Amalgamated Transit Union Local 1596 Pension Fund

Application for Distribution of DROP or Share Account

PLEASE PRINT OR TYPE:

1) Name of Applicant: ______________________,____________________,______
(Last) (First) (Middle)

Social Security Number: ____

Date of Birth: ____
(Attach birth certificate or other proof)

Home Phone Number (____)__________ Cell Phone Number (___)__________

Home Address: ____
(Street Address)

____
(City) (State) (Zip)

2) Date of Hire by LYNX: ______________________

3) Date of Separation From Service: ____

4) Distribution of: _______ DROP Account _______ Share Account

5) Type of Retirement which you are receiving and/or Reason for Distribution Request:

_______ Early Retirement

_______ Normal Retirement

_______ Disability Retirement

_______ Separation of Service with less than 10 years of service

Note: DROP Accounts are charged an annual pro-rata administrative charge based on the administrative expenses of the pension fund as a whole.

If the entire balance of the Share Account is withdrawn before September 30 of any year, no earnings or losses will be credited to your account for the preceding twelve months.

The following form of election must be completed reflecting the form of payment of your choice. The form of payment you choose may have tax consequences for you. The Board of Trustees does not offer tax advice. We strongly suggest you consult a tax advisor before you make your election.

CHECK THE DESIRED OPTION AND INITIAL AFTER CONSULTING WITH A FINANCIAL PLANNER AND TAX ADVISOR OF YOUR CHOICE. THE BOARD OF TRUSTEES MAKES NO REPRESENTATION CONCERNING WHICH OPTION IS BEST FOR YOU:

6) Method of Distribution:

_______a. Lump-Sum Payment

1. ______ Immediate Cash Distribution

If you choose to receive of your payment in cash, 20% of the taxable portion of the cash payment will be withheld automatically for federal income tax and subtracted from your payment.

2. _____ Direct Rollover to a Qualified Plan:

Financial Institution Receiving Funds ____________________________

Address of Financial Institution ___________________________________

Name of Agent of Financial Institution ____________________________

Agent's Phone Number _______________________

Type of Account ____________________________ (IRA, etc.)

Account Number _____________________________

_______b. Annual Payments - Payments will be made in annual equal amounts over 3 years.

THE FORM OF PAYMENT YOU CHOOSE MAY HAVE TAX CONSEQUENCES FOR YOU. PLEASE CONSULT YOUR TAX ADVISOR AND COMPLETE THE "STATEMENT OF CONSULTATION WITH TAX ADVISOR FORM" BELOW BEFORE MAKING YOUR ELECTION.

7) **STATEMENT OF CONSULTATION WITH TAX ADVISOR**

Please initial the one applicable statement:

_________ I hereby state that **I have discussed** my election of payment method
(Initials) from my account with the following Tax Advisor of my own choosing.

Name of Advisor ________________________________

Company ______________________________________

_________ I have chosen **not to consult** with a Tax Advisor.
(Initials)

I hereby certify that the statements contained in this application are true and correct to the best of my knowledge, and understand that false statements may disqualify me for benefits. This application is a supplement to my prior application for retirement and supersedes it where conflict exists. This form of payment for my account revokes any prior payment elections I have made.

I have reviewed the Designation of Beneficiary Form filed with the Board of Trustees and hereby certify its accuracy. If I desire to change my designated beneficiary (ies), I will file a new Designation of Beneficiary Form with this application.

I hereby certify that I have read and understood all of the above, including that I should discuss my options with a financial planner or tax consultant, and understand that false statement may disqualify me for benefits.

____ ______________
Signature of Applicant (requires notarization below) Date

STATE OF ________________

COUNTY OF ______________

BEFORE ME, the undersigned authority, personally appeared ____________________________________, who is personally known to me or has produced ___________________________ as identification and who did take an oath and, after being duly cautioned and sworn, deposes and says that he/ she has signed the foregoing document for the reasons therein contained.

SWORN TO AND SUBSCRIBED before me this the _______ day of __________________, ____.

____
Notary Public

My Commission Expires: ___________________

My Commission Number Is: _________________

Return to: ATU Local 1596 Pension Fund, 4360 Northlake Boulevard, Suite 206, Palm Beach Gardens, FL 33410

EFT Direct Deposit Authorization
(PLEASE PRINT LEGIBLY OR TYPE)

Plan Name: ATU Local 1596 Pension Plan

Name: ______________________ SSN: ______________________

Address: ____

City: ______________________ State: __________ Zip Code: __________

Phone: ______________________ Email: ______________________

I authorize the ***Pension Plan*** and the Resource Centers LLC to initiate Direct Deposits (credit entries) to my financial institution account indicated below. This authorization will remain in full force and effect until I notify the Pension Plan in writing to change or cancel the authorization. Any changes to this authorization must be received by the Pension Fund no later than the 12th of the month to take effect on the 1st of the following month. All new account information will be pre-noted before the change will take effect; therefore, you may receive a paper check for one month before the new account information is verified and processed. I have verified my address on file to avoid any delay in processing reimbursements. I have also attached a VOID check for the deposit account (**Starter checks are not acceptable**).

I authorize the ***Pension Plan*** and the Resource Centers LLC to recover money deposited electronically in my account in error, either by adjusting the account or withholding any future payments. I understand that I will be notified by the ***Pension Plan*** before adjustments are made. I have notified any joint account holder(s) of the obligation to repay any overpayment to this account after my death if the overpayment is not repaid by the financial institution.

______________________________________ ______________________

(Member Signature - *MUST BE SIGNED IN PRESENCE OF A NOTARY*) (Date)

A. CHECKING:

Institution: ______________________ Branch: ______________________

City: ______________________ State: ______________________

Routing/ABA No: ______________________ Account No: ______________________

B. SAVINGS:

Institution: ______________________ Branch: ______________________

City: ______________________ State: ______________________

Routing/ABA No: ______________________ Account No: ______________________

Please Attach a "VOID" Check or Letter from Your Financial Institution or Account

Requests will not be processed without a VOID check or a letter from the financial institution or bank. The check or typed confirmation from the financial institution MUST have the following information: checking or savings account number, bank routing number, and the account owner(s) name. Starter checks are not acceptable.

STATE OF

COUNTY OF

BEFORE ME, the undersigned authority, appeared before me _________________________ by means of ☐ physical presence ☐ online notarization and who is ☐ personally known to me or ☐ has produced _______________________ as identification, and who did take an oath and, after being duly cautioned and sworn, deposes and says that he/ she has signed the foregoing document for the reasons therein contained.

