Federal Income Tax withholding will apply to all withdrawals that are eligible for rollover, but are not rolled over.
- For all other payments, Federal Income Tax will be withheld at the rate of ten percent (10%), unless Service Center is directed otherwise below.
  - Do not withhold Federal Income Tax from Beneficiary's withdrawal, only if withdrawal is not eligible for rollover.
- If Beneficiary would like **additional** Federal Income Tax withholding (Optional):

\_\_\_\_\_ % or \$ \_\_\_\_\_  
*(This is in addition to any mandatory Federal Income Tax withheld based on the type of withdrawal that has been elected.)*

**Required Minimum Distribution Only**

- Ten percent (10%) of Beneficiary's taxable distribution will be withheld for Federal Income Tax, unless Beneficiary checks the box below:
  - Do not withhold ten percent (10%) Federal Income Tax from Beneficiary's Required Minimum Distribution.
- Beneficiary would like **additional** Federal Income Tax withholding (Optional):

\_\_\_\_\_ % or \$ \_\_\_\_\_  
*(This is in addition to any 10% Federal Income Tax withholding)*

**State Income Tax**

- State Income Tax withholding is mandatory in some states and will be withheld regardless of any election below.

Beneficiary would like **additional** State Income Tax withholding:

\_\_\_\_\_ % or \$ \_\_\_\_\_  
*(This is in addition to any mandatory State Income Tax withheld based on the type of withdrawal.)*

- Certain states allow an election for no State Income Tax withholding depending on the type of withdrawal Beneficiary has selected. For these states only, State Income Tax will be withheld unless elected otherwise below.

If the checkbox is not marked below, Beneficiary chooses to have State Income Tax withheld from Beneficiary's withdrawal. Beneficiary would also like to have **additional** State Income Tax withholding:

\_\_\_\_\_ % or \$ \_\_\_\_\_  
*(This is in addition to any elective State Income Tax withheld based on the type of withdrawal.)*

- Do not withhold State Income Tax (if election is permitted and Beneficiary has attached the proper election form if required by their state).

- Certain states do not require mandatory State Income Tax withholding but allow to elect State Income Tax withholding depending on the type of withdrawal Beneficiary has selected.

Beneficiary would like State Income Tax withheld. **Optional** State Income Tax withholding:

\_\_\_\_\_ % or \$ \_\_\_\_\_  
*(If this optional income tax election is permitted. Beneficiary has also attached the proper income tax election form if required by their state to elect this optional withholding).*

**H Signatures and Consent** *(Signatures must be on the lines provided.)*

*(After receiving ALL required signatures, continue to the next section.)*

**Beneficiary Consent** *(Please sign on the 'Beneficiary Signature' line below.)*

I acknowledge that I have read, understand and agree to all pages of this Death Benefit Claim Request, the Death Benefit Claim Guide and the 402(f) Notice of Special Tax Rules on Distributions and affirm that all information that I have provided is true and correct. I understand the following:

- Any election for a 100% withdrawal reflected on this Withdrawal Request form is effective for 180 days and also applies to any additional contributions or other residual amounts made or credited to my account for 180 days, subsequent to this 100% Withdrawal Request. I acknowledge and consent to the Plan's subsequent distribution of any such residual amounts in accordance with this election. If my 100% withdrawal is delivered via ACH, any contributions or residual amounts made or credited to my account within the next 180 days will be delivered via ACH, otherwise, my residual withdrawal will be delivered via check by USPS regular mail.
- It is my responsibility to ensure that this election conforms with all applicable provisions of the Internal Revenue Code (the "Code") and that the Plan into which I am rolling money over will accept the dollars, if applicable.
- I am liable for any income tax and/or penalties assessed by the IRS and/or state tax authorities for any election I have chosen.
- Once a payment has been processed, it cannot be changed or reversed.
- In the event that any section of this form is incomplete or inaccurate, Service Center may not process the transaction requested on this form and may require a new form or that I provide additional or proper information before the transaction can be processed.
- Funds may impose redemption fees on certain transfers, redemptions or exchanges if assets are held less than the period stated in the fund's prospectus or other disclosure documents. I will refer to the fund's prospectus and/or disclosure documents for more information.
- Under penalty of perjury, I certify that the U.S. Social Security Number or U.S. Taxpayer Identification Number shown in Section B is correct. I am a U.S. Person if I marked the U.S. Citizen or U.S. Resident Alien box in Section B of this form.
- For at least 30 days after my receipt of the 402(f) Notice of Special Tax Rules on Distributions, I have the right to consider whether to consent to a withdrawal of the vested account balance or elect a direct rollover of any vested portion of the eligible rollover withdrawal. By signing this form less than 30 days after I received the 402(f) Notice of Special Tax Rules on Distributions, I affirmatively waive any unexpired portion of the 30 day period and affirmatively elect a withdrawal from the account pursuant to this Death Benefit Claim form.
- **Additional authentication may be necessary before my withdrawal is processed and/or payment released.**
- **I understand that a \$125.00 withdrawal fee will be deducted from my withdrawal amount.**
- **The withdrawal may be subject to additional fees and/or loss of interest based upon the investment options, the length of time in the Plan and other possible considerations. If I have not been advised of the fees and risks associated with my withdrawal, I may contact Service Center for a withdrawal quote at 1-800-204-3731.**

Decedent's: Last Name \_\_\_\_\_

First Name \_\_\_\_\_

M.I. \_\_\_\_\_

U.S. Social Security Number \_\_\_\_\_

Number \_\_\_\_\_

**H Signatures and Consent** *(Signatures must be on the lines provided.)* *(After receiving ALL required signatures, continue to the next section.)*

**Beneficiary Consent** *(Please sign on the 'Beneficiary Signature' line below.)*

Any person who presents a false or fraudulent claim is subject to criminal and civil penalties.

**Before signing this form: My signature must be notarized by a Notary Public or witnessed by the authorized Plan Administrator if I am requesting Direct Deposit via ACH or a Wire Transfer. If I use a Notary Public, the date that I sign this form must match the date of the Notary Public signature.**

**Beneficiary Signature** \_\_\_\_\_ **Date (Required)** \_\_\_\_\_

*A handwritten signature is required on this form. An electronic signature will not be accepted and will result in a significant delay.*

**Title** *(if acting in a representative capacity)* \_\_\_\_\_

**Beneficiary Signature Notarization**

**Signature notarization only required if requesting:**

**Direct Deposit via ACH - May also be witnessed in the 'Authorized Plan Administrator Signature' section below.**

**For Residents of all states (except California),** please have your notary complete the section below.

**Notice to California Notaries using the California Affidavit and Jurat Form** the following items must be completed by the notary on the state notary form: the title of the form, the Plan name, the Plan number, the document date and the Beneficiary's name. The notary forms not containing this information will be rejected and it will delay this request.

