

# NY withdrawal request from a 403(b) tax sheltered annuity



Please return the completed form by mail or fax to:

For standard mail delivery:  
Sun Life Financial  
P.O. Box 9133  
Wellesley Hills, MA 02481

For overnight mail delivery:  
Sun Life Financial  
112 Worcester Street  
Wellesley Hills, MA 02481

Phone: (800) 752-7215  
Fax: (781) 304-5383

If you have any questions completing this form please call us at 1-800-752-7215.

**If you elected a living benefit rider under your contract, withdrawals can severely affect your rider benefits. You should carefully read your prospectus before withdrawing money. Please refer to your Quarterly Statement or contact your financial advisor if you are unsure if you have a living benefit rider on your contract.**

Any withdrawal may be subject to a surrender charge and/or a positive or negative Market Value Adjustment (MVA). Any applicable MVA and/or surrender charge will impact your final check amount unless you request a net check. Please refer to your contract for more detailed information regarding the impact of withdrawals from your annuity.

## 1 Contract Information

Please PRINT clearly

Please check here if your address has changed. Please refer to the Authorization and Signature Guarantee section of this form for specific requirements.

Sun Life Insurance and Annuity Company of New York Contract Number		
Owner Name (Last, First, Middle Initial)		Social Security Number
Address		
Address		
City	State	Zip Code
Owner Phone Number (area code first)		

## 2 Withdrawal Type

Please select ONLY one

Full Withdrawal  
(Proceed to section 4)

Partial Withdrawal  
(Proceed to section 3)

## 3 Partial Withdrawal Instructions

Secured Returns Riders  
AB to WB election

**For Secured Returns Riders Only:** If you wish to switch from the Guaranteed Minimum Accumulation Benefit (GMAB) Plan to the Guaranteed Minimum Withdrawal Benefit (GMWB) Plan prior to taking your withdrawal, please check this box.

### Withdrawal Requests:

- If your contract HAS any living benefit rider.<sup>1</sup>

### Withdrawal Amount:

Please select ONLY one

<input type="checkbox"/> 1. Specify the amount of the withdrawal (dollar and cents): \$ _____
<input type="checkbox"/> <b>NET CHECK REQUEST:</b> Please take my withdrawal NET of any applicable surrender charges, Market Value Adjustment and taxes. <b>NOTE: We cannot process your check net of taxes. Net Check Request is not an available option if you have a SunDex Bonus Annuity.</b>
<input type="checkbox"/> 2. Withdraw the maximum guaranteed annual amount or the lifetime income amount, if applicable to your rider (this amount does not include your Stored Income Balance, if applicable).
<b>For Income ON Demand Riders ONLY</b> <input type="checkbox"/> 3. Withdraw the entire Stored Income Balance (not an available option for Income ON Demand II Plus in the Bonus Period).

1. Lifetime Benefit for the SunDex Fixed Index Annuity Products

**3 Partial Withdrawal Instructions (continued)**

Withdrawal Option:

Please select ONLY one

<input type="checkbox"/> 1. Take the payment amount proportionally from each of your variable sub-accounts.		
<b>OR</b>		
<input type="checkbox"/> 2. Take the payment amount from the specified sub-account(s):		
Amount (Dollar and cents)	From Sub-Account	
\$ _____ . _____		
\$ _____ . _____		
\$ _____ . _____		
Total	\$ _____ . _____	NOTE: The total in this box must equal the payment amount in the previous step.
<p>If you do not specify a sub-account, your withdrawal will be taken proportionally from each of the variable sub-accounts you are invested in. If you are invested in Build Your Own Portfolio or in an Asset Allocation Model, your withdrawal will be taken proportionally from each of the variable sub-accounts you are invested in.</p>		

• If your contract has NO living benefit rider.

Withdrawal Amount:

Please select ONLY one

<input type="checkbox"/> 1. Specify the amount of the withdrawal (dollar and cents): \$ _____ . _____
<input type="checkbox"/> NET CHECK REQUEST: Please take my withdrawal NET of any applicable surrender charges and Market Value Adjustment. <b>NOTE: We cannot process your check net of taxes. Net Check Request is not an available option if you have a SunDex Bonus Annuity.</b>
<b>OR</b>
<input type="checkbox"/> 2. Withdraw the maximum free* amount allowable without a surrender charge. *If your contract allows for cumulative free withdrawals, your entire free amount will be distributed. If you do not want this to occur please specify the amount of your withdrawal above in option 1.

