

ELECTRICAL WORKERS LOCAL UNION RETIREMENT PLAN #006396

Instructions for Benefit Payment Election Form – Members over age 60 and Retired

Participant: _____ Date: _____

I hereby make application for a distribution of my benefits under the Electrical Workers Local Union 159 Retirement Plan (the “Plan”). My benefit under the Plan was valued at \$ _____ as of _____. The amount of your distribution may be different (greater or smaller) due to the Plan’s investment experience between that date and the date of the actual distribution to you. You may use the attached Benefit Payment Election Form to apply for a distribution of your benefits under the Plan.

Before completing the benefit payment election form please read these instructions and the enclosed special tax notice regarding plan payments carefully. You may wish to consult with advisors such as your accountant or tax attorney before completing the election form.

INSTRUCTIONS

PART I: Participant Information

Please complete Part I by printing all of the information requested.

PART II: Benefit Election

After you have read these Instructions and the enclosed *Special Tax Notice*, complete Part II to indicate the benefit form you wish to elect.

As required under Federal law, the Fund compares the value of each type of optional form of benefit under the Plan to the value of your estimated account balance. The goal of this comparison is to help you make informed choices about the form in which you receive your retirement benefits. The Fund has determined that all optional forms of benefits under the plan have approximately the same value as the value of your estimated account balance. If you would like information regarding how these values were calculated or would like comparisons based on your specific information, please call or send a written request to the Plan, c/o Art Bishop, Plan Administrator, Wisconsin Electrical Employees Benefit Funds, 2730 Dairy Drive Suite 101, Madison, WI 53718 (1-800-422-2128).

BENEFIT OPTIONS

You may elect to receive your benefits in one of the forms described below. If you are married, the consent of your spouse will be required in order for your election of the alternative benefit form to be valid. See Part IV below for information concerning the requirements for your spouse’s consent.

Any unpaid portion of your account at the time of death shall be paid in accordance with the Beneficiary Designation Form on file with the Plan Administrator or, if no Beneficiary Designation Form is on file, according to the terms of the Plan.

Lump Sum Cash Distribution: * You retire after attaining at least 60 years of age.

If you do not meet this requirement DO NOT complete this application, please contact the Fund Office for a different Pension Benefit Payment application.

Unless you elect a “direct rollover” of your distribution, 20% of your distribution will be withheld for federal income taxes. The direct rollover option is explained in Part III, below. Also, please read the enclosed *Special Tax Notice* for more information concerning the tax withholding rules.

***Lump sum payments and installment payments that do not extend for at least ten years are eligible for a direct rollover. If you want to elect a direct rollover option, continue to Part III of this *Benefit Election Form*. If you do not direct a rollover of a payment that is eligible to be rolled over, the Plan must withhold 20% of your distribution for federal income tax purposes. For further information on the direct rollover option, please refer to Part III on page 5 and 6, *Instructions for Benefit Payment Election Form and the Plan’s Special Tax Notice Regarding Plan Payments*.

Nontransferable Annuity Contract. Unless you elect otherwise, your account balance under the Plan will be used to purchase a nontransferable annuity contract from a legal reserve life insurance company. If you are not married, your benefit under the annuity contract will be in the form of a monthly benefit for your life. If you are married, your benefit under the annuity contract will be in the form of a 50% joint and survivor annuity. This form of benefit provides monthly income to you for your lifetime and, after your death, monthly income to your surviving spouse for his or her lifetime equal to 50% of the monthly payments made during your life. Alternatively, you may elect to receive your benefits in one of the forms described below. If you are married, the consent of your spouse will be required in order for your election of the alternative benefit form to be valid. See Part IV below for information concerning the requirements for your spouse’s consent.

Electrical Workers Local Union 159 Retirement Plan Direct Payment. You may now elect to leave your monies in your prudential retirement account and have monthly, quarterly or annual installment payments sent to you directly from Prudential or direct deposited into your checking or savings account. Your money will be subject to investment gains and/or loss. The amount of your installment payments is subject to the following restriction:

- * Your payments must be calculated to extend no longer than your life expectancy or the joint life expectancies of you and your designated beneficiaries.

Direct Rollover Option: Please read the enclosed *Special Tax Notice* for more information concerning the direct rollover and tax withholding rules.

You may receive part of an eligible rollover distribution in cash and have the remainder rolled over to another employer plan, an Internal Revenue Code (“Code”) section 403(b) plan, a governmental Code section 457 plan or IRA provided the amount you have rolled over is at least \$500. Any amount you receive in cash will be subject to the withholding requirements for federal income taxes.

Payments under an annuity contract or installment payments which will be made over ten years or more are not eligible rollover distributions. If you elect one of these benefit options, you must complete the Withholding Election form. If you do not complete the withholding form, income taxes will be withheld from your annuity or installment payments.

A Roth IRA accepts only after-tax dollars, but provides tax-free growth. If you pay taxes on your distribution and make either a direct rollover or a 60-day rollover to a Roth IRA, you will convert your taxable distribution to a nontaxable retirement income source. The entire amount rolled over to a Roth IRA is taxable. The 20% mandatory withholding and the 10% additional tax if you are under age 59-1/2 do not apply. Voluntary withholding does apply. You may not roll your payment to a Roth IRA if, for taxable years prior to January 1, 2010, your modified adjusted gross income is over \$100,000 or if you are married and file a separate return.

PART IV: Spouse’s Consent

If you are married and you elect to receive your benefits under the Plan in a form other than as a nontransferable annuity contract for a 50% joint and survivor annuity, your election is not valid without your spouse’s written consent. Your spouse has the right to withhold consent and require benefits in the form of a 50% joint and survivor annuity contract, so that payments continue to your spouse after your death. You may revoke an election not to receive benefits in the form of a joint and survivor annuity contract, provided you do so in writing on a form filed with the Plan Administrator before your benefit payments begin. Please ask your spouse to read these instructions. If, after reading this explanation, your spouse consents to your election of a benefit form other than a nontransferable joint and survivor annuity contract, your spouse should sign where indicated in Part IV. Your spouse’s signature must be notarized.

**ELECTRICAL WORKERS LOCAL UNION 159 RETIREMENT PLAN
#006396**

Benefit Payment Election Form

PART I: Participant Information

(PLEASE PRINT)

Name: _____

Address: _____

Social Security No.: _____

Home Telephone No.: _____

Date of Birth: _____
(Month/Day/Year)

Employer's Name: _____

Last Date Worked: _____ Retirement Date: _____

Marital Status: Married Not Married

PART II: BENEFIT ELECTION

I have read the *Special Tax Notice*. I elect to have benefits from the Plan paid as indicated below. If I am married and I do not elect a nontransferable annuity contract from a legal reserve life insurance company (item 1), I understand that my election is not valid unless my spouse consents to my election by signing the Spouse's consent form.

1. **Nontransferable Annuity Contract**. I hereby request a distribution of my benefits under the Plan in the form of a nontransferable annuity contract purchased from a legal reserve life insurance company paying. *I understand that I will receive a selection of annuity contracts from which I will need to choose and return before my distribution will begin.*
- (a) if I am not married, a benefit during my sole life: or
- (b) if I am married, a 50% joint and survivor annuity providing a monthly benefit during my lifetime and a monthly benefit to my surviving spouse for the remainder of his or her lifetime equal to 50% of the monthly benefit paid during my lifetime.

2. **Lump Sum Cash Distribution.** I elect to have 80% of my benefits paid to me in cash. I understand that the remaining 20% will be withheld for federal taxes. (only check below if you want to change your tax withholding).

(a) Instead of 20% Federal tax withheld, I would like _____% federal tax withheld.

(b) I would like _____% withheld for State tax (do not check if you want no State Tax taken).

3. **Electrical Workers Local Union 159 Retirement Plan Direct Payment (choose one option only).**

(1) I hereby request a distribution of my benefits under the Plan in the amount of \$_____ per **Month, Quarter, Annual** (please circle one option only). OR (2) Equal Monthly Payments over _____ years. Prudential offers direct deposit for this election, just complete the enclosed "Request for Direct Deposit" and return with your application.

(a) Instead of 20% Federal tax withheld, I would like _____% federal tax withheld.

(b) I would like _____% withheld for State tax (do **not** check if you want **no** State Tax taken).

*Payments under the options shown above may not extend beyond your life expectancy at the time you make your election.

*Election (1) above can only be changed once per calendar year.

PART III: DIRECT ROLLOVER OPTIONS

4. **Direct Rollover.** I elect to have my distribution directly rolled over as follows.

(a) Rollover to another qualified employer retirement plan pursuant to Code Section 401(a) which I will be eligible to participant in and which will accept the direct rollover of my benefit;

OR

(b) Rollover to a Code section 403(b) plan pursuant to Code section 403(b) which I will be eligible to participant in and which will accept the direct rollover of my benefit;

OR

(c) Rollover to a governmental Code section 457 plan pursuant to Code section 457 which I will be eligible to participant in and which will accept the direct rollover of my benefit;

OR

(d) Rollover to my IRA pursuant to Code Section 408:

OR

(e) A cash payment to me of \$_____ (of which 20% will be withheld for federal taxes) and a direct rollover of \$_____ (at least \$500) to the following IRA custodian or retirement plan, qualified pursuant to Code sections 408 or 401(a);

OR

(f) A Rollover to a Roth IRA (please indicate below whether or not you want to have federal income tax withheld from our Plan benefit). If you elect not to have federal income tax withheld, or if you do not have enough federal income tax withheld, you may be responsible for payment of estimated federal income tax on the taxable portion of your distribution (IRS Form 1040ES) and state income tax. You also may be subject to tax penalties under the estimated tax payment rules if your payments of estimated tax and withholding, if any, are not adequate.