**The date Beneficiary signs this form must match the date on which Beneficiary's signature above was notarized.**

**Statement of Notary**

**NOTE: Notary seal must be visible.**

This request was subscribed and sworn *(or affirmed)* to before me

State of \_\_\_\_\_ ) on this \_\_\_\_\_ day of \_\_\_\_\_, year \_\_\_\_\_, by \_\_\_\_\_

**SEAL**

)ss. *(name of Beneficiary)* \_\_\_\_\_

County of \_\_\_\_\_ ) proved to me on the basis of satisfactory evidence to be the person who appeared before me, who affirmed that such consent represents his/her free and voluntary act.

Notary Public \_\_\_\_\_ My commission expires \_\_\_\_ / \_\_\_\_ / \_\_\_\_

*A handwritten signature is required on this form. An electronic signature will not be accepted and will result in a significant delay.*

**Authorized Plan Administrator Signature**

*(Please sign on the 'Authorized Plan Administrator Signature' line below.)*

This request is in compliance with the terms of the Plan and a written explanation of the tax rules and any Internal Revenue Service, Department of Labor or other notice requirements applicable to this request have been provided to the Beneficiary as required by law. The appropriate consent and waivers have been obtained by the Plan Administrator and Service Center is authorized to rely on the information provided on this request. I, as the authorized Plan Administrator, certify that: 1) this withdrawal is in accordance with the terms of this Plan; 2) I have provided the Beneficiary with a written explanation of the tax rules and have complied with any Internal Revenue Service and Department of Labor or other notice requirements to the Beneficiary that are application to this withdrawal; 3) the appropriate consent and waivers have been obtained; 4) I have obtained any supporting documentation necessary to ascertain the validity of this request, and acknowledge that Service Center is under obligation to request, review or determine the validity of a death certificate or any required court order to process this death withdrawal; and 5) Service Center is authorized to rely on the information and certification provided on this Death Benefit Withdrawal Request form.

**The Beneficiary is entitled to \_\_\_\_\_% of the total benefits payable in respect of the decedent.**

The recordkeeping system has the accurate vesting percentage unless otherwise indicated below. I have reviewed and completed or revised, as applicable, the vesting percentage(s) on this form for this withdrawal request. *(Please be advised that balances may not exist in all money sources.)*

ERB 1 - EMPLOYER MATCH	_____ %
ERB 2 - EMPLOYER PROFIT SHARING	_____ %
ERB 4 - ER MATCH PRE '08 VESTING	_____ %
ERB 5 - ER Profit Sharing PRE '08 VESTING	_____ %
QAC 1 - SAFE HARBOR QACA EMPLOYER MATCH CONTRIBUTION	_____ %
QNE 1 - QUALIFIED NON-ELECTIVE CONTRIBUTIONS	_____ 100 %

**If the Beneficiary request includes instructions for Direct Deposit via ACH and the Beneficiary's signature is not notarized, I have personal knowledge and hereby certify that this request was submitted and signed by the Beneficiary.**

I represent that I am an authorized signer on behalf of the above-named Plan and have an authority to instruct Service Center to process this form.

**Authorized**

**Plan Administrator Signature** \_\_\_\_\_ **Date (Required)** \_\_\_\_\_

*A handwritten signature is required on this form. An electronic signature will not be accepted and will result in a significant delay.*

**Print Full Name** \_\_\_\_\_

Decedent's: Last Name

First Name

M.I.

U.S. Social Security Number

Number

**I Where should the Beneficiary send this form?**

**After all signatures have been obtained, this form can be**

**Faxed to:**

American Funds Service Center  
1-866-745-5766

**OR**

**Sent Regular Mail to:**

American Funds Service Center  
PO Box 173764  
Denver, CO 80217-3764

**OR**

**Sent Express Mail to:**

American Funds Service Center  
8515 E. Orchard Road  
Greenwood Village, CO 80111

We will not accept hand delivered forms at Express Mail addresses.

## Death Benefit Claim Guide - 401(k) Plan

### The Death Benefit Claim Request

#### **Before completing the form, please note the following information:**

- All pages of the Death Benefit Claim Request form ("Form") must be returned.
- Neither this Guide nor this Form are intended to provide tax or legal advice. Beneficiary is strongly urged to consult an accountant and/or tax advisor prior to completing this Form.
- Service Center cannot release the claim until the Authorized Plan Administrator confirms that Beneficiary is a named beneficiary under the Plan and is otherwise entitled to assert a claim.
- **If there is more than one account or plan number for the decedent, Beneficiary must complete a separate Form for each account or plan number.**

#### **Changes to My Request**

- If Beneficiary makes a change to this Form as he or she completes it, Beneficiary must cross out any previously elected choice(s) and initial all changes. If Beneficiary does not initial all changes, this Form may be returned to Beneficiary for verification.

#### **Incomplete or Inaccurate Information**

- In the event that any section of this Form is incomplete or inaccurate, Service Center may not be able to process the transaction requested on this Form. Beneficiary may be required to complete a new form or provide additional or proper information before the transaction will be processed.

### **Section A: What is the Decedent's information?**

- All information in this section must be completed.
- Personal information will be kept confidential.
- The name provided MUST match the name on file with Service Center.
- If Claimant is a Non-Resident Alien, refer to the 'Non-Resident Alien or Other Certification' section of this Guide.

### **Section B: Who is the Beneficiary?**

- All information in this section must be completed in order for the claim to be properly filed and tax reported, including the Representative information, if Beneficiary is a minor, trust, estate, charity or organization. If Beneficiary is not a minor, trust, estate, charity or organization, the Representative information may be left blank.
- All personal information will be kept confidential.
- If Beneficiary is a U.S. Non-Resident Alien, refer to the 'Non-Resident Alien or Other Certification' section of this Guide.
- A Beneficiary is subject to required minimum distribution rules and may be required to start taking a distribution from this account as early as December 31st of the year following the year of the participant's death. Beneficiary is strongly urged to consult his or her tax advisor for more information and to discuss the options available.

#### **Minor Representative Information**

- This information is required if Beneficiary is a minor.
- All correspondence and claims will be addressed to the minor's representative for the benefit of the Beneficiary.
- Payments may be made to a guardian of a minor's estate or a conservator who has been appointed as such for the minor by final judicial order.
- Under the Uniform Transfers to Minors Act ("UTMA"), if a guardian or conservator has not been appointed by an appropriate court, certain states allow funds to be transferred to a custodian for the minor who is an adult member of the minor's family. In general, transfers under this law may not be made if a state has not adopted it, or the proceeds exceed a specified dollar amount under the state's statutory law. Unless a state law in the minor's state of residence specifically authorizes payment, a proper court order authorizing payment has been obtained or the Plan Document allows for payment, payments cannot be made to a person solely because he/she is the parent of or has custody of the minor.
- It is the Minor Representative's responsibility to determine whether and to what extent the UTMA has been adopted in the Minor's state of residence. All states except South Carolina and Vermont have adopted UTMA law.
- If Service Center is unable to make payment because a guardian or conservator has not been appointed by final judicial order, or a state law where the minor resides or the Plan Document does not authorize payment to a custodian or other person, the proceeds must remain in the decedent's account until the minor reaches the age of majority for their state of residence.
- A minor Beneficiary is still subject to the required minimum distribution rules and may be required to start taking a distribution from this account as early as December 31st of the year following the year of the participant's death. Beneficiary is strongly urged to consult his or her tax advisor for more information and to discuss the options available.

