

MASSACHUSETTS LABORERS' ANNUITY FUND

14 NEW ENGLAND EXECUTIVE PARK • SUITE 200
BURLINGTON, MASSACHUSETTS 01803-5201
TELEPHONE (781) 272-1000 • TOLL FREE (800) 342-3792 • FAX (781) 272-2226

Dear Member,

You may be eligible for distribution of your Annuity based on the fact that the Massachusetts Laborers' Annuity Fund has not received contributions on your behalf for at least 12 months, or due to retirement, or disability. **Accounts left here will be credited with positive and/or negative interest until completely withdrawn. Statements are sent out in the fall.**

Enclosed you will find an application for distribution of your Annuity, along with a Rollover Election / Rejection form. If you wish to collect your Annuity at this time, please complete and return all forms. The applicant statement (box #4) of the application must be signed before a Notary Public; make sure the Notