

GUILD – CONSUMER REPORTS ADJUSTABLE RETIREMENT FUND

PO Box 1028
Trenton, NJ 08628-0230

Application For Benefits

(Please Print or Type)

INSTRUCTIONS:

In order to receive your retirement benefits from the Guild-Consumer Reports Adjustable Retirement Plan (the “Plan”), you must file your application at least 30 days, but no more than 180 days, before the date you want your benefits to start. Benefit payments will not start until at least 30 days after you have been advised of your available benefit options. You must complete all required information below and return this form to the Plan Administrator (I.E. Shaffer, 830 Bear Tavern Road, PO Box 1028, Trenton, NJ 08628-0230). Failure to provide all information may result in a delay in the processing of your application for benefits.

- a. Read and complete all sections of this application.
- b. You must sign the application where indicated on page 5. If you are married and are selecting a payment option other than the Spouse’s Joint and 50% to Survivor Life Annuity, your spouse must also sign the application where indicated and his/her signature must be witnessed by a Notary Public.
- c. Submit a copy of an acceptable proof of date of birth for **both** yourself and your spouse, if any, such as birth certificate, baptismal certificate, naturalization record, drivers’ license or passport. If you are married, submit a copy of your marriage certificate. If you select the Contingent Pensioner Payment Option you must also submit a copy of an acceptable proof of date of birth for your Joint Annuitant.
- d. If you are applying for a Disability Benefit, submit written documentation from your physician detailing the exact nature of your disability and a copy of your Social Security Disability Award letter. The Trustees reserve the right to require you to submit to a physical exam by a physician selected by the Board of Trustees.

SECTION I - Type of Benefit For Which You Are Applying

I hereby apply for (check one) to become effective _____ 1st, _____
(Month) (Year)

_____ Normal Retirement: You are eligible for a Normal Retirement Benefit if you are at least 65 years old and have retired from all employment with Consumer Reports.

_____ Early Retirement: You are eligible for an Early Retirement Benefit if you retire from all employment with Consumer Reports after attaining the age of 55 and after completing 5 Years of Credited Service under the Plan.

_____ Disability Benefit: You are eligible for a Disability Retirement Benefit if your employment with Consumer Reports was terminated as a result of your having become totally and permanently disabled after having completed 10 Years of Credited Service under the Plan, and you are eligible for Social Security Disability benefits.

Nature of Disability _____

Date Total Disability Started ____/____/____

SECTION II - Personal Information

Name of Applicant _____ Soc Sec # _____

Street Address _____

City, State, Zip _____

Date of Birth ____/____/____ Telephone # () _____

Date of Termination ____/____/____

Marital Status (circle one): Single Married Divorced Widow(er)

(If you are divorced please enclose a complete copy of your divorce decree)

Name of Spouse _____

Spouse's Soc. Sec # _____ Spouse's Date of Birth ____/____/____

Are there any Qualified Domestic Relations Orders (“QDROs”) in effect or are any domestic relations orders pending regarding your retirement benefits? YES ____ NO ____ If “Yes”, please enclose a copy of the QDRO.

SECTION III - Form of Payment

You may elect to receive your benefits under one of the following forms of payment. Please elect the form of payment you desire by checking the applicable box below:

1. ____ **Spouse's Joint and 50% to Survivor Life Annuity** - I have a spouse to whom I am lawfully married and want my annuity paid to me under this form of payment. I will receive a reduced monthly pension benefit during my lifetime, with the provision that if I am survived by my spouse, he or she will receive 50% of such monthly pension benefit for the remainder of his or her lifetime. If, after my retirement benefits commence my spouse predeceases me, I understand that no adjustment will be made to the amount of my retirement benefit and that no benefits will be payable upon my death.

2. ____ **Joint and Survivor Life Annuity** (with spouse or other joint annuitant) - I will receive a reduced monthly pension benefit during my lifetime, with the provision that if I am survived by my Joint Annuitant, she or he will receive (check one) ____50%, or ____75%, or ____100%, of such reduced monthly pension benefit for the remainder of her or his lifetime. If, after my retirement benefits commence my Joint Annuitant predeceases me, I understand that no adjustment will be made to the amount of my retirement benefit and that no benefits will be payable upon my death. (Your Joint Annuitant can be any person, including your spouse, and you designate your Joint Annuitant as your **Primary Beneficiary** under Section IV. If you are married, spousal consent is required for this option if you name someone other than your spouse as your Joint Annuitant.)

3. ____ **Full Life Annuity** - I elect to receive my pension payments for my lifetime only. Upon my death there will be no further benefits payable. (If you are married, spousal consent is required for this option.)

4. ____ **Certain and Life Option (this option is NOT available to Disability Retirements)** - I elect to receive my pension payments for my lifetime with the provision that, if I die before I have received at least (check one) ____60 ____120 monthly payments, the payments will continue to my Beneficiary until a total of 60 or 120 monthly payments have been made to me and my Beneficiary. If I live longer than the guarantee period then the benefits will continue for my lifetime. (If you are married, spousal consent is required for this option.)

5. ____ **25% Lump Sum Settlement (this option is NOT available to Disability Retirements)** - I elect to receive 25% of my accrued benefit in a lump sum payment. The remaining portion of my benefit will be paid in monthly payments under one of the above options (1, 2, 3 or 4), and I have indicated how the remaining portion should be paid by my completion of either option 1, 2, 3 or 4. (If you are married, spousal consent is required for this option.)

6. ____ **100% Lump Sum Settlement (this option is NOT available to Disability Retirements)** - I elect to receive 100% of my accrued benefit in a lump sum payment. This option is only available to me if the 100% lump sum actuarial equivalent of my Accrued Benefit is greater than \$1,000 and less than or equal to \$10,000. (If you are married, spousal consent is required for this option.)

SECTION IV - Beneficiary Designation

(Do not complete this section if you have elected the Spouse's Joint and 50% to Survivor Life Annuity (Option #1) under Section III, in which case your spouse is automatically your beneficiary.)

A. I hereby designate the following **Primary Beneficiary** to receive any death benefits under the Plan:

Primary Beneficiary _____ Relationship _____

Address of
Primary Beneficiary _____

Social Security # of Primary Beneficiary _____

If you have elected to receive your benefits under either the "Full Life Annuity" or "Certain and Life Option" (Options #3 or #4) under Section III, you can designate multiple Primary Beneficiaries by using a separate piece of paper and indicating your Primary Beneficiaries and specifying the information above for each one.

B. If the above Beneficiary is not living when I die or does not live to receive all payments due, then the death benefit or remaining payments shall be paid to the following **Contingent Beneficiary**:

(If you have elected the "**Joint and Survivor Life Annuity**" Form of Payment under Section III (Option #2), you **cannot** name a Contingent Beneficiary – your Primary Beneficiary is your only Beneficiary.)

Contingent
Beneficiary _____ Relationship _____

Address of
Contingent Beneficiary _____

Social Security # of Contingent Beneficiary _____

If you have elected to receive your benefits under either the "Full Life Annuity" or "Certain and Life Option" (Options #3 or #4) under Section III, you can designate multiple Contingent beneficiaries by using a separate piece of paper and indicating your Contingent Beneficiaries and specifying the information above for each one.

SECTION V - Federal Income Tax Withholding

The benefits you receive under this Plan will be subject to Federal Income Tax. Compliance with the Unemployment Compensation Amendments Act of 1992 requires mandatory withholding at the rate of 20% on all lump sum distributions unless they are transferred **DIRECTLY** to an IRA or another qualified plan, thus avoiding receipt by the participant. However, in all cases you have the option to request more than 20% withholding. You choose the amount of withholding from lifetime monthly payouts . Please note that withholding is a method of paying taxes and does not increase or decrease your taxable income, or the total amount of taxes that you pay.

Depending upon the form of payment you selected in Section III, please complete the appropriate withholding section:

For Lump Sum Payments:

- A. ___ I elect to transfer my distribution directly to an IRA or another qualified plan and therefore do not want any taxes withheld from my payment.
- B. ___ I elect to have the mandatory 20% withheld from my payment.
- C. ___ I elect to have \$_____ withheld from my payment (must be greater than the mandatory 20% amount).

For Lifetime Monthly Payments:

- A. ___ I elect to have \$_____ withheld from my payments (please refer to IRS instructions for Form W-4P for more information; Form W-4P can be downloaded by using this link: <https://www.irs.gov/pub/irs-pdf/fw4p.pdf> or from the IE Shaffer website at www.ieshaffer.com).
- B. ___ I elect to have _____ % withheld from my payments.
- C. ___ I do not want to have Federal Income Tax withheld from my payments.

SECTION VI - Direct Deposit Arrangements (For Monthly Payments Only)

You can arrange to have your monthly benefit payment forwarded directly to your bank and deposited to your checking or savings account. If you desire to have such an arrangement, please complete the information below. **If possible, it is preferable to simply attach a voided blank check (provided it bears the magnetic numbers along the bottom) to this section of the application.**

_____	_____
(Name of Bank)	(Account Number)
_____	Account Type: ___ Checking
(Street Address)	(Check One Only) ___ Savings
_____	_____
(City, State, Zip)	(Bank's ABA Number)

I authorize the Guild – Consumer Reports Adjustable Retirement Fund (the “Plan”) to initiate credit entries to my designated account shown above (this includes authorization to correct any entries made in error). I acknowledge that the origination of ACH transactions to my account must comply with the provisions of U.S. law. This authorization will remain in full force and effect until the Plan has received written notification from me to change it in such time and manner as to afford the Plan and Bank a reasonable opportunity to act.