#### **Estate Beneficiary Information**

- Payments may be made to a personal representative appointed by an appropriate final judicial order.
- Personal representatives must provide an employer identification number ("EIN") or taxpayer identification number ("TIN") for the decedent's estate. See Employer Identification Number or U.S. Taxpayer Identification Number Information below.
- If a personal representative has not been appointed by an appropriate court because the value of the estate is small, certain states will allow certain successors of the decedent to submit a small estate affidavit allowing them to receive payment. In such cases, only one affidavit containing the notarized signatures of all successors should be submitted to Service Center.

#### **Employer Identification Number or U.S. Taxpayer Identification Number Information**

- Provide a complete and correct employer identification number or U.S. taxpayer identification number for Beneficiary on the Form.
- If Beneficiary is an individual, provide the individual's U.S. Social Security number.
- If Beneficiary is a trust, estate, charity or organization, generally an EIN/TIN must be provided. In cases of a trust Beneficiary, a U.S. Social Security number may be appropriate if the grantor is living and is also the trustee.

### **Section C: What election is the Beneficiary requesting?**

- Beneficiary must make an election in order for the claim to be processed.
- It is Beneficiary's responsibility to ensure that the election meets the requirements of the Code and applicable federal Treasury regulations.
- Once Service Center has processed a withdrawal, it cannot be returned.
- Certain fees, charges (including contingent deferred sales charge) and/or limitations may apply.
- The following is a brief explanation of each type of withdrawal listed on this Form.

#### **Establish an Account for the Beneficiary's Benefit**

- Beneficiary can elect to leave the funds in the Plan until distributions are required.



- By selecting to establish an account, Beneficiary understands that a record keeping account will be set up under the Beneficiary's name and social security number or EIN/TIN.
- All existing monies will remain in the same investment option(s) in effect on the date of the decedent's death.
- Beneficiary will have the option of transferring the monies to other investment options by visiting the website at myretirement.americanfunds.com or by calling InfoLine at 1-800-204-3731.
- Some investment options may not be available for transfer to other investment options.
- Beneficiary can not make any additional deposits to this account.
- For this account, Beneficiary may also complete a Beneficiary Designation form, which can be obtained at the above website or phone number or by contacting his or her Service Center representative.
- Beneficiary is strongly urged to consult an accountant and/or tax advisor.

#### **Payable to Me Beneficiary's Share**

- Check this box if Beneficiary wants a full withdrawal of his or her share of the account.
- The full vested value of each investment option will be distributed based on the instructions on the Form.

#### **Required Minimum Distribution**

- For a one-time payment, Beneficiary should enter a dollar amount on the line provided.

#### **Rollover to an IRA or an Eligible Retirement Plan of Beneficiary's Share - Restrictions apply; see below.**

##### Spousal Beneficiaries

- It is Beneficiary's responsibility to determine if the IRA or an eligible retirement plan accepts eligible rollover assets.
- Spousal Beneficiary would check this box to have the withdrawal payable to a Traditional or Inherited Traditional IRA or a Roth or Inherited Roth IRA or an eligible retirement plan and enter the requested amount.
- An eligible rollover withdrawal of the Non-Roth assets may be paid directly to a Roth IRA. Mandatory Federal and State Income Tax withholding does not apply to this type of rollover. However, this withdrawal is subject to Federal and State Income Tax and Beneficiary is responsible for making tax payments. The taxable withdrawal will be reported on IRS Form 1099-R. Making an estimated tax payment to the IRS and an appropriate state authority at the time of this rollover may be one of the options to cover this tax liability. Beneficiary is strongly urged to seek a consultation with a tax advisor.
- Beneficiary may request the designated Roth assets to be rolled over into an eligible retirement plan with a designated Roth account, a Roth IRA or an Inherited Roth IRA.
- It is Beneficiary's responsibility to make sure that the eligible retirement plan provides for a designated Roth account and can accept Roth rollovers.
- If an acceptance letter is included with this Form, the rollover may not be completed if the acceptance letter and the form provide conflicting information. Beneficiary may be contacted to provide additional information.
- Beneficiary must complete the Required Minimum Distribution information if he or she is requesting a full withdrawal as a direct rollover and the minimum distribution requirements for the current year have not been met.
- Required Minimum Distributions are not eligible for rollover.

##### Non-Spousal Beneficiaries

- **A non-individual Beneficiary, such as an Estate, non-designated Trust, Charity or Organization cannot request a rollover.**
- It is Beneficiary's responsibility to determine if the IRA accepts eligible rollover withdrawals.
- Non-Spousal Beneficiary would check this box to have the assets payable to a Traditional or Inherited Traditional or Inherited Roth IRA and enter the requested amount.
- An eligible rollover withdrawal of the Non-Roth assets may be paid directly to a Roth IRA or an Inherited Roth IRA. Mandatory Federal and State Income Tax withholding does not apply to this type of rollover. However, this withdrawal is subject to Federal and State Income Tax and Beneficiary is responsible for making tax payments. The taxable withdrawal will be reported on IRS Form 1099-R. Making an estimated tax payment to the IRS and an appropriate state authority at the time of this rollover may be one of the options to cover this tax liability. Beneficiary is strongly urged to seek a consultation with a tax advisor.
- Beneficiary may request the designated Roth assets to be rolled over into a Roth IRA or an Inherited Roth IRA.
- It is Beneficiary's responsibility to make sure the Roth account can accept Roth rollovers.
- If an acceptance letter is included with this Form, the rollover may not be completed if the acceptance letter and the form provide conflicting information. Beneficiary may be contacted to provide additional information.
- Beneficiary must complete the Required Minimum Distribution information if he or she is requesting a full withdrawal as a direct rollover and the minimum distribution requirements for the current year have not been met.
- Required Minimum Distributions are not eligible for rollover.

#### **Section D: To whom does the Beneficiary want their withdrawal payable?**

- It is Beneficiary's responsibility to make sure that the Trustee/Custodian/Provider information provided is accurate.
- If Beneficiary would like to direct Roth earnings to a Rollover payee other than the one listed in this section, Beneficiary must attach a letter of instruction listing the name of the Trustee/Custodian/Provider and account number and must include the type of payee, Beneficiary's name, social security number, signature and date.