Withdrawal Option:

Please select ONLY one

<input type="checkbox"/> 1. Take the payment amount proportionally from each of your variable sub-accounts.		
<b>OR</b>		
<input type="checkbox"/> 2. Take the payment amount from the specified sub-account(s):		
Amount (Dollar and cents)	From Sub-Account	
\$ _____ . _____		
\$ _____ . _____		
\$ _____ . _____		
Total	\$ _____ . _____	NOTE: The total in this box must equal the payment amount in the previous step.
<p>If you do not specify a sub-account, your withdrawal will be taken proportionally from each of the variable sub-accounts you are invested in. If you are invested in an Asset Allocation Model, your withdrawal will be taken proportionally from each of the variable sub-accounts you are invested in.</p>		

**4 Reason for Withdrawal**

The Internal Revenue Service (“IRS”) regulations impose restrictions on 403(b)/TSA withdrawals. There are four permitted reasons, other than death, for withdrawing funds from a 403(b)/TSA. All withdrawal requests must identify one of the four reasons indicated below.

Please select ONLY one

By making your selection below, you certify that you meet the applicable requirements of both the Internal Revenue Code (“IRC”) and IRS regulations.

- a.  Attained age 59½
- b.  Severance from employment from my most recent employer contributing funds to my contract or its predecessor contract(s)
- c.  Permanent and total disability within the meaning of IRC Section 72(m)(7)
- d.  Financial Hardship (Only available for partial withdrawal requests. Section 6 must be completed)

If you selected (a): skip Sections 5 and 6 and proceed to Section 7.

If you selected (b), (c) or (d): proceed to Section 5 to determine if the signature of your plan administrator is required.

**5 Plan Administrator Certification**

If your 403(b)/TSA received salary reduction contributions and/or other contributions from your employer, the signature of your plan administrator is required for any type of withdrawal, with the exception of attainment of age 59½. Please have your plan administrator complete and sign this section.

Please PRINT clearly

Name of Plan	Telephone Number
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I hereby certify to Sun Life Insurance and Annuity Company of New York on behalf of the Employer or Plan Administrator of the Owner’s plan that I have reviewed the completed Sections above (and Section 6 below if completed) and that I am authorizing the Owner’s requested withdrawal.

Name of Authorized Signer for the Plan	Title
Signature of Authorized Signer for the Plan	Date (mm/dd/yy)

**6 Hardship Withdrawals ONLY**

Hardship Withdrawals are only available if you selected a partial withdrawal in Section 2.

IRS Regulations impose restrictions on Hardship Withdrawals. Your withdrawal request cannot exceed the lesser of (a) the amount required to meet your immediate and heavy financial need, including any amount necessary to pay any federal, state or local income taxes or tax penalties you reasonably anticipate will result from the withdrawal or (b) the total amount of salary reduction employee contributions ever made to my contract or its predecessor contract(s) (not including any income or earnings on such contributions) reduced by the amount of any partial withdrawals, hardship or otherwise, ever made from my contract and any predecessor contract(s). In addition, a hardship withdrawal is not permitted if there are other resources reasonably available to meet your immediate and heavy financial needs.

There are six reasons that qualify for a hardship withdrawal. All hardship withdrawal requests must identify one of the six reasons indicated on page 4 , Section 6.

**6 | Hardship Withdrawals ONLY (continued)**

<input type="checkbox"/> <i>Purchase of Principal Residence</i>	For costs directly related to the purchase (excluding mortgage payments) of the owner's principal residence.
<input type="checkbox"/> <i>Prevention of Foreclosure or Eviction</i>	To prevent eviction from the owner's principal residence or foreclosure on the mortgage of the owner's principal residence.
<input type="checkbox"/> <i>Non-Reimbursable Medical Expenses</i>	For non-reimbursable medical expenses on behalf of the owner, owner's spouse, or dependents or a primary beneficiary designated by the owner.
<input type="checkbox"/> <i>Post-Secondary Tuition</i>	For tuition, related educational fees, and room and board expenses for the next 12 months of post secondary education for the owner, owner's spouse, children or dependents, or a primary beneficiary designated by the owner.
<input type="checkbox"/> <i>Cost to Repair Principal Residence</i>	For expenses to repair the owner's principal residence that would qualify for the casualty deduction under Internal Revenue Code section 165.
<input type="checkbox"/> <i>Cost of Burial or Funeral Expenses</i>	For burial or funeral expenses for the owner's parent, spouse, children or Dependents, or a primary beneficiary designated by the owner.

By my signature in Section 9, I certify to and declare, under penalties of perjury, that my partial withdrawal amount in Section 2 does not exceed the limit described above, that my immediate and heavy financial need described above cannot be relieved in any of the five ways listed below and that I understand, for purposes of this contract, my resources are deemed to include assets of my spouse and my children that are reasonably available to me.

- a. Through reimbursement or compensation by insurance or otherwise;
- b. By reasonable liquidation of my assets, to the extent such liquidation would not itself cause an immediate and heavy financial need;
- c. By cessation of 403(b)/TSA salary reduction contributions;
- d. By obtaining all distributions, other than hardship distributions, and all non-taxable loans currently available under my 403(b)/TSA and all other benefit plans maintained by the employer, unless obtaining such loan will increase my financial hardship or non-taxable (at the time of the loan) loans from plans maintained by any other employer; and
- e. By borrowing from commercial sources on reasonable commercial terms.

**7 | Tax Information**

The Internal Revenue Service may consider an annuity withdrawal as a taxable event. Federal and/or state taxes may apply. Sun Life Financial only withholds Federal taxes. Please consult a tax advisor prior to making any withdrawals from your annuity.

**Federal Income Tax Withholding Election**

You are liable for the payment of Federal income taxes on the taxable portion of your withdrawal. Because you are using this form to have a 403(b) tax sheltered annuity withdrawal paid to you, Sun Life Financial is required to withhold a mandatory 20% for Federal income taxes on all 403(b) tax sheltered annuity ("403(b)/TSA") payments unless your withdrawal reason in Section 4 is financial hardship. (See the Special Tax Notice at the end of this form).

**Federal Income Tax Withholding Election on Financial Hardship Withdrawals**

If you are requesting a financial hardship, you may elect either no tax withholding, or withhold taxes between 10% and 50%. If you do not make an election, we will withhold a mandatory 20% for Federal income taxes.

Please select **ONLY** one

- Yes. I want Federal income taxes withheld from my financial hardship withdrawal. Withhold \$ \_\_\_\_\_ or \_\_\_\_\_% (please choose a percentage between 10% and 50%).
- No. I do not want Federal income taxes withheld from my financial hardship withdrawal.

Please note that if you elect no tax withholding, or if you do not have enough tax withheld from your distribution, you may have to pay estimated taxes. You may incur penalties under the estimated tax rules if your withholding and estimated tax payments are not sufficient.

**State Premium Tax**

If you are taking a full surrender, a state premium tax may apply based upon your resident state. Please contact your agent for information regarding whether a premium tax applies in your resident state.

**8 Mailing Instructions**

Unless otherwise instructed below, the proceeds will be sent to the contract owner’s address of record via First Class mail.

Forward the proceeds to the following address. **If this option is selected, an original signature guarantee is required in the Authorization and Signature section of this form.**

Make Check Payable to (if applicable)		
Address (Number and Street)		
City	State	Zip Code

Overnight Delivery

NOTE: Overnight deliveries must be sent to a street address. If a P.O. Box is indicated, we will send the proceeds via First Class mail

Express Carrier Name
Express Account Number to be Charged

Wire the proceeds to the following account. **If this option is selected, a signature guarantee is required in the Authorization and Signature section of this form.** There will be a standard \$25 fee for all wire requests.

Institution Name	Account Number
Nine Digit Routing Number	Account Name
Further Credit-Account Name	Further Credit-Account Number

**9 Authorization and Signature Guarantees –THIS SECTION MUST BE COMPLETED**

If any of the following apply, a signature guarantee is required for each signature on this form. Please note that if a signature guarantee is required, we will not accept a fax copy.