SECTION VII - Direct Rollover Arrangements *(For Lump Sum Payments Only)*

If you wish to have your lump sum distribution transferred directly to an IRA or another qualified plan, please complete this section.

(Name of Institution or Plan)

(Payee Designation)

(Street Address)

(Account Number)

(City, State, Zip)

Is this a Roth IRA? *check one* - Yes ____ or No ____

SECTION VIII - Signature

I understand and agree to the following:

- A. If after I retire, I again accept employment with Consumer Reports, I shall, within one week thereafter, notify the office of the Plan Administrator in writing at: I.E. Shaffer & Co. PO Box 1028 Trenton, NJ 08628-0230.
- B. If I am receiving a disability pension, the Trustees may require me to have physical examinations, but not more than once in any period of six months and not after I have attained age 65. If I recover from total and permanent disability before age 65, my disability pension will stop.
- C. I will furnish to the Board of Trustees any information or proof requested by it and reasonably required to administer the Plan.
- D. If I have selected a Direct Rollover Arrangement, I hereby represent that the recipient institution or plan is eligible to receive such rollover.
- E. Section 402(f) of the Internal Revenue Code requires that certain basic tax rules be provided in writing to participants no more than 180 days and no less than 30 days prior to the date of distribution. I certify that I have read the "Special Tax Notice Regarding Plan Payments" attached to this application for benefits and that such notice was provided to me within the foregoing time period. **By checking this box [], I hereby waive the 30-day period.**
- F. If, under the Plan, I am eligible for a choice of benefits, I hereby acknowledge that I have at least 30 days after notification in which to make my election, although I have the right to waive such 30-day period. **By checking this box [], I hereby waive the 30-day period.**

(Signature of Applicant)

As the lawful spouse of the Applicant, I hereby certify that I have read, understand and agree to the Form of Payment elected under Section III above by the Applicant. If the Applicant has elected a Form of Payment that is other than the Spouse's Joint and 50% to Survivor Life Annuity, I hereby agree with this election.

(Signature of Applicant's Spouse)

NOTARY

State of _____)

)SS:

County of _____)

Subscribed and Sworn to before me, this _____ day of _____, 20 _____.

(Notary Public)

Consequences of a Failure to Defer Benefit Commencement

As required by Section 1102 of the 2006 Pension Protection Act, the following information is being provided to participants.

If you have not attained normal retirement age or other required commencement date in the Plan, you do not have to take a distribution from the Plan at this time. You may defer commencement to the first of any month up until that date. If you defer the payment of your benefit, your benefit may be larger. The amount of your benefit and benefit payment options will be determined using your age, actuarial assumptions, and the Plan's optional methods of payment provisions as of the future payment date. Therefore, an optional form of payment could be higher or lower when calculated at that future date. Please see your Summary Plan Description for details on the Plan's required commencement date provisions and optional methods of payment. If you would like more information on your estimated future benefits, please contact the Plan Administrator.

RELATIVE VALUE OF BENEFIT PAYMENT OPTIONS

IRS regulations require plans, such as ours, to give retiring participants a comparison of the relative values of the benefit payment options generally available under the Plan. The aim is to help individuals make informed choices about the form in which they receive their retirement benefits. Relative value means the actuarial present value of each optional form of payment as compared to the value of the Qualified Joint and Survivor Annuity (QJSA).

In our case, an example of the benefit payment options that the Guild – Consumer Reports Adjustable Retirement Plan makes generally available to its retiring participants for a participant who is the same age as his or her spouse and who is retiring at age 55, 60, and 65 with a Normal Retirement Benefit of \$1,000.00 per month payable at age 65, are shown below. The comparison is based on the valuation and reporting methodologies described in the IRS Regulation, which can be found at Treasury Regulations Section 1.417(a)(3)-1. Upon your written request, we will give you a similar comparison based on your own age and estimated benefits, and on any other payment forms for which you are eligible.