#### **Section E: How does the Beneficiary want their proceeds delivered?**

- Certain delivery options are not available on all types of withdrawals.
- Beneficiary must select a delivery option from the choices provided. If Beneficiary does not make any selection, all transactions will be sent by United States Postal Service ("USPS") regular mail.
- If Beneficiary would like to make a change to what was previously selected, cross-out and initial the change(s). If Beneficiary does not initial all changes, all proceeds will be sent by USPS regular mail.
- Delivery of payment is based on completion of the withdrawal process, which includes receipt of a complete request in good order **and** additional/required information from the employer.
- Below is a description of each delivery option.

#### **Rollover Delivery Options**

- **Rollover proceeds will be made payable to the Trustee/Custodian/Provider listed in the section above and will be sent to the Beneficiary at the address provided.**
- Beneficiary must choose from the 2 delivery options listed in this section. If Beneficiary does not select a delivery option for the rollover proceeds, they will be sent by USPS regular mail.

#### Check by USPS Regular Mail

- Estimated delivery time is up to 5 business days.
- No additional charge.

#### Check by Express Delivery

- Estimated delivery time is 1-2 business days.
- A non-refundable charge of up to \$25.00 will be deducted, in addition to any withdrawal fees, for each transaction.
  - For example, if Beneficiary elected to make a full withdrawal, and there are both Non-Roth and Roth contribution sources, there will be 2 different transactions and the Express delivery charges may total \$50.00.
- Available for delivery, Monday-Friday, with no signature required upon delivery.
- If the address is a P.O. Box, the check will be sent by USPS Priority Mail and estimated delivery time is 2-3 business days.
- Delivery is not guaranteed to all areas.

#### Payable to Beneficiary Delivery Options

- Beneficiary must choose from the delivery options listed in this section. If Beneficiary does not select a delivery option for their other proceeds, they will be sent by USPS regular mail.

#### Check by USPS Regular Mail

- Estimated delivery time is up to 5 business days.
- No additional charge.

#### Check by Express Delivery

- Estimated delivery time is 1-2 business days.
- A non-refundable charge of up to \$25.00 will be deducted, in addition to any withdrawal fees, for each transaction.
  - For example, if Beneficiary elected to make a full withdrawal, and there are both Non-Roth and Roth contribution sources, there will be 2 different transactions and the Express delivery charges may total \$50.00.
- Available for delivery, Monday-Friday, with no signature required upon delivery.
- If the address is a P.O. Box, the check will be sent by USPS Priority Mail and estimated delivery time is 2-3 business days.
- Delivery is not guaranteed to all areas.

#### Direct Deposit via Automated Clearing House ("ACH")

- Beneficiary would elect this option if payment is to be electronically deposited into a checking or savings account registered in the name of the Beneficiary, estate, trust, charity or organization.
- **The name on the checking/savings account MUST match the name provided to Service Center.**
- Estimated delivery time is 2-3 business days.
- A non-refundable charge of up to \$15.00 will be deducted for each transaction.
  - For example, if Beneficiary elected to make a full withdrawal, and there are both Non-Roth and Roth contribution sources, there will be 2 different transactions and the ACH delivery charges may total \$30.00.
- Not available for Direct Rollovers.
- For deposit into a **checking account**, Beneficiary **must** attach a copy of a preprinted voided check for the receiving account. Beneficiary may also attach a letter on financial institution letterhead, signed by a representative from the receiving institution, which indicates Beneficiary's name, checking account number and the ABA routing number.
- For deposit into a **savings account**, Beneficiary **must** attach a letter on financial institution letterhead, signed by a representative from the receiving institution, which indicates Beneficiary's name, savings account number and the ABA routing number.
- **An ACH request can not be sent to a prepaid debit card, an IRA, or a business account.**
- Any missing, incomplete, or inaccurate information will delay the withdrawal request.
- ACH credit can only be made into a United States financial institution.
- Any requests received referencing a foreign financial institution or referencing a United States financial institution with a further credit to an account associated with a foreign financial institution will be rejected.

#### General ACH Information

- Beneficiary authorizes Service Center to initiate credit entries and, if necessary, debit entries and adjustments for any credit entries in error.
- In addition, Beneficiary authorizes my financial institution, in the form of an electronic funds transfer, to credit and/or debit the same to such account.
- Service Center will make payment in accordance with the direction Beneficiary has specified on this Form until such time that I notify Service Center in writing that Beneficiary wishes to cancel the ACH agreement.
- Beneficiary must provide notice of cancellation at least 30 days prior to a payment date for the cancellation to be effective with respect to all of my subsequent payments.
- Service Center reserves the right to terminate the ACH transfers for any reason and will notify Beneficiary in the event of such termination by sending notice to my last known address on file with Service Center.
- It is Beneficiary's obligation to notify Service Center of any address or other changes affecting electronic fund transfers during Beneficiary's lifetime.
- Beneficiary is solely responsible for any consequences and/or liabilities that may arise out of Beneficiary's failure to provide such notification.
- By selecting the ACH method of delivery, Beneficiary acknowledges that Service Center is not liable for payments made by Service Center in accordance with a properly completed Form.
- Beneficiary is authorizing and directing their financial institution not to hold any overpayments made by Service Center on Beneficiary's behalf, or on behalf of Beneficiary's estate or any current or future joint account holder, if applicable.
- ACH delivery is not available to a foreign financial institution or to a United States financial institution for subsequent transfer to a foreign financial institution.
- Any requests received containing foreign financial institution instructions will be rejected and require new ACH or check delivery instructions.

#### Section F: Non-Resident Alien or Other Certification

- If Beneficiary is a non-resident alien, Beneficiary must complete the 'Non-Resident Alien or Other Certification' section on this form.
- The withholding rate applicable to the payment is thirty percent (30%) unless a reduced rate applies because Beneficiary's country of residence has entered into a tax treaty with the U.S. and the treaty provides for reduced withholding rate or an exemption from withholding. In order to claim a treaty rate, Beneficiary must complete the appropriate fields, tax treaty section, if applicable and provide a U.S. Taxpayer Identification Number. Beneficiary may call 1-800-TAX-FORM (829-3676) or visit <http://www.irs.gov> for further information. If Beneficiary needs and as seen applicable, Beneficiary will consult with a tax advisor to determine appropriate tax withholding.

## Section G: How will the Beneficiary's taxes be withheld?

- Beneficiary has received and **must read the attached 402(f) Notice of Special Tax Rules on Distributions**, which provides additional income tax withholding information.
- If Beneficiary does not have sufficient Federal or State Income Tax withheld from his or her withdrawal, Beneficiary will be responsible for payment of estimated tax and/or may incur penalties under estimated tax rules.
- If applicable, Beneficiary has attached IRS Form W-4P and/or State's Income Tax withholding form to make tax elections when required. In the event these forms are required for the withdrawal and not submitted, Service Center will withhold in accordance with applicable Federal and State regulations.
- Beneficiary is strongly urged to consult with a tax advisor to determine the appropriate tax withholding.