SWORN TO AND SUBSCRIBED before me this the _______ day of ______________________, _____.

____
Notary Public, State of Florida
At Large

My Commission Expires:

My Commission Number Is:

Return Completed Form to:

Resource Centers, LLC
4360 Northlake Boulevard Suite 206
Palm Beach Gardens, FL 33410
Fax: 561-624-3278 Email: ClientServices@ResourceCenters.com

Form **W-4P**

Department of the Treasury
Internal Revenue Service

Withholding Certificate for Periodic Pension or Annuity Payments

Give Form W-4P to the payer of your pension or annuity payments.

OMB No. 1545-0074

2023

Step 1: Enter Personal Information

(a) First name and middle initial | Last name | **(b) Social security number**

Address

City or town, state, and ZIP code

(c) ☐ **Single** or **Married filing separately**
☐ **Married filing jointly** or **Qualifying surviving spouse**
☐ **Head of household** (Check only if you're unmarried and pay more than half the costs of keeping up a home for yourself and a qualifying individual.)

Complete Steps 2–4 ONLY if they apply to you; otherwise, skip to Step 5. See pages 2 and 3 for more information on each step and how to elect to have no federal income tax withheld (if permitted).

Step 2: Income From a Job and/or Multiple Pensions/ Annuities (Including a Spouse's Job/ Pension/ Annuity)

Complete this step if you (1) have income from a job or more than one pension/annuity, or (2) are married filing jointly and your spouse receives income from a job or a pension/annuity. **See page 2 for examples on how to complete Step 2.**

Do **only one** of the following.

(a) Reserved for future use.

(b) Complete the items below.

(i) If you (and/or your spouse) have one or more jobs, then enter the total taxable annual pay from all jobs, plus any income entered on Form W-4, Step 4(a), for the jobs less the deductions entered on Form W-4, Step 4(b), for the jobs. Otherwise, enter "-0-" . . . . $

(ii) If you (and/or your spouse) have any other pensions/annuities that pay less annually than this one, then enter the total annual taxable payments from all lower-paying pensions/annuities. Otherwise, enter "-0-" . . . . $

(iii) Add the amounts from items (i) and (ii) and enter the **total** here . . . . $

TIP: To be accurate, submit a new Form W-4P for all other pensions/annuities if you haven't updated your withholding since 2021 or this is a new pension/annuity that pays less than the other(s). Submit a new Form W-4 for your job(s) if you have not updated your withholding since 2019. If you have self-employment income, see page 2.

Complete Steps 3–4(b) on this form only if (b)(i) is blank **and** this pension/annuity pays the most annually. Otherwise, do not complete Steps 3–4(b) on this form.

Step 3: Claim Dependent and Other Credits

If your total income will be $200,000 or less ($400,000 or less if married filing jointly):

Multiply the number of qualifying children under age 17 by $2,000 $

Multiply the number of other dependents by $500 . . . . . . $

Add other credits, such as foreign tax credit and education tax credits $

Add the amounts for qualifying children, other dependents, and other credits and enter the total here . . . . **3** $

Step 4 (optional): Other Adjustments

(a) Other income (not from jobs or pension/annuity payments). If you want tax withheld on other income you expect this year that won't have withholding, enter the amount of other income here. This may include interest, taxable social security, and dividends . **4(a)** $

(b) Deductions. If you expect to claim deductions other than the basic standard deduction and want to reduce your withholding, use the Deductions Worksheet on page 3 and enter the result here . . . . **4(b)** $

(c) Extra withholding. Enter any additional tax you want withheld from **each payment** . **4(c)** $

Step 5: Sign Here

Your signature (This form is not valid unless you sign it.) **Date**

General Instructions

Section references are to the Internal Revenue Code.

Future developments. For the latest information about any future developments related to Form W-4P, such as legislation enacted after it was published, go to *www.irs.gov/FormW4P*.

Purpose of form. Complete Form W-4P to have payers withhold the correct amount of federal income tax from your periodic pension, annuity (including commercial annuities), profit-sharing and stock bonus plan, or IRA payments. Federal income tax withholding applies to the taxable part of these payments. Periodic payments are made in installments at regular intervals (for example, annually, quarterly, or monthly) over a period of more than 1 year. Don't use Form W-4P for a nonperiodic payment (note that distributions from an IRA that are payable on demand are treated as nonperiodic payments) or an eligible rollover distribution (including a lump-sum pension payment). Instead, use Form W-4R, Withholding Certificate for Nonperiodic Payments and Eligible Rollover Distributions, for these payments/distributions. For more information on withholding, see Pub. 505, Tax Withholding and Estimated Tax.

Choosing not to have income tax withheld. You can choose not to have federal income tax withheld from your payments by writing "No Withholding" on Form W-4P in the space below Step 4(c). Then, complete Steps 1a, 1b, and 5. Generally, if you are a U.S. citizen or a resident alien, you are not permitted to elect not to have federal income tax withheld on payments to be delivered outside the United States and its territories.

Caution: If you have too little tax withheld, you will generally owe tax when you file your tax return and may owe a penalty unless you make timely payments of estimated tax. If too much tax is withheld, you will generally be due a refund when you file your tax return. If your tax situation changes, or you chose not to have federal income tax withheld and you now want withholding, you should submit a new Form W-4P.

Self-employment. Generally, you will owe both income and self-employment taxes on any self-employment income you (or you and your spouse) receive. If you do not have a job and want to pay these taxes through withholding from your payments, you should enter the self-employment income in Step 4(a). Then compute your self-employment tax, divide that tax by the number of payments remaining in the year, and include that resulting amount per payment in Step 4(c). You can also add half of the annual amount of self-employment tax to Step 4(b) as a deduction. To calculate self-employment tax, you generally multiply the self-employment income by 14.13% (this rate is a quick way to figure your self-employment tax and equals the sum of the 12.4% social security tax and the 2.9% Medicare tax multiplied by 0.9235). See Pub. 505 for more information, especially if your self-employment income multiplied by 0.9235 is over $160,200.

Payments to nonresident aliens and foreign estates. Do not use Form W-4P. See Pub. 515, Withholding of Tax on Nonresident Aliens and Foreign Entities, and Pub. 519, U.S. Tax Guide for Aliens, for more information.