Complete tax information below for Roth IRA selection only:

_____1. I elect to have NO federal income tax withheld from my retirement plan benefit. I understand I may need to file estimated federal and state income tax.

_____2. I elect to have federal income tax withheld from my retirement plan benefit.

Marital Status: Married Single Total Exemptions:_____

Please Complete Below: Name, Address, Contact Person, Account and Phone number Of Your Direct Roll-Over IRA Custodian or Plan selected on page 5 and 6.

I understand that Prudential will rely on the information I have provided in processing my request. I further understand that I am responsible for its accuracy in the event any dispute arises with respect to the transaction. I acknowledge that I have read the attached **Special Tax Notice Regarding Plan Payments**. I understand the tax implications regarding his disbursement, including that if I am entitled to an eligible rollover distribution, I have the right to consider whether or not to elect a direct rollover for at least 30 days after this special tax notice is provided. By signing this form, I am waiving this notice period. The taxable portion of any distribution that is eligible for "rollover" is subject to a *mandatory 20% federal income tax withholding*, unless that amount is directly rolled to an Individual Retirement Account (IRA) or to another plan in which I am a participant.

Current federal tax rules require your plan sponsor to notify you, in writing, of certain requirements you must meet to receive a cash distribution from your retirement plan. By signing the approval section below, you waive the required 30-day notice and you will receive a distribution from your retirement plan without delay, but no sooner than 8 days from your receipt of this form, under the terms of your retirement plan. Also, by signing below, you affirm that you will have received a general description and explanation of the optional forms of benefits, if any, available to you and a written notice describing the general tax rules applicable to this distribution.

I have read the explanation of the Qualified Joint and Survivor Annuity ("QJSA") and other payment options that was provided and I know that I have the right to receive my benefits as a joint and survivor annuity if I am married or a life annuity if I am not married. I also know I can waive the right to annuity payments, with the consent of my spouse if I am married. I understand that if I waive those rights I can change my mind and revoke the waiver at any time before my payments begin. I have at least 30 days to decide whether or not to waive the annuity payments. By consenting to this distribution, I understand I am waiving my right to a life annuity.

(Participant's Name – PLEASE PRINT)

(Date)

(Signature of Participant)

ELECTRICAL WORKERS LOCAL UNION 159 RETIREMENT PLAN

PART IV: Spouse's Consent

***Spouse's signature must be witnessed by a notary**

I am the participant's spouse. I understand that I am entitled to a spousal death benefit under the Plan based on the participant's account balance at the time of his or her death. I understand that if this spousal benefit is in the form of a "qualified joint and survivor annuity" or QJSA, an explanation of the QJSA and other payment options was provided to the participant with this waiver form. I realize that the participant cannot waive this spousal benefit and obtain a distribution in the form requested unless I consent. I acknowledge that the transaction requested by the participant may reduce or eliminate any benefit otherwise payable to me. I voluntarily consent to the participant's waiver request and acknowledge that this will authorize the request.

I understand that my spouse has requested payment of retirement benefits from the Electrical Workers Local Union 159 Retirement Plan in a form other than a nontransferable annuity contract purchased from a legal reserve life insurance company providing a 50% joint and survivor annuity. I have read the Benefit Payment Election Form and instructions and I understand that I may be legally entitled to have benefits paid to my spouse in the form of a contract providing a monthly benefit to my spouse during his or her lifetime and, after my spouse's death, a monthly benefit to me for the remainder of my lifetime equal to 50% of the monthly benefit paid to my spouse. I understand that the form of payment selected by my spouse is different from the benefit for me I am legally entitled to require and that I may receive no benefits following my spouse's death. With that understanding, I consent to the selection on the form of benefit payment indicated on the attached application.

Current federal tax rules require your plan sponsor to notify you, in writing, of certain requirements you must meet to receive a cash distribution from your retirement plan. By signing the approval section below, you waive the required 30-day notice and you will receive a distribution from your retirement plan without delay, but no sooner than 8 days from your receipt of this form, under the terms of your retirement plan. Also, by signing below, you affirm that you will have received a general description and explanation of the optional forms of benefits, if any, available to you and a written notice describing the general tax rules applicable to this distribution.

(Spouse's Name - Please Print)

(Date)

(Signature of Spouse)*

(Spouse's Address - if Different)

(Notary Public)

(Date)

State of _____

My Commission Expires: _____