### Federal Income Tax Withholding

- Generally, twenty percent (20%) mandatory Federal Income Tax withholding will apply to amounts that are eligible for rollover and are not rolled over.
- For amounts not eligible for rollover, the withdrawal is subject to Federal Income Tax withholding unless Beneficiary elects not to have Federal Income Tax withholding apply.
- If Beneficiary elects not to have Federal Income Tax withholding apply to his or her claim or if Beneficiary does not have enough Federal Income Tax withheld from the claim, Beneficiary may be responsible for payment of estimated tax. Beneficiary may incur penalties under the estimated tax rules if the withholding and estimated payments are not sufficient.

### Required Minimum Distributions

- A ten percent (10%) Federal Income Tax withholding will apply to the taxable amount of the withdrawal, unless Beneficiary elects to not have Federal Income Tax withheld.
- If Beneficiary wishes to have additional Federal Income Taxes withheld, Beneficiary may elect so by entering a percentage or dollar amount on the line provided.

### Direct Rollovers

- Direct rollovers are not subject to Federal Income Tax withholding.
- A rollover of Non-Roth assets to a Roth IRA are subject to Federal Income Tax and will be reported as taxable income.
- Beneficiary is responsible for paying any income tax due on this withdrawal.

### Income Tax Withholding Applicable to Payments Delivered Outside the U.S.

- If Beneficiary is a U.S. citizen or U.S. resident alien and the payment is to be delivered outside the U.S., Beneficiary may not elect out of Federal Income Tax withholding.

### Income Tax Withholding for a Non-U.S. Person

- If Beneficiary is a non-resident alien, Beneficiary must complete the 'Non-Resident Alien or Other Certification' section of this form.
- The withholding rate applicable to the payment is thirty percent (30%) unless a reduced rate applies because Beneficiary's country of residence has entered into a tax treaty with the U.S. and the treaty provides for a reduced withholding rate or an exemption from withholding. In order to claim a treaty rate, Beneficiary must complete the appropriate fields, tax treaty section, if applicable and provide a U.S. Taxpayer Identification Number. Beneficiary can call 1-800-TAX-FORM (829-3676) or visit <http://www.irs.gov> for further information. Beneficiary is strongly urged to consult with a tax advisor to determine the appropriate tax withholding.

### State Income Tax Withholding

- If applicable, Beneficiary will attach their State's Income Tax withholding form to make tax elections when required. In the event these forms are required for the withdrawal and not submitted, Service Center will withhold in accordance with applicable state regulations.
- If Beneficiary lives in a state that mandates State Income Tax withholding, State Income Tax will be withheld. If Beneficiary wishes to have additional State Income Tax withheld, Beneficiary may elect so by entering a percentage or dollar amount on the line provided.
- Certain states allow an election for no State Income Tax withholding depending on the type of withdrawal Beneficiary selected. For these states only, State Income Tax will be withheld unless Beneficiary properly elects otherwise on the form.
- Certain states do not require mandatory withholding but allow to elect State Income Tax withholding depending on the type of withdrawal Beneficiary selected. If Beneficiary elects this, State Income Tax will be withheld based on a default rate/rules provided by the state of Beneficiary's residence. Beneficiary may elect to have additional State Income Tax withheld by entering a percentage or a dollar amount on the line provided.
- **For more information and applicable forms or documentation that may be required for Beneficiary's state**, Beneficiary should refer to the appropriate state tax authority.

## Section H: Signatures and Consent

- **Handwritten signatures are required on this form. Electronic signatures will not be accepted and will result in a significant delay.**

### Beneficiary Consent

- Beneficiary's signature and the date of his or her signature is required.
- Beneficiary attests to receiving, reading, understanding and agreeing to all provisions of this Death Benefit Claim Request, the Death Benefit Claim Guide and the 402(f) Notice of Special Tax Rules on Distributions.

### Beneficiary Signature Notarization

#### Direct Deposit via ACH

- If Beneficiary has requested for the withdrawal to be delivered Direct Deposit via ACH, Beneficiary must have his or her signature notarized or witnessed by the authorized Plan Administrator. If the signature is not notarized or witnessed by the authorized Plan Administrator or if the required documentation is missing a check will be sent to address provided.

### Authorized Plan Administrator Signature

- The authorized Plan Administrator's signature and completed vesting information are required in order for this Form to be processed.
- **If entitlement percentage is not provided, this Form will be considered incomplete and will be returned to the Plan Administrator in order to determine the percentage to pay out. In this event, processing Beneficiary's request will be delayed.**

## Section I: Where should the Beneficiary send this form?

- Once Beneficiary has completed this Form, including obtaining all signatures, Beneficiary must forward it according to the instructions listed in this section.
- If Beneficiary has elected to fax this Form to Service Center, Beneficiary needs to allow 2-4 hours for receipt before he or she calls to check on the status.
- We will not accept hand delivered forms at Express Mail addresses.

## Required Information

### Important Note

- Although every effort is made to keep the information in this Guide current, it is subject to change without notice. Federal, state, and local tax laws may be revised, and new Plan provisions may be adopted by the Plan. For the most up to date version of this Guide, please visit the website at [myretirement.americanfunds.com](http://myretirement.americanfunds.com) or call Client Service at 1-800-204-3731.
- Access to InfoLine or the website may be limited or unavailable during periods of peak demand, market volatility, systems upgrades, maintenance or for other reasons.
- For more information about available investment options, including fees and expenses, Beneficiary may obtain applicable prospectuses and/or disclosure documents regarding Plan investments and fees available from the Plan administrator and/or Plan Service representative. Read them carefully before investing.

## **402(f) NOTICE OF SPECIAL TAX RULES ON DISTRIBUTIONS**

For Payments Not From a Designated Roth Account

### **YOUR ROLLOVER OPTIONS**

You are receiving this notice because all or a portion of a payment you are receiving from G & W Equipment, Inc. 401(k) Profit Sharing Plan and Trust (the "Plan") is eligible to be rolled over to an IRA or an employer plan. This notice is intended to help you decide whether to do such a rollover.

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

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

### **GENERAL INFORMATION ABOUT ROLLOVERS**

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

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

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

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

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

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

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

If you do not do a direct rollover, you may still do a rollover by making a deposit into an IRA or eligible employer plan that will accept it. Generally, you will have 60 days after you receive the 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 (if you were born before July 1, 1949) or age 72 (if you were born after June 30, 1949) or after death;
- Hardship distributions;
- ESOP dividends;
- Corrective distributions of contributions that exceed tax law limitations;
- Loans treated as deemed distributions (for example, loans in default due to missed payments before your employment ends);
- Cost of life insurance paid by the Plan;
- Payments of certain automatic enrollment contributions requested to be withdrawn within 90 days of the first contribution; and
- 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 applies to the part of the distribution that you must include in income and is in addition to the regular income tax on the payment not rolled over.