Tax relief for victims of terrorist attacks. If your disability payments for injuries incurred as a direct result of a terrorist attack are not taxable, write "No Withholding" in the space below Step 4(c). See Pub. 3920, Tax Relief for Victims of Terrorist Attacks, for more details.

Specific Instructions

Step 1(c). Check your anticipated filing status. This will determine the standard deduction and tax rates used to compute your withholding.

Step 2. Use this step if you have at least one of the following: income from a job, income from more than one pension/annuity, and/or a spouse (if married filing jointly) that receives income from a job/pension/annuity. The following examples will assist you in completing Step 2.

Example 1. Bob, a single filer, is completing Form W-4P for a pension that pays $50,000 a year. Bob also has a job that pays $25,000 a year. Bob has no other pensions or annuities. Bob will enter $25,000 in Step 2(b)(i) and in Step 2(b)(iii).

If Bob also has $1,000 of interest income, which he entered on Form W-4, Step 4(a), then he will instead enter $26,000 in Step 2(b)(i) and in Step 2(b)(iii). He will make no entries in Step 4(a) on this Form W-4P.

Example 2. Carol, a single filer, is completing Form W-4P for a pension that pays $50,000 a year. Carol does not have a job, but she also receives another pension for $25,000 a year (which pays less annually than the $50,000 pension). Carol will enter $25,000 in Step 2(b)(ii) and in Step 2(b)(iii).

If Carol also has $1,000 of interest income, then she will enter $1,000 in Step 4(a) of this Form W-4P.

Example 3. Don, a single filer, is completing Form W-4P for a pension that pays $50,000 a year. Don does not have a job, but he receives another pension for $75,000 a year (which pays more annually than the $50,000 pension). Don will not enter any amounts in Step 2.

If Don also has $1,000 of interest income, he won't enter that amount on this Form W-4P because he entered the $1,000 on the Form W-4P for the higher paying $75,000 pension.

Example 4. Ann, a single filer, is completing Form W-4P for a pension that pays $50,000 a year. Ann also has a job that pays $25,000 a year and another pension that pays $20,000 a year. Ann will enter $25,000 in Step 2(b)(i), $20,000 in Step 2(b)(ii), and $45,000 in Step 2(b)(iii).

If Ann also has $1,000 of interest income, which she entered on Form W-4, Step 4(a), she will instead enter $26,000 in Step 2(b)(i), leave Step 2(b)(ii) unchanged, and enter $46,000 in Step 2(b)(iii). She will make no entries in Step 4(a) of this Form W-4P.

If you are married filing jointly, the entries described above do not change if your spouse is the one who has the job or the other pension/annuity instead of you.

CAUTION ***Multiple sources of pensions/annuities or jobs.*** *If you (or if married filing jointly, you and/or your spouse) have a job(s), do NOT complete Steps 3 through 4(b) on Form W-4P. Instead, complete Steps 3 through 4(b) on the Form W-4 for the job. If you (or if married filing jointly, you and your spouse) do not have a job, complete Steps 3 through 4(b) on Form W-4P for* ***only*** *the pension/annuity that pays the most annually. Leave those steps blank for the other pensions/annuities.*

Step 3. This step provides instructions for determining the amount of the child tax credit and the credit for other dependents that you may be able to claim when you file your tax return. To qualify for the child tax credit, the child must be under age 17 as of December 31, must be your dependent who generally lives with you for more than half the year, and must have the required social security number. You may be able to claim a credit for other dependents for whom a child tax credit can't be claimed, such as an older child or a qualifying relative. For additional eligibility requirements for these credits, see Pub. 501, Dependents, Standard Deduction, and Filing Information. You can also include **other tax credits** for which you are eligible in this step, such as the foreign tax credit and the education tax credits. Including these credits will increase your payments and reduce the amount of any refund you may receive when you file your tax return.

Specific Instructions *(continued)*

Step 4 (optional).

Step 4(a). Enter in this step the total of your other estimated income for the year, if any. You shouldn't include amounts from any job(s) or pension/annuity payments. If you complete Step 4(a), you likely won't have to make estimated tax payments for that income. If you prefer to pay estimated tax rather than having tax on other income withheld from your pension, see Form 1040-ES, Estimated Tax for Individuals.

Step 4(b). Enter in this step the amount from the Deductions Worksheet, line 6, if you expect to claim deductions other than the basic standard deduction on your 2023 tax return and want to reduce your withholding to account for these deductions. This includes itemized deductions, the additional standard deduction for those 65 and over, and other deductions such as for student loan interest and IRAs.

Step 4(c). Enter in this step any additional tax you want withheld from **each payment**. Entering an amount here will reduce your payments and will either increase your refund or reduce any amount of tax that you owe.

Note: If you don't give Form W-4P to your payer, you don't provide an SSN, or the IRS notifies the payer that you gave an incorrect SSN, then the payer will withhold tax from your payments as if your filing status is single with no adjustments in Steps 2 through 4. For payments that began before 2023, your current withholding election (or your default rate) remains in effect unless you submit a new Form W-4P.

Step 4(b)—Deductions Worksheet *(Keep for your records.)*

1	Enter an estimate of your 2023 itemized deductions (from Schedule A (Form 1040)). Such deductions may include qualifying home mortgage interest, charitable contributions, state and local taxes (up to $10,000), and medical expenses in excess of 7.5% of your income	1	$
2	Enter: • $27,700 if you're married filing jointly or a qualifying surviving spouse • $20,800 if you're head of household • $13,850 if you're single or married filing separately	2	$
3	If line 1 is greater than line 2, subtract line 2 from line 1 and enter the result here. If line 2 is greater than line 1, enter "-0-"	3	$
4	If line 3 equals zero, and you (or your spouse) are 65 or older, enter: • $1,850 if you're single or head of household. • $1,500 if you're married filing separately. • $1,500 if you're a qualifying surviving spouse or you're married filing jointly and one of you is under age 65. • $3,000 if you're married filing jointly and both of you are age 65 or older. Otherwise, enter "-0-". See Pub. 505 for more information	4	$
5	Enter an estimate of your student loan interest, deductible IRA contributions, and certain other adjustments (from Part II of Schedule 1 (Form 1040)). See Pub. 505 for more information	5	$
6	**Add** lines 3 through 5. Enter the result here and in **Step 4(b)** on Form W-4P	6	$

Privacy Act and Paperwork Reduction Act Notice. We ask for the information on this form to carry out the Internal Revenue laws of the United States. You are required to provide this information only if you want to (a) request federal income tax withholding from pension or annuity payments based on your filing status and adjustments; (b) request additional federal income tax withholding from your pension or annuity payments; (c) choose not to have federal income tax withheld, when permitted; or (d) change a previous Form W-4P. To do any of the aforementioned, you are required by sections 3405(e) and 6109 and their regulations to provide the information requested on this form. Failure to provide this information may result in inaccurate withholding on your payment(s). Failure to provide a properly completed form will result in your being treated as a single person with no other entries on the form; providing fraudulent information may subject you to penalties.