- The gross amount of the withdrawal is equal to or greater than \$100,000
- The address on file for the Owner has changed within 30 days of Sun Life’s receipt of this request.
- You request that Sun Life make the check payable to a party other than the Owner
- You request that Sun Life mail the check to an address other than the Owner’s address of record
- You request that Sun Life wire the proceeds to a bank account

Your signature(s) must be guaranteed by a bank that is a member of the FDIC, a member firm of the New York, American, Boston, Midwest, Philadelphia, or Pacific Stock Exchange, or a member of the Securities Transfer Agents Medallion Program (STAMP). Notary stamps will not be accepted.

**THE OWNER MUST SIGN THIS FORM BELOW.**

Owner and/or authorized signer MUST sign.

Please Print Owner Name	
Owner Signature	Date (mm/dd/yy)
Place Original Signature Guarantee Stamp Here (if applicable)	

# 403(b) withdrawal notice

## Special tax notice regarding 403(b) plan payments

### Your rollover options

You are receiving this notice because all or a portion of a payment you are receiving from the Sun Life Insurance and Annuity Company of New York is eligible to be rolled over to an IRA or an employer plan. This notice is intended to help you decide whether to do such a rollover.

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

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

### General information about rollovers

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

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

#### Where may I roll over the payment?

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

#### How do I do a rollover?

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

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

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

#### How much may I roll over?

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

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

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

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

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

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

- Payments made after you separate from service if you will be at least age 55 in the year of the separation
- Payments that start after you separate from service if paid at least annually in equal or close to equal amounts over your life or life expectancy (or the lives or joint life expectancy of you and your beneficiary)
- Payments from a governmental defined benefit pension plan made after you separate from service if you are a public safety employee and you are at least age 50 in the year of the separation
- Payments made due to disability
- Payments after your death
- Payments of ESOP dividends
- Corrective distributions of contributions that exceed tax law limitations
- Cost of life insurance paid by the Plan
- Contributions made under special automatic enrollment rules that are withdrawn pursuant to your request within 90 days of enrollment
- Payments made directly to the government to satisfy a federal tax levy
- Payments made under a qualified domestic relations order (QDRO)
- Payments up to the amount of your deductible medical expenses
- Certain payments made while you are on active duty if you were a member of a reserve component called to duty after September 11, 2001 for more than 179 days
- Payments of certain automatic enrollment contributions requested to be withdrawn within 90 days of the first contribution.

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

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

- There is no exception for payments after separation from service that are made after age 55.
- The exception for qualified domestic relations orders (QDROs) does not apply (although a special rule applies under which, as part of a divorce or separation agreement, a tax-free transfer may be made directly to an IRA of a spouse or former spouse).

- The exception for payments made at least annually in equal or close to equal amounts over a specified period applies without regard to whether you have had a separation from service.
- There are additional exceptions for (1) payments for qualified higher education expenses, (2) payments up to \$10,000 used in a qualified first-time home purchase, and (3) payments after you have received unemployment compensation for 12 consecutive weeks (or would have been eligible to receive unemployment compensation but for self-employed status).

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

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

### **Special rules and options**

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

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

You may roll over to an IRA a payment that includes after-tax contributions through either a direct rollover or a 60-day rollover. You must keep track of the aggregate amount of the after-tax contributions in all of your IRAs (in order to determine your taxable income for later payments from the IRAs). If you do a direct rollover of only a portion of the amount paid from the Plan and a portion is paid to you, each of the payments will include an allocable portion of the after-tax contributions. If you do a 60-day rollover to an IRA of only a portion of the payment made to you, the after-tax contributions are treated as rolled over last. For example, assume you are receiving a complete distribution of your benefit which totals \$12,000, of which \$2,000 is after-tax contributions. In this case, if you roll over \$10,000 to an IRA in a 60-day rollover, no amount is taxable because the \$2,000 amount not rolled over is treated as being after-tax contributions.

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

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

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

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

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

### **If you have an outstanding loan that is being offset**

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

### **If you were born on or before January 1, 1936**

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

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

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

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

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

### **If you roll over your payment to a Roth IRA**

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

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

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

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

## If you are not a plan participant

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

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

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

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

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

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

## If you are a nonresident alien

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

### Other special rules

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

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

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

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

### For more information

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