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

- Payments made after you separate from service if you will be at least age 55 in the year of the separation;
- Payments that start after you separate from service if paid at least annually in equal or close to equal amounts over your life or life expectancy (or the lives or joint life expectancy of you and your beneficiary);
- Payments from a governmental plan made after you separate from service if you are a qualified public safety employee and you will be at least age 50 in the year of the separation;
- Payments of up to \$5,000 made to you from a defined contribution plan within one year after the birth or adoption of a child;
- Payments made due to disability;
- Payments after your death;
- Payments of ESOP dividends;
- Corrective distributions of contributions that exceed tax law limitations;
- Cost of life insurance paid by the Plan;
- Payments made directly to the government to satisfy a federal tax levy;
- Payments made under a qualified domestic relations order (QDRO);
- Payments up to the amount of your deductible medical expenses (without regard to whether you itemize deductions for the taxable year);
- Certain payments made while you are on active duty if you were a member of a reserve component called to duty after September 11, 2001 for more than 179 days;
- Payments of certain automatic enrollment contributions requested to be withdrawn within 90 days of the first contribution;
- Payments for certain distributions relating to certain federally declared disasters; and
- Phased retirement payment made to federal employees.

#### **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 (or age 50 for qualified public safety employees) does not apply.
- The exception for qualified domestic relations orders (QDROs) does not apply (although a special rule applies under which, as part of a divorce or separation agreement, a tax-free transfer may be made directly to an IRA of a spouse or former spouse).
- The exception for payments made at least annually in equal or close to equal amounts over a specified period applies without regard to whether you have had a separation from service.
- There are additional exceptions 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 for health insurance premiums after you have received unemployment compensation for 12 consecutive weeks (or would have been eligible to receive unemployment compensation but for self-employed status).

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

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

## **SPECIAL RULES AND OPTIONS**

### **If your payment includes after-tax contributions**

After-tax contributions included in a payment are not taxed. If a payment is only part of your benefit, an allocable portion of your after-tax contributions is included in the payment, so you cannot take a payment of only after-tax contributions. However, if you have pre-1987 after-tax contributions maintained in a separate account, a special rule may apply to determine whether the after-tax contributions are included in a payment. In addition, special rules apply when you do a rollover, as described below.

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

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

If you do a 60-day rollover to an IRA of only a portion of a payment made to you, the after-tax contributions are treated as rolled over last. For example, assume you are receiving a distribution of \$12,000, of which \$2,000 is after-tax contributions, and no part of the distribution is directly rolled over. In this case, if you roll over \$10,000 to an IRA that is not a Roth IRA in a 60-day rollover, no amount is taxable because the \$2,000 amount not rolled over is treated as being after-tax contributions.

You may roll over to an employer plan all of a payment that includes after-tax contributions, but only through a direct rollover (and only if the receiving plan separately accounts for after-tax contributions and is not a governmental section 457(b) plan). You can do a 60-day rollover to an employer plan of part of a payment that includes after-tax contributions, but only up to the amount of the payment that would be taxable if not rolled over.

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

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

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

If you do not do a rollover, you can apply a special rule to payments of employer stock (or other employer securities) that are either attributable to after-tax contributions or paid in a lump sum after separation from service (or after age 59½, disability, or the participant's death). Under the special rule, the net unrealized appreciation on the stock will not be taxed when distributed from the Plan and will be taxed at capital gain rates when you sell the stock. Net unrealized appreciation is generally the increase in the value of employer stock after it was acquired by the Plan. If you do a rollover for a payment that includes employer stock (for example, by selling the stock and rolling over the proceeds within 60 days of the payment), the special rule relating to the distributed employer stock will not apply to any subsequent payments from the IRA or 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 outstanding amount of the loan, typically when your employment ends. The offset amount is treated as a distribution to you at the time of the offset. Generally, you may roll over all or any portion of the offset amount. Any offset amount that is not rolled over will be taxed (including the 10% additional income tax on early distributions, unless an exception applies). You may roll over offset amounts to an IRA or an employer plan (if the terms of the employer plan permit the plan to receive plan loan offset rollovers).

How long you have to complete the rollover depends on what kind of plan loan offset you have. If you have a qualified plan loan offset, you will have

until your tax return due date (including extensions) for the tax year during which the offset occurs to complete your rollover. A qualified plan loan offset occurs when a plan loan in good standing is offset because your employer plan terminates, or because you sever from employment. If your plan loan offset occurs for any other reason, then you have 60 days from the date the offset occurs to complete your rollover.

### **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 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**

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. 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).

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

### **If you do a rollover to a designated Roth account in the Plan**

You cannot roll over a distribution to a designated Roth account in another employer's plan. However, you can roll the distribution over into a designated Roth account in the distributing Plan. If you roll over a payment from the Plan to a designated Roth account in the Plan, the amount of the payment rolled over (reduced by any after-tax amounts directly rolled over) will be taxed. However, the 10% additional tax on early distributions will not apply (unless you take the amount rolled over out of the designated Roth account within the 5-year period that begins on January 1 of the year of the rollover).

If you roll over the payment to a designated Roth account in the Plan, later payments from the designated Roth account that are qualified distributions will not be taxed (including earnings after the rollover). A qualified distribution from a designated Roth account is a payment made both after you are age 59½ (or after your death or disability) and after you have had a designated Roth account in the Plan for at least 5 years. In

applying this 5-year rule you count from January 1 of the year your first contribution was made to the designated Roth account. However, if you made a direct rollover to a designated Roth account in the Plan from a designated Roth account in a plan of another employer, the 5-year period begins on January 1 of the year you made the first contribution to the designated Roth account in the Plan or, if earlier, to the designated Roth account in the plan of the other employer. Payments from the designated Roth account 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).

**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 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 you were born before July 1, 1949) or age 72 (if you were 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. 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 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 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 federal income taxes. However, you may do a 60-day rollover. Unless you elect otherwise, a mandatory cash-out 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 cash-out is a payment from a plan to a participant made before age 62 (or normal retirement age, if later) and without consent, where the participant's benefit does not exceed \$5,000 (not including any amounts held under the plan as a result of a prior rollover made to the plan).

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

**Postponement of Distribution Notice**

Generally, if your vested benefit exceeds \$5,000.00, you have the right to defer distribution of your vested account balance from the Plan. If you elect to defer your distribution, the Plan will not make a distribution to you without your consent until required by the terms of the Plan or by law. If you elect to defer your distribution, your vested account balance will continue to experience investment gains, losses and Plan expenses. As a result, the value of your vested account balance ultimately distributed to you could be more or less than the value of your current vested account balance. In determining the economic consequences of postponing your distribution, you should compare the administration cost and investment options (including fees) applicable to your vested account balance in the Plan if you postpone your distribution to the costs and options you may obtain with investment options outside the Plan.