Routine uses of this information include giving it to the Department of Justice for civil and criminal litigation, and to cities, states, the District of Columbia, and U.S. commonwealths and territories for use in administering their tax laws. We may also disclose this information to other countries under a tax treaty, to federal and state agencies to enforce federal nontax criminal laws, or to federal law enforcement and intelligence agencies to combat terrorism.

You are not required to provide the information requested on a form that is subject to the Paperwork Reduction Act unless the form displays a valid OMB control number. Books or records relating to a form or its instructions must be retained as long as their contents may become material in the administration of any Internal Revenue law. Generally, tax returns and return information are confidential, as required by section 6103.

The average time and expenses required to complete and file this form will vary depending on individual circumstances. For estimated averages, see the instructions for your income tax return.

If you have suggestions for making this form simpler, we would be happy to hear from you. See the instructions for your income tax return.

Amalgamated Transit Union Local 1596 Pension Fund

Special Tax Notice

This notice explains how you can continue to defer federal income tax on your retirement savings in the Amalgamated Transit Union Local 1596 Pension Plan ("Plan") and contains important information you will need before you decide how to receive your Plan benefits.

This notice is provided to you by the Board of Trustees of the Plan (your "Plan Administrator") because all or part of the distribution that you will soon receive from the Plan may be eligible for rollover by you or your Plan Administrator to an IRA, or an eligible employer plan. A rollover is a payment by you or the Plan Administrator of all or part of your benefit to another plan or IRA that allows you to continue to postpone taxation of that benefit until it is paid to you. Your payment cannot be rolled over to a SIMPLE IRA, or a Coverdell Education Savings Account (formerly known as an Education IRA). An "eligible employer plan" includes a plan qualified under section 401(a) of the Internal Revenue Code, including 401(k) plan, profit-sharing plan, defined benefit plan, stock bonus plan, and money purchase plan; a section 403(a) annuity plan; a section 403(b) tax-sheltered annuity; and an eligible section 457(b) plan maintained by a governmental employer (governmental 457 plan).

An eligible employer plan is not legally required to accept a rollover. Before you decide to roll over your distribution to another employer plan, you should find out whether the plan accepts rollovers and, if so, the types of distributions it accepts as a rollover. You should also find out about any documents that are required to be completed before the receiving plan will accept the rollover. Even if a plan accepts rollovers, it might not accept rollovers of certain types of distributions, such as after-tax amounts. If this is the case, and your distribution includes after-tax amounts, you may wish instead to roll your distribution over to an IRA, or split your rollover amount between the employer plan in which you will participate and an IRA. If an employer plan accepts your rollover, the plan may restrict subsequent distributions of the rollover amount or may require your spouse's consent for any subsequent distribution. A subsequent distribution from the plan that accepts your rollover may also be subject to different tax treatment than distributions from this Plan. Check with the administrator of the plan that is to receive your rollover prior to making the rollover.

If you have additional questions after reading this notice, you can contact your plan administrator, Tegrit Plan Administrators at 800-206-0116 or by email to atu1598@tegrit-tpa.com

SUMMARY

There are two ways you may be able to receive Plan payment that is eligible for rollover:

(1) Certain payments can be made directly to an IRA or to an eligible employer plan that will accept it and hold it for your benefit ("DIRECT ROLLOVER"); or

(2) The payment can be PAID TO YOU.

If you choose a direct rollover:

- Your distribution will not be taxed in the current year and no income tax will be withheld.

- You choose whether your distribution will be made directly to your IRA or to an eligible employer plan that accepts your rollover. Your distribution cannot be rolled over to a SIMPLE IRA, or a Coverdell Education Savings Account.

- If your benefit under the Plan is subject to a mandatory cashout rule, absent your election otherwise, the Plan Administrator may be required to direct your distribution to a traditional IRA, or if designated Roth amounts, to a Roth IRA it establishes for you. If your distribution is subject to this rule, your Plan Administrator is required to let you know and to provide you with information regarding the IRA(s) to be established on your behalf.

- The taxable portion of your distribution will be taxed later when you take it out of the traditional IRA or the eligible employer plan, or, for non-qualified distributions, the Roth IRA. Depending on the type of plan, the later distribution may be subject to different tax treatment than it would be if you received a taxable distribution from this Plan.

If you choose to have a Plan payment that is eligible for rollover paid to you:

- You will receive only 80% of the taxable amount of the distribution, because the Plan Administrator is required to withhold 20% of that amount and send it to the IRS as income tax withholding to be credited against your taxes.

- The taxable amount of your distribution will be taxed in the current year unless you roll it over. Under limited circumstances, you may be able to use special tax rules that could reduce the tax you owe. However, if you receive the distribution before age 59½, you also may have to pay an additional 10% tax.

- You can rollover all or part of the distribution by paying it to your IRA; or, to an eligible employer plan that accepts your rollover within 60 days after you receive the distribution. The taxable amount rolled over will not be taxed until you take it out of the traditional IRA or the eligible employer plan.

- If you want to roll over 100% of the distribution to a traditional IRA or an eligible employer plan, *you must find other money to replace the 20% of the taxable portion that was withheld.* If you roll over only the 80% that you received, you will be taxed on the 20% that was withheld and that is not rolled over.

- If your distribution includes nontaxable amounts, you may rollover the nontaxable portion to a traditional IRA or, for designated ROTH amounts, to a Roth IRA.

Your Right to Waive the 30-Day Notice Period. Generally, neither an direct rollover nor a distribution can be made until at least 30 days after your receipt of a notice. Thus, after receiving this notice, you have at least 30 days to consider whether or not to have your withdrawal directly rolled over. If you do not wish to wait until this 30-day notice period ends before your election is processed, you may waive the notice period by making an affirmative election indicating whether or not you wish to make a direct rollover. Your withdrawal will then be processed in accordance with your election as soon as practical after it is received by the Plan Administrator.