Form of Payment	Participant's Age/Spouse's Age at Retirement					
	55/55		60/60		65/65	
	Monthly Benefit	Relative Value	Monthly Benefit	Relative Value	Monthly Benefit	Relative Value
Life Only	\$ 462.90	101%	\$ 665.90	101%	\$ 1,000.00	101%
Joint & 50% Survivor/ Benefit to Spouse on Death	437.21/ 218.61	100%	620.02/ 310.01	100%	916.40/ 458.20	100%
Joint & 75% Survivor/ Benefit to Spouse on Death	425.41/ 319.06	100%	599.44/ 449.58	100%	879.60/ 659.70	99%
Joint and 100% Survivor/ Benefit to Spouse on Death	414.20/ 414.20	99%	580.13/ 580.13	99%	845.70/ 845.70	99%
Life Annuity with 60 months Guaranteed	461.70	101%	662.30	101%	988.70	101%
Life Annuity with 120 months Guaranteed	457.72	100%	650.78	100%	955.80	100%
25% Partial Lump Sum with remainder paid as	\$ 32,064.98		\$ 38,678.76		\$ 47,223.40	
Life Only	\$ 347.18	106%	\$ 499.43	103%	\$ 750.00	101%
Joint & 50% Survivor/ Benefit to Spouse on Death	327.91/ 163.95	105%	465.02/ 232.51	103%	687.30/ 343.65	100%
Joint & 75% Survivor/ Benefit to Spouse on Death	319.06/ 239.29	105%	449.58/ 337.19	102%	659.70/ 494.78	100%
Joint and 100% Survivor/ Benefit to Spouse on Death	310.65/ 310.65	105%	435.10/ 435.10	102%	634.28/ 634.28	99%
Life Annuity with 60 months Guaranteed	346.28	106%	496.73	103%	741.53	101%
Life Annuity with 120 months Guaranteed	343.29	106%	488.09	103%	716.85	100%

As noted, the relative values are based on comparing the actuarial values of the various payment options to the actuarial value of the Qualified Joint and Survivor Annuity benefit payment, except for the lump sum option which is compared to the immediate lump sum as specified in the regulations. If a form of payment has a relative value over 100%, it is expected to be more valuable than the Joint & 50% Survivor Annuity or the immediate lump sum of the provided benefit. If it has a relative value less than 100%, it is expected to be less valuable. This comparison is intended to allow you to compare the total value of different forms.

It is made by converting the value of each optional form to a common form using interest and life expectancy assumptions¹. Although the comparisons are based on average life expectancies, the relative value of payments ultimately made under an annuity option depends on actual longevity.

For additional information, please send a written request to: Guild – Consumer Reports Adjustable Retirement Plan, c/o I. E. Shaffer & Company, P.O. Box 1028, West Trenton, NJ 08628-0230.

¹ 2021 Plan Year Assumptions: 2021 Mortality table under 417(e) regulations, 5.0% discount rate for annuities and the February 2021 segment rates of 0.51% (first 5 years), 2.54% (5 – 20 years), and 3.45% (20+ years) for lump sums.

SPECIAL TAX NOTICE REGARDING PLAN PAYMENTS

YOUR ROLLOVER OPTIONS

You are receiving this notice because all or a portion of a payment you are receiving from the Guild – Consumer Reports Adjustable Retirement Plan (the “Plan”) is eligible to be rolled over to an IRA or an employer plan. This notice describes the rollover rules that apply to payments from the Plan and is intended to help you decide whether to do such a rollover.

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

GENERAL INFORMATION ABOUT ROLLOVERS

How can a rollover affect my taxes?

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

Where may I roll over the payment?

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

How do I do a rollover?

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

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

If you do not do a direct rollover, you may still do a rollover by making a deposit into an IRA or eligible employer plan that will accept it. You will have 60 days after you receive the payment to make the deposit. If you do not do a direct rollover, the Plan is required to withhold 20% of the payment for federal income taxes (up to the amount of cash and property received). 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)

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 made due to disability
- Payments after your death
- 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

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 for health insurance premiums after you have received unemployment compensation for 12 consecutive weeks (or would have been eligible to receive unemployment compensation but for self-employed status).

Will I owe State income taxes?

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

SPECIAL RULES AND OPTIONS

If you miss the 60-day rollover deadline

Generally, the 60-day rollover deadline cannot be extended. However, the IRS has the limited authority to waive the deadline under certain extraordinary circumstances, such as when external events prevented you from completing the rollover by the 60-day rollover deadline. 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-A, *Contributions to Individual Retirement Arrangements (IRAs)*.

If you were born on or before January 1, 1936

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

If you roll over your payment to a Roth IRA

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

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

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

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

If you are not a plan participant

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

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

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

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

If you are a surviving beneficiary other than a spouse. If you receive a payment from the Plan 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, the Plan is not required to allow you to do a direct rollover and is not required to withhold for federal income taxes. However, you may do a 60-day rollover.

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

FOR MORE INFORMATION

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

* * *

DIRECT ROLLOVER INSTRUCTIONS

If you elect to do a direct rollover of your lump sum distribution, you should contact the institution or plan that you are rolling this money into, and inquire if there is any additional paperwork such as an IRA application or rollover/transfer form that you must complete. If so, you should enclose a copy of that completed paperwork with this application when you return this application to I.E. Shaffer & Co. Failure to do so on your part could unnecessarily delay your rollover.