Upon distribution of your vested account balance from the Plan, you will be taxed (except to the extent your vested account balance consists of after-tax contributions or qualified amounts held in a ROTH money source) on your vested account balance at the time of the distribution if you do not rollover your balance. As explained in greater detail in the 402(f) Notice of Special Tax Rules on Distributions, you can roll over your distribution directly or you may receive your distribution and roll it over within 60 days to avoid current taxation and to continue to have the opportunity to accumulate tax-deferred earnings. There are many complex rules relating to rollovers, and you should read the 402(f) Notice of Special Tax Rules on Distributions carefully before deciding whether a rollover is desirable in your circumstances. You should also note that a 10% penalty tax may apply to distributions made before you reach age 59½, unless another exception applies.

If you defer your distribution of your vested account balance, you may invest in the investment options available to active employees. If you do not defer distribution of your vested account balance, the currently available investment options in the Plan may not be generally available on similar terms outside the Plan. Fees and expenses (including administrative or investment related fees) outside the Plan may be different from fees and expenses that apply to your vested account balance in the Plan. For more information about fees, expenses, and currently available Plan investment options, including investment related fees, refer to the prospectuses and/or disclosure documents regarding Plan investments and fees available from your Plan administrator and/or Plan service representative.

When considering whether to defer your distribution, carefully review the Plan Document and/or Plan's Summary Plan Description, including the sections on timing of distributions and available distributions.

**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.

## **402(f) NOTICE OF SPECIAL TAX RULES ON DISTRIBUTIONS**

For Payments From a Designated Roth Account

### **YOUR ROLLOVER OPTIONS**

You are receiving this notice because all or a portion of a payment you are receiving from the G & W Equipment, Inc. 401(k) Profit Sharing Plan and Trust (the "Plan") is eligible to be rolled over to a Roth IRA or designated Roth account in an employer plan. This notice is intended to help you decide whether to do a rollover.

This notice describes the rollover rules that apply to payments from the Plan that are from a designated Roth account. If you also receive a payment from the Plan that is not from a designated Roth account, 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 designated Roth account 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?**

After-tax contributions included in a payment from a designated Roth account are not taxed, but earnings might be taxed. The tax treatment of earnings included in the payment depends on whether the payment is a qualified distribution. If a payment is only part of your designated Roth account, the payment will include an allocable portion of the earnings in your designated Roth account.

If the payment from the Plan is not a qualified distribution and you do not do a rollover to a Roth IRA or a designated Roth account in an employer plan, you will be taxed on the earnings in the payment. If you are under age 59½, a 10% additional income tax on early distributions (generally, distributions made before age 59½) will also apply to the earnings (unless an exception applies). However, if you do a rollover, you will not have to pay taxes currently on the earnings and you will not have to pay taxes later on payments that are qualified distributions.

If the payment from the Plan is a qualified distribution, you will not be taxed on any part of the payment even if you do not do a rollover. If you do a rollover, you will not be taxed on the amount you roll over and any earnings on the amount you roll over will not be taxed if paid later in a qualified distribution.

A qualified distribution from a designated Roth account in the Plan is a payment made after you are age 59½ (or after your death or disability) and after you have had a designated Roth account in the Plan for at least 5 years. In applying the 5-year rule, you count from January 1 of the year your first contribution was made to the designated Roth account. However, if you did a direct rollover to a designated Roth account in the Plan from a designated Roth account in another employer plan, your participation will count from January 1 of the year your first contribution was made to the designated Roth account in the Plan or, if earlier, to the designated Roth account in the other employer plan.

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

You may roll over the payment to either a Roth IRA (a Roth individual retirement account or Roth individual retirement annuity) or a designated Roth account in an employer plan (a tax-qualified plan, section 403(b) plan, or governmental section 457 plan) that will accept the rollover. The rules of the Roth IRA or employer plan that holds the rollover will determine your investment options, fees, and rights to payment from the Roth IRA or employer plan (for example, no spousal consent rules apply to Roth IRAs and Roth IRAs may not provide loans). Further, the amount rolled over will become subject to the tax rules that apply to the Roth IRA or the designated Roth account in the employer plan. In general, these tax rules are similar to those described elsewhere in this notice, but differences include:

- If you do a rollover to a Roth IRA, all of your Roth IRAs will be considered for purposes of determining whether you have satisfied the 5-year rule (counting from January 1 of the year for which your first contribution was made to any of your Roth IRAs).
- If you do a rollover to a Roth IRA, you will not be required to take a distribution from the Roth IRA during your lifetime and you must keep track of the aggregate amount of the after-tax contributions in all of your Roth IRAs (in order to determine your taxable income for later Roth IRA payments that are not qualified distributions).
- Eligible rollover distributions from a Roth IRA can only be rolled over to another Roth IRA.

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

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

If you do a direct rollover, the Plan will make the payment directly to your Roth IRA or designated Roth account in an employer plan. You should contact the Roth 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 (generally within 60 days) into a Roth IRA, whether the payment is a qualified or nonqualified distribution. In addition, you can do a rollover by making a deposit within 60 days into a designated Roth account in an employer plan if the payment is a nonqualified distribution and the rollover does not exceed the amount of the earnings in the payment. You cannot do a 60-day rollover to an employer plan of any part of a qualified distribution. If you receive a distribution that is a nonqualified distribution and you do not roll over an amount at least equal to the earnings allocable to the distribution, you will be taxed on the amount of those earnings not rolled over, including the 10% additional income tax on early distributions if you are under age 59½ (unless an exception applies).

If you do a direct rollover of only a portion of the amount paid from the Plan and a portion is paid to you at the same time, the portion directly rolled over consists first of earnings.

If you do not do a direct rollover and the payment is not a qualified distribution, the Plan is required to withhold 20% of the earnings 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 to a Roth IRA, you must use other funds to make up for the 20% withheld.

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

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

- Certain payments spread over a period of at least 10 years or over your life or life expectancy (or the lives or joint life expectancy of you and your beneficiary);
- Required minimum distributions after age 70½ (if you were born before July 1, 1949) or age 72 (if you were born after June 30, 1949) or after death;
- Hardship distributions;
- ESOP dividends;
- Corrective distributions of contributions that exceed tax law limitations;
- Loans treated as deemed distributions (for example, loans in default due to missed payments before your employment ends);
- Cost of life insurance paid by the Plan;
- Payments of certain automatic enrollment contributions requested to be withdrawn within 90 days of the first contribution; and
- 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 S corporation stock is held by 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 a payment is not a qualified distribution and you are under age 59½, you will have to pay the 10% additional income tax on early distributions with respect to the earnings allocated to the payment that you do not roll over (including amounts withheld for income tax), unless one of the exceptions listed below applies. This tax is in addition to the regular income tax on the earnings 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 plan made after you separate from service if you are a qualified public safety employee and you will be at least age 50 in the year of the separation;
- Payments of up to \$5,000 made to you from a defined contribution plan within one year after the birth or adoption of a child;
- Payments made due to disability;
- Payments after your death;



- Payments of ESOP dividends;
- Corrective distributions of contributions that exceed tax law limitations;
- Cost of life insurance paid by the Plan;
- Payments made directly to the government to satisfy a federal tax levy;
- Payments made under a qualified domestic relations order (QDRO);
- Payments up to the amount of your deductible medical expenses (without regard to whether you itemize deductions for the taxable year);
- Certain payments made while you are on active duty if you were a member of a reserve component called to duty after September 11, 2001 for more than 179 days;
- Payments of certain automatic enrollment contributions requested to be withdrawn within 90 days of the first contribution; and
- Payments for certain distributions relating to certain federally declared disasters.