MORE INFORMATION

1. *DISTRIBUTIONS THAT CAN AND CANNOT BE ROLLED OVER*

Distributions from the plan may be "eligible rollover distributions." This means that they can be rolled over to an IRA or to an eligible employer plan that accepts rollovers. Distributions from a plan cannot be rolled over to a SIMPLE IRA, or a Coverdell Education Savings Account. Your Plan Administrator should be able to tell you what portion of your distribution is an eligible rollover distribution.

Traditional After-tax and Designated Roth Contributions. If you made traditional after-tax and/or designated Roth contributions to the Plan, these contributions may be rolled to certain employer plans that accept rollovers of the after-tax and/or designated Roth contributions. In addition, traditional IRA and designated Roth contributions may be rolled over to a Roth IRA. The following rules apply:

a. Rollover Into an IRA. You can rollover your after-tax contributions to an IRA either directly or indirectly. Your plan administrator should be able to tell you how much of your payment is the taxable portion and how much is after tax. Beginning January 1, 2008, you may also be eligible to roll over the after-tax amount to a Roth IRA. If you roll over these amounts to a traditional or Roth IRA, it is your responsibility to keep track of, and report to the Service on the application forms, the amount of these after-tax contributions. This will enable the nontaxable amount of any future distributions from the IRA to be determined. Once you roll over your after-tax contributions to a traditional and/or Roth IRA, those amounts CANNOT later be rolled over to an employer plan.

b. Rollover into an Employer Plan. You can roll after-tax contributions from an employer plan that is qualified under Code section 401(a) or a section 403(a) annuity plan or a section 403(b) tax-sheltered annuity to another employer plan, annuity plan and/or tax-sheltered annuity using a direct rollover if the other plan or annuity provides separate accounting for amounts rolled over, including separate accounting for the after-tax employee contributions (plus earnings). You CANNOT roll over after-tax or designated Roth contributions to a governmental 457 plan. If you want to roll over your after-tax contributions to an employer plan that accepts these rollovers, you cannot have the after-tax contributions paid to you first. You must instruct the Plan Administrator of this Plan to make a direct rollover on your behalf. Also, you cannot first roll over after-tax contributions to a traditional IRA or designated Roth contributions to a Roth IRA and then roll over that amount into an employer plan.

The following types of payments *cannot* be rolled over:
Payments Spread over Long Periods. You cannot roll over a distribution if it is part of a series of equal (or almost equal) distributions that are made at least once a year and that will last for:

- your lifetime (or a period measured by your life expectancy), or
- your lifetime and your beneficiary's lifetime (or a period measured by your joint life expectancies), or
- a period of 10 years or more.

Required Minimum Distributions. Beginning when you reach age 70½ or retire, whichever is later, a certain portion of your distribution cannot be rolled over because it is a "required minimum distribution" that must be paid to you. Special rules apply if you own more than 5% of your employer.

Hardship Distributions. A hardship distribution cannot be rolled over.

ESOP Dividends. Cash dividends paid to you on employer stock held in an employee stock ownership plan cannot be rolled over.

Corrective Distributions. A distribution that is made to correct a failed nondiscrimination test or because legal limits on certain contributions were exceeded cannot be rolled over.

Loans Treated as Distributions. The amount of a plan loan that becomes a taxable deemed distribution because of a default cannot be rolled over. However, a loan offset amount is eligible for rollover, as discussed in Part 3 below. Ask the Plan Administrator of this Plan if distribution of your loan qualifies for rollover treatment.

The Plan Administrator of this Plan should be able to tell you if your distribution includes amounts which cannot be rolled over.

2. *DIRECT ROLLOVER*

A DIRECT ROLLOVER is a direct payment of the amount of your Plan benefits to a traditional IRA or an eligible employer plan that will accept it. You can choose a DIRECT ROLLOVER of all or any portion of your distribution that is an eligible rollover distribution, as described in Part 1 above. You are not taxed on any taxable portion of your distribution for which you choose a DIRECT ROLLOVER until you later take it out of the traditional IRA, eligible employer plan, or for Roth IRAs, take a non-qualified distribution . In addition, no income tax withholding is required for any taxable portion of your Plan benefits for which you choose a DIRECT ROLLOVER. This Plan might not let you choose a DIRECT ROLLOVER if your distributions for the year are less than $200.

DIRECT ROLLOVER to an IRA (Traditional/Roth). You can open a traditional IRA to receive the direct rollover. If you choose to have your distribution made directly to an IRA, contact an IRA sponsor (usually a financial institution) to find out how to have your distribution made in a direct rollover to a traditional IRA and/or Roth IRA at that institution. If you are unsure of how to invest your money, you can temporarily establish an IRA to receive the distribution. However, in choosing an IRA, you may wish to make sure that the IRA you choose will allow you to move all or a part of your distribution to another IRA at a later date, without penalties or other limitations. See IRS Publication 590, Individual Retirement Arrangements, for more information on traditional and Roth IRAs (including limits on how often you can roll over between IRAs).

DIRECT ROLLOVER to a ROTH IRA. For distributions taken after December 31, 2007, you can open a Roth IRA to receive a rollover from your employer's plan if your modified adjusted gross income (MAGI) is not more than $100,000 and you are not married filing a separate income tax return. The amount of the rollover from your employer plan to the Roth IRA will be treated as a distribution for income tax purposes and is includible in your gross income. Beginning in 2010, the $100,000 MAGI limit and the married filing separate tax filing restriction will be eliminated for rollover eligibility. Although the rollover amount is generally included in income, the 10% early distribution penalty will not apply, regardless if you qualify for any exceptions to the 10% penalty. If you choose to have your distribution made directly to a Roth IRA, contact a Roth IRA sponsor (usually financial institution) to find out how to have your distribution made as a rollover to a Roth IRA.

DIRECT ROLLOVER to a Plan. If you are employed by a new employer that has an eligible employer plan, and you want a direct rollover to that plan, ask the plan administrator of that plan whether it will accept your rollover. If you have designated Roth contributions, be sure to ask whether the plan will accept these amounts as well. An eligible employer plan is not legally required to accept a rollover. Even if your new employer's plan does not accept a rollover, you can choose a DIRECT ROLLOVER to an IRA. If the employer plan accepts your rollover, the plan may provide restrictions on the circumstances under which you may later receive a distribution of the rollover amount or may require spousal consent to any subsequent distribution. Check with the plan administrator of that plan before making your decision.

