



# Tax Withholding Notification and Election Nonperiodic Distributions

<p><b>Notification</b></p>	<p>Your plan administrator is required to provide you with a tax notice regarding qualified plan payments. It contains the important information you need to know before making payment/withholding election. You should understand that an eligible rollover distribution is subject to 20% mandatory federal income tax withholding unless you elect a Direct Rollover of the funds to an eligible employer plan, a traditional Individual Retirement Account (IRA), or a Roth IRA. You have the right to make or change your election up to the date of payment, but the election may not be made or changed after the distribution has been made.</p>		
<p><b>GENERAL INFORMATION</b></p> <p>(PLEASE COMPLETE)</p>	<p>Last Name</p>	<p>First Name</p>	<p>MI.</p>
	<p>Address (No. &amp; Street)</p>		
	<p>City</p>	<p>State</p>	<p>Zip Code</p>
	<p>Social Security No/Taxpayer Identification No.</p>	<p>Date of Birth</p>	<p>Scheduled Payment Date</p>
<p><b>Election</b></p> <p><b>A. Direct rollover of distribution</b></p> <p>If you wish to authorize a direct rollover of an eligible rollover distribution, complete this section.</p> <p><b>Failure to provide all information could delay the transaction.</b></p>	<p><input type="checkbox"/> I hereby authorize a Direct Rollover of \$_____ (or _____%) of the portion of this distribution which qualifies as an eligible rollover distribution. I will receive a direct payment for any portion of the distribution that (1) I do not authorize for Direct Rollover; OR (2) is not eligible for Direct Rollover (complete section D). Any amount rolled over to a traditional IRA or eligible employer plan will not be taxable to me at this time and federal income tax withholding will not apply. Any amount rolled over to a Roth IRA will be taxable to me at this time, but will not be taxable later. I understand that if I do not elect (in Section C, below) to have no income tax withholding apply, any amount directly rolled over to a Roth IRA will be subject to 10% federal income tax withholding.</p> <p><b>As allowed under the Unemployment Compensation Amendments Act of 1992, the Direct Rollover should be made payable in accordance with the <u>attached document which I have obtained from the Financial Institution.</u> The funds will be directly transferred to a/an:</b></p> <p><input type="checkbox"/> <b>Eligible Employer Plan</b>      <input type="checkbox"/> <b>Traditional IRA</b>      <input type="checkbox"/> <b>Roth IRA</b></p>		
<p><b>B. Individually paid distribution subject to 20% withholding</b></p> <p>If you wish to have the distribution paid directly to you, complete this section.</p>	<p><input type="checkbox"/> I do not authorize a Direct Rollover of funds, even though this distribution qualifies as an eligible rollover distribution. I understand that this will result in the deduction of 20% mandatory Federal income tax withholding from the portion of the distribution which is payable to me.</p>		
<p><b>C. Withholding election for direct rollovers to Roth IRAs</b></p> <p>Complete only if you have elected a direct rollover to a Roth IRA.</p>	<p><input type="checkbox"/> <b>I do</b>      <input type="checkbox"/> <b>I do not</b> elect federal income tax withholding of <u>10%</u> of amounts directly rolled over to a Roth IRA.</p> <p>I understand that if I do not make an election, 10% federal income tax withholding will apply. I further understand that I may choose to have more than 10% withheld by completing line 3 of Form W4-P.</p>		
<p><b>D. Non-periodic distribution subject to 10% withholding.</b></p> <p>If all or a portion of the distribution does not constitute an eligible rollover distribution, complete this section and select the desired withholding option.</p>	<p><input type="checkbox"/> <b>I do</b>      <input type="checkbox"/> <b>I do not</b> elect 10% federal withholding from the distribution that is NOT an eligible rollover distribution, because the distribution is:</p> <ul style="list-style-type: none"> <li>✓ a required distribution payable after I've reached age 70 1/2, or</li> <li>✓ a death benefit payable after the employee's retirement, or</li> <li>✓ a death benefit payable before the employee's retirement, to a beneficiary who is not the spouse.</li> </ul> <p>I understand I may choose to have more than 10% withheld by completing line 3 of Form W4-P.</p>		
<p><b>Certification</b></p>	<p><b>Under penalty of perjury, I hereby certify that my name, resident address, social security number and date of birth, as shown above are correct. I have received the Special Tax Notice Regarding Plan Payments and chose the election(s) shown above.</b></p>		

<p><b>Payee's Signature:</b></p>	<p><b>Date:</b></p>
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**IMPORTANT NOTICE**  
**REGARDING DIRECT ROLLOVER TRANSFERS**

The Alaska Teamster-Employer Pension Plan is a *defined benefit plan* and, as such, does not accept rollover contributions.

Under the provisions of this plan, a plan participant may elect to receive a lump sum distribution (1) of any employer contributions contributed on his or her behalf prior to July 1, 1990, (2) if the present value of his or her retirement benefit is less than \$3,500, or (3) if his or her monthly benefit payment is \$100 or less. If you are an eligible plan participant and elect to apply for a lump sum distribution, there are some *important facts* you should be aware of concerning *rollover transfers* of such distributions.

- X The law permits rollovers to a traditional Individual Retirement Account or Annuity (IRA), a Roth IRA<sup>1</sup>, or an eligible employer plan. An “eligible employer plan” includes a section 403(b) tax-sheltered annuity, a section 403(a) annuity plan, an eligible section 457(b) plan maintained by a governmental employer, and a qualified plan under section 401(a), including a section 401(k) plan, profit-sharing plan, defined benefit plan, stock bonus plan, and money purchase plan. The transferee (receiving) plan must indicate which type of account the rollover will be transferred into.
- X The law does not permit the plan to rollover to a SIMPLE IRA or a Coverdell Education Savings Account (formerly known as an educational IRA).
- X The Alaska Teamster-Employer Pension Plan must receive written confirmation from the transferee (receiving) plan that the plan will accept the rollover contribution. This confirmation must be supplied before any direct rollover distribution will be made. The transferee (receiving) plan should recite as part of its confirmation of acceptance that it is accepting a rollover from a *defined benefit plan* (as opposed to a defined contribution plan or an IRA).

This notice is designed to help you obtain a direct rollover. **The Alaska Teamster-Employer Pension Plan cannot provide individual tax or legal advice.** If you have questions or concerns regarding taxation or other treatment of rollover distributions, please contact your tax advisor or attorney.

Respectfully,

ALASKA TEAMSTER-EMPLOYER  
PENSION TRUST

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<sup>i</sup> Please note that prior to 2010, an individual will not be eligible to elect a rollover to a Roth IRA if he or she has modified adjusted gross income of \$100,000 or more, or is married and files a separate tax return. These limitations expire at the end of 2009.