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

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

- The exception for payment made after you separate from service if you will be at least age 55 in the year of the separation (or age 50 for qualified public safety employees) does not apply.
- The exception for qualified domestic relations orders (QDROs) does not apply (although a special rule applies under which, as part of a divorce or separation agreement, a tax-free transfer may be made directly to a Roth 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 for health insurance premiums after you have received unemployment compensation for 12 consecutive weeks (or would have been eligible to receive unemployment compensation but for self-employed status).

**Will I owe State income taxes?**

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

**SPECIAL RULES AND OPTIONS**

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

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

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

If you receive a payment that is not a qualified distribution and you do not roll it over, you can apply a special rule to payments of employer stock (or other employer securities) that are 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 included in the earnings in the payment will not be taxed when distributed to you from the Plan and will be taxed at capital gain rates when you sell the stock. If you do a rollover to a Roth IRA for a nonqualified distribution that includes employer stock (for example, by selling the stock and rolling over the proceeds within 60 days of the distribution), you will not have any taxable income and the special rule relating to the distributed employer stock will not apply to any subsequent payments from the Roth IRA or employer plan. Net unrealized appreciation is generally the increase in the value of the employer stock after it was acquired by the Plan. The Plan administrator can tell you the amount of any net unrealized appreciation.

If you receive a payment that is a qualified distribution that includes employer stock and you do not roll it over, your basis in the stock (used

to determine gain or loss when you later sell the stock) will equal the fair market value of the stock at the time of the payment from the Plan.

**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 outstanding amount of the loan, typically when your employment ends. The offset amount is treated as a distribution to you at the time of the offset. Generally, you may rollover all or any portion of the offset amount. If the distribution attributable to the offset is not a qualified distribution and you do not roll over the offset amount, you will be taxed on any earnings included in the distribution (including the 10% additional income tax on early distributions, unless an exception applies). You may rollover the earnings included in the loan offset to a Roth IRA or designated Roth account in an employer plan (if the terms of the employer plan permit the plan to receive plan loan offset rollovers). You may also roll over the full amount of the offset to a Roth IRA.

How long you have to complete the rollover depends on what kind of plan loan offset you have. If you have a qualified plan loan offset, you will have until your tax return due date (including extensions) for the tax year during which the offset occurs to complete your rollover. A qualified plan loan offset occurs when a plan loan in good standing is offset because your employer plan terminates, or because you sever from employment. If your plan loan offset occurs for any other reason, then you have 60 days from the date the offset occurs to complete your rollover.

**If you receive a nonqualified distribution and 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 is not a qualified distribution and that you do not roll over, special rules for calculating the amount of the tax on the earnings in 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 receive a payment that is not a qualified distribution and you do not roll it over, you will not have to pay the 10% additional income tax on early distributions with respect to the earnings allocated to the payment that you do not roll over, 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 that is not a qualified distribution made before age 59½ will be subject to the 10% additional income tax on earnings allocated to the payment (unless an exception applies). Other differences include 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 receive a nonqualified distribution, are an eligible retired public safety officer, and your 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 nonqualified distributions 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 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, whether the payment is a qualified distribution generally depends on when the participant first made a contribution to the designated Roth account in the Plan. Also, 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 receive a nonqualified distribution and 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 a Roth IRA, you may treat the Roth IRA as your own or as an inherited Roth IRA.

A Roth IRA you treat as your own is treated like any other Roth IRA of yours, so that you will not have to receive any required minimum distributions during your lifetime and earnings paid to you in a nonqualified distribution before you are age 59½ will be subject to the 10% additional income tax on early distributions (unless an exception applies).

If you treat the Roth IRA as an inherited Roth IRA, payments from the Roth IRA will not be subject to the 10% additional income tax on early distributions. An inherited Roth IRA is subject to required minimum distributions. If the participant had started taking required minimum distributions from the Plan, you will have to receive required minimum distributions from the inherited Roth IRA. If the participant had not started taking required minimum distributions, you will not have to start receiving required minimum distributions from the inherited Roth IRA until the year the participant would have been age 70½ (if you were born before July 1, 1949) or age 72 (if you were 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 Roth IRA. Payments from the inherited Roth IRA, even if made in a nonqualified distribution, will not be subject to the 10% additional income tax on early distributions. You will have to receive required minimum distributions from the inherited Roth IRA.

Payments under a qualified domestic relations order. If you are the spouse or a 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 and the same tax treatment that the participant would have (for example, you may roll over the payment as described in this notice).

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

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

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

**Postponement of Distribution Notice**

Generally, if your vested benefit exceeds \$5,000.00, you have the right to defer distribution of your vested account balance from the Plan. If you elect to defer your distribution, the Plan will not make a distribution to you without your consent until required by the terms of the Plan or by law. If you elect to defer your distribution, your vested account balance will

continue to experience investment gains, losses and Plan expenses. As a result, the value of your vested account balance ultimately distributed to you could be more or less than the value of your current vested account balance. In determining the economic consequences of postponing your distribution, you should compare the administration cost and investment options (including fees) applicable to your vested account balance in the Plan if you postpone your distribution to the costs and options you may obtain with investment options outside the Plan.

Upon distribution of your vested account balance from the Plan, you will be taxed (except to the extent your vested account balance consists of after-tax contributions or qualified amounts held in a ROTH money source) on your vested account balance at the time of the distribution if you do not rollover your balance. As explained in greater detail in the 402(f) Notice of Special Tax Rules on Distributions, you can roll over your distribution directly or you may receive your distribution and roll it over within 60 days to avoid current taxation and to continue to have the opportunity to accumulate tax-deferred earnings. There are many complex rules relating to rollovers, and you should read the 402(f) Notice of Special Tax Rules on Distributions carefully before deciding whether a rollover is desirable in your circumstances. You should also note that a 10% penalty tax may apply to distributions made before you reach age 59½, unless another exception applies.

If you defer your distribution of your vested account balance, you may invest in the investment options available to active employees. If you do not defer distribution of your vested account balance, the currently available investment options in the Plan may not be generally available on similar terms outside the Plan. Fees and expenses (including administrative or investment related fees) outside the Plan may be different from fees and expenses that apply to your vested account balance in the Plan. For more information about fees, expenses, and currently available Plan investment options, including investment related fees, refer to the prospectuses and/or disclosure documents regarding Plan investments and fees available from your Plan administrator and/or Plan service representative.

When considering whether to defer your distribution, carefully review the Plan Document and/or Plan's Summary Plan Description, including the sections on timing of distributions and available distributions.

**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.