DIRECT ROLLOVER of a Series of Payments. If you receive a distribution that can be rolled over to a traditional IRA or an eligible employer plan that will accept it, and it is paid in a series of distributions for less than 10 years, your choice to make or not make a DIRECT ROLLOVER for a distribution will apply to all later distributions in the series until you change your election. You are free to change your election for any later distribution in the series.

Change in Tax Treatment Resulting from a DIRECT ROLLOVER. The tax treatment of any distribution from the eligible employer plan or IRA receiving your DIRECT ROLLOVER might be different than if you received your benefit in a taxable distribution directly from the Plan. For example, if you were born before January 1, 1936, you might be entitled to ten-year averaging or capital gain treatment, as explained below. However, if you have your benefit rolled over to a section 403(b) tax-sheltered annuity, a governmental 457 plan, or a traditional IRA in a DIRECT ROLLOVER, your benefit will no longer be eligible for that special treatment. See the sections below entitled "Additional 10% Tax if You Are Under Age 59½" and "Special Tax Treatment if You Were Born Before January 1, 1936."

3. *PAYMENT PAID TO YOU*

If your distribution can be rolled over (See Part 1 above) and the distribution is made to you in cash, it is subject to 20% federal income tax withholding on the taxable portion (state tax withholding may also apply). The distribution is taxed in the year you receive it unless, within 60 days, you roll it over to an IRA or an eligible employer plan that accepts rollovers. If you do not roll it over, special tax rules may apply.

Income Tax Withholding*: *Mandatory Withholding. If any portion of your distribution can be rolled over under Part 1 above and you do not elect to make a DIRECT ROLLOVER, the Plan is required by law to withhold 20% of the taxable amount. This amount is sent to the IRS as federal income tax withholding. For example, if you can rollover a taxable distribution of $10,000, only $8,000 will be paid to you because the Plan must withhold $2,000 as income tax. However, when you prepare your income tax return for the year, unless you make a rollover within 60 days (see "Sixty-Day Rollover Option" below) you must report the full $10,000 as a taxable distribution from the Plan. You must report the $2,000 as tax withheld, and it will be credited against any income tax you owe for the year. There will be no income tax withholding if your distributions for the year are less than $200.

Voluntary Withholding. If any portion of your distribution is taxable but cannot be rolled over under Part 1 above, the mandatory withholding rules described above do not apply. In this case, you may elect not to have withholding apply to that portion. If you do nothing, 20% will be taken out of this portion of your distribution for federal income tax withholding. To elect out of withholding, ask the Plan Administrator for the election form and related information.

Sixty-Day Rollover Option. If you receive a distribution that can be rolled over under Part 1 above, you can still decide to roll over all or part of it to an IRA or to an eligible employer plan that accepts rollovers. If you decide to roll over, you must contribute the amount of the distribution you received to an IRA or eligible employer plan within 60 days after you receive the distribution. The portion of your distribution that is rolled over will not be taxed until you take it out of the traditional IRA, the eligible employer plan, or, if it is a non-qualified distribution, the Roth IRA.

You can roll over up to 100% of your distribution that can be rolled over under Part 1 above, including an amount equal to the 20% of the taxable portion that was withheld. If you choose to roll over 100%, you must find other money within the 60-day period to contribute to the traditional IRA or the eligible employer plan, to replace the 20% that was withheld. On the other hand, if you roll over only the 80% of the taxable portion that you received, you will be taxed on the 20% that was withheld. On the other hand, if you roll over only 80% of the taxable portion that you received, you will be taxed on the 20% that was withheld. If the distribution includes after-tax and/or designated Roth contributions, please note that the non-taxable amount may only be rolled over within 60 days to a traditional IRA (for after-tax amounts) and a Roth IRA (for Roth amounts). For designated Roth amounts, the amount rolled over to the Roth IRA will be considered to first consist of the taxable portion of the designated Roth amounts.

Example: The taxable portion of your payment that can be rolled over under Part 1 above is $10,000, and you choose to have it paid to you. You will receive $8,000 and $2,000 will be sent to the IRS as income tax withholding. Within 60 days after receiving the $8,000, you may roll over the entire $10,000 to a traditional IRA or an eligible employer plan. To do this, you roll over the $8,000 you received from the Plan, and you will have to find $2,000 from other sources (your savings, a loan, etc.). In this case, the entire$10,000 is not taxed until you take it out of the traditional IRA or an eligible employer plan. If you roll over the entire $10,000, when you file your income tax return you may get a refund of part or all of the $2,000 withheld.

If, on the other hand, you roll over only $8,000, the $2,000 you did not roll over is taxed in the year it was withheld. When you file your income tax return, you may get a refund of part of the $2,000 withheld. (However, any refund is likely to be larger if you roll over the entire $10,000).

Example: Your distribution will consist of designated Roth amounts of $10,000. Of this amount, $7,500 represents the nontaxable portion of your designated Roth account. The remaining $2,500 is subject to federal income tax withholding. Thus, you will receive $9,500 and $500 (20% times $2,500) will be sent to the IRS as income tax withholding. Within 60 days after receiving the $9,500, you may roll over the entire $10,000 to a Roth IRA or an eligible employer plan. However, should you elect to roll over $9,500 as the amount rolled over is considered to first consist of the taxable portion of the distribution, the nontaxable portion of the amount rolled over to the Roth IRA will be $7,000, not $7,500. When you file your income tax return, you may get a refund of part or all of the $500 withheld.

Additional 10% Tax If You Are under Age 59 ½. If you receive a distribution before you reach age 59½ and you do not roll it over, then, in addition to the regular income tax, you may have to pay an extra tax equal to 10% of the taxable portion of the distribution. The additional 10% tax generally does not apply to (1) distributions that are paid after you separate from service with your employer during or after the year you reach age 55 (or separate from service during or after the year you reach age 50, if you are a qualified public safety employee), (2) distributions that are paid because you retire due to disability, (3) distributions that are paid as equal (or almost equal) payments over your life or life expectancy (or your and your beneficiary's lives or life expectancies), (4) dividends paid with respect to stock by an employee stock ownership plan (ESOP) as described in Code section 404(k), (5) distributions that are paid directly to the government to satisfy a federal tax levy, (6) distributions that are paid to an alternate payee under a qualified domestic relations order, or (7) distributions that do not exceed the amount of your deductible medical expenses. See IRS Form 5329 for more information on the additional 10% tax.

The additional 10% tax will not apply to distributions from a governmental 457 plan, except to the extent the distribution is attributable to an amount you rolled over to that plan (adjusted for investment returns) from another type of eligible employer plan or IRA. Any amount rolled over from a governmental 457 plan to another type of eligible employer plan or to a traditional IRA will become subject to the additional 10% tax if it is distributed to you before you reach age 59½, unless one of the exceptions applies.

Special Tax Treatment If You Were Born Before January 1, 1936. If you receive a distribution from a plan qualified under section 401(a) or a section 403(a) annuity plan that can be rolled over under Part 1 and you do not roll it over to a traditional IRA or an eligible employer plan, the distribution will be taxed in the year you receive it. However, if the distribution qualifies as a "lump sum distribution," it may be eligible for special tax treatment. (See also "Employer Stock or Securities," below.) A lump sum distribution is a payment, within one year, of your entire balance under the Plan (and certain other similar plans of the employer) that is payable to you after you have reached age 59½ or because you have separated from service with your employer (or, in the case of a self-employed individual, after you have reached age 59½ or have become disabled). For a distribution to be treated as a lump sum distribution, you must have been a participant in the plan for at least five years before the year in which you received the distribution. The special tax treatment for lump sum distributions that may be available to you is described below.

Ten-Year Averaging. If you receive a lump sum distribution and you were born before January 1, 1936, you can make a one-time election to figure the tax on the payment by using "10-year averaging" (using 1986 tax rates). Ten-year averaging often reduces the tax you owe.

Capital Gain Treatment. If you receive a lump sum distribution and you were born before January 1, 1936, and you were a participant in the Plan before 1974, you may elect to have the part of your distribution that is attributable to your pre-1974 participation in the Plan taxed as long-term capital gain at a rate of 20%.

There are other limits on the special tax treatment for lump sum distributions. For example, you can generally elect this special tax treatment only once in your lifetime, and the election applies to all lump sum distributions that you receive in that same year. You may not elect this special tax treatment if you rolled amounts into this Plan from a 403(b) tax-sheltered annuity contract, a governmental 457 plan, or from an IRA not originally attributable to a qualified employer plan. If you have previously rolled over a distribution from this Plan (or certain other similar plans of the employer), you cannot use this special averaging treatment for later distribution from the Plan. If you roll over your distribution to a traditional IRA, governmental 457 plan, or 403(b) tax-sheltered annuity, you will not be able to use special tax treatment for later distributions from that IRA, plan, or annuity. Also, if you roll over only a portion of your distribution to a traditional IRA, governmental 457 plan, or 403(b) tax-sheltered annuity, this special tax treatment is not available for the rest of the distribution. See IRS Form 4972 for additional information on lump sum distributions and how you elect the special tax treatment.

Employer Stock or Securities. There is a special rule for a distribution from the Plan that includes employer stock (or other employer securities). To use this special rule, 1) the distribution must qualify as a lump sum distribution, as described above, except that you do not need five years of plan participation; or 2) the employer stock included in the distribution must be attributable to "after-tax" employee contributions, if any. Under this special rule, you may have the option of not paying tax on the “net unrealized appreciation” of the stock until you sell the stock. Net unrealized appreciation generally is the increase in the value of the employer stock while it was held by the Plan. For example, if employer stock was contributed to your Plan account when the stock was worth $1,000 but the stock was worth $1,200 when you received it, you would not have to pay tax on the $200 increase in value until you later sold the stock.

You may instead elect to have the special rule apply to the net unrealized appreciation. In this case, your net unrealized appreciation will be taxed in the year you receive the stock, unless you roll over the stock. The stock can be rolled over to a traditional IRA or another eligible employer plan, either in a direct rollover or a rollover that you make yourself. Generally, you will no longer be able to use the special rule for net unrealized appreciation if you roll the stock over to a traditional IRA or another eligible employer plan.

If you receive only employer stock in a distribution that can be rolled over, no amount will be withheld from the distribution. If you receive cash or property other than employer stock, as well as employer stock in a distribution that can be rolled over, the 20% withholding amount will be based on the entire taxable amount paid to you (including the value of the employer stock determined by excluding the net unrealized appreciation). However, the amount withheld will be limited to the cash or property (excluding employer stock) paid to you.

If you receive employer stock in a distribution that qualifies as a lump sum distribution, the special tax treatment for lump sum distributions described above (such as 10-year averaging) also may apply. See IRS Form 4972 for additional information on these rules.

Repayment of Plan Loans. If your employment ends and you have an outstanding loan from your Plan, your employer may reduce (or “offset”) your balance in the Plan by the amount of the loan you have not repaid. The amount of your loan offset is treated as a distribution to you at the time of the offset and will be taxed unless you roll over an amount equal to the amount of your loan offset to another qualified employer plan or to a traditional IRA within 60 days of the date of the offset. If the amount of your loan offset is the only amount you receive or are treated as having received, no amount will be withheld from it. If you receive other distributions of cash or property from the Plan, the 20% withholding amount will be based on the entire amount paid to you, including the amount of the loan offset. The amount withheld will be limited to the amount of cash or property paid to you (other than any employer securities). The amount of a defaulted plan loan that is a taxable deemed distribution cannot be rolled over.

4. *SURVIVING SPOUSES, ALTERNATE PAYEES, AND OTHER BENEFICIARIES*

In general, the rules summarized above that apply to distribution to employees also apply to distribution to surviving spouses of employees and to spouses or former spouses who are “alternate payees.” You are an alternate payee if your interest in the Plan results from a “qualified domestic relations order,” which is an order issued by a court, usually in connection with a divorce or legal separation.

If you are a surviving spouse or an alternate payee, you may choose to have a distribution that can be rolled over, as described in Part 1 above, paid in a DIRECT ROLLOVER to a traditional IRA or to an eligible employer plan, or paid to you. If you have the distribution paid to you, you can keep it or roll it over yourself to a traditional IRA or to an eligible employer plan. Thus, you have the same choices as an employee.

If you are a beneficiary other than a surviving spouse, an alternate payee, or another beneficiary, you may choose a direct rollover of non-Roth amounts to an inherited traditional IRA. (Roth elective deferrals and their earnings can only be rolled over to an inherited Roth IRA). You cannot roll over the distribution yourself. Distributions from the inherited IRA must commence in accordance with the required minimum distribution rules applicable to beneficiaries.

If you are a surviving spouse, an alternate payee, or another beneficiary, your distribution is generally not subject to the additional 10% tax described in Part 3 above, even if you are younger than age 59½.

If you are a surviving spouse, an alternate payee, or another beneficiary, you may be able to use the special tax treatment for lump sum distributions and the special rule for distributions that include employer stock, as described in Part 3 above. If you receive a distribution because of the employee's death, you may be able to treat the distribution as a lump sum distribution if the employee met the appropriate age requirements, whether or not the employee had 5 years of participation in the Plan.

5. ROTH ELECTIVE DEFERRALS

This section explains the distribution options available to you and your beneficiaries with respect to the portion of your plan that represent Roth elective deferrals and their earnings. In addition, this section will explain the tax implications of distributions and rollovers, and contains important information you will need before you decide how to receive the portion of your plan that represents Roth elective deferrals. Unless otherwise stated below, the provisions of Part 1 and Part 2 apply (i.e., income tax withholding).

Payment Options. You and/or your beneficiary, plan permitting, have the same payment options as described in Parts 1 and 2 of this notice available to you with respect to your Roth elective deferrals. See your Summary Plan Description for additional details relating to distribution options. Note, however, the Roth elective deferrals and the earnings attributable to them may not be rolled over to a Traditional IRA. These types of assets may only be rolled over to a Roth IRA, you CANNOT subsequently roll over your Roth elective deferral to an employer plan, even if the plan accepts designated Roth contributions. A non-spouse beneficiary may directly roll over Roth elective deferrals, and the earnings attributable to them, to an inherited Roth IRA.

Taxation of Distributions. Roth elective deferrals and their earnings are distributed tax free to you if the distribution is considered a qualified distribution. A qualified distribution is a distribution that is made after at least five years have elapsed from the start of the year during which you made your first Roth contribution to the Plan and is distributed.

- After you have attained age 59½,
- To your beneficiaries after your death, or
- On account of your disability.

If a direct rollover is made from a designated Roth account under another plan, your five-taxable-year period begins on the first day of your taxable year for which you first had designated Roth contributions made to the other plan, if earlier. Your plan administrator is responsible for tracking the five-year period for the designated Roth contribution portion of your account.

If you and your beneficiaries take a distribution before satisfying the requirements for a qualified distribution, listed above, the distribution will be a non-qualified distribution and you must include the portion of the distribution attributable to earning in your income. The portion attributable to the basis (amount contributed as deferral) is excluded from your income.

All distribution from designated Roth account, whether qualified or non-qualified, consist of a pro rata portion of Roth basis and earnings. The amount of distribution attributable to basis is determined by applying to the distribution the ratio of the amount of deferrals and earnings. For example, if you have $9,400 of basis and $600 in earnings and you take a $5,000 distribution, you will receive $4,700 in basis and $300 in earnings ($9,400 / $10,000 x $5,000 = return of basis). Your plan administrator is responsible for calculating the amount of the basis earnings for each distribution and reporting them to you, upon your request.

Rollover Options. If you receive an eligible rollover distribution (as defined in Part 3 of this notice) from your designated Roth account, you have the option to roll it over to either a Roth IRA or another designated Roth account under an eligible plan.

a. Rollover to another designated Roth account

You, or your spouse beneficiary upon your death, may directly roll over a qualified or non-qualified distribution to a designated Roth account under another Roth plan that is eligible and willing to receive the rollover. For example, if the distribution is from a designated Roth account under a 401(k) plan, it may be directly rolled to the designated Roth account under another 401(k) plan, or the designated Roth account under another 403(b) plan. If a non-qualified distribution is payable to you, the nontaxable portion may not be rolled over to another designated Roth account. If a direct rollover is made from a designated Roth account under another plan, your five-taxable-year period in the receiving plan begins on the first day of your taxable year for which you first had designated Roth contributions made to the other plan, if earlier.

b. Rollover to a Roth IRA

You, or your spouse beneficiary upon your death, may roll over a qualified or non-qualified distribution to a Roth IRA. This rollover may be done directly from the plan to the Roth IRA, or may roll it over within 60 days of receiving the distribution from the plan. However, once rolled to a Roth IRA, you CANNOT subsequently roll your designated Roth contributions to an employer plan, even if the plan accepts designated Roth contributions. Upon completion of the rollover to a Roth IRA, these amounts are subject to the Roth IRA rules. The period that the rolled-over funds were in a designated Roth account does not count towards the five-taxable-year period for determining qualified distributions from a Roth IRA. Once you have satisfied the requirements for a qualified distribution from a Roth IRA, the distribution from a Roth IRA will be tax free. For tax years prior to 2010, your eligibility to roll over designated Roth contributions to a Roth IRA may be limited if your modified adjusted gross income exceeds certain limits. Consult your tax advisor to determine if you are eligible to perform this transaction.

A non-spousal beneficiary may directly roll over Roth elective deferrals and their earnings to an inherited Roth IRA. The Roth IRA must be maintained as an inherited Roth IRA, subject to the beneficiary distribution requirements (i.e. a non-spouse beneficiary may not roll over these assets to his or her Roth IRA).

HOW TO OBTAIN ADDITIONAL INFORMATION

This notice summarizes only the federal (not state or local) tax rules that might apply to your distribution. The rules described above are complex and contain many conditions and exceptions that are not included in this notice. Therefore, you may want to consult with the Plan Administrator or a professional tax advisor ***before*** you take a payment of your benefits from the Plan. Also, you can find more specific information on the tax treatment of payments from qualified retirement plans in IRS Publication 575, *Pension and Annuity Income*, and IRS Publication 590, *Individual Retirement Arrangements.* These publications are available from your local IRS office, on the IRS's Internet Web Site at ***www.irs.gov***,or by calling:**1-800-TAX-FORMS.**

I HAVE RECEIVED AND READ THE PRECEDING 13-PAGE SPECIAL TAX NOTICE FORM:

Date: ____________________ ______________________________________

Participant's Signature

____

Print Clearly Participant's Name

*NOTE: Return **only** this last page (numbered 14 of 14) to:*

Amalgamated Transit Union Local 1596 Pension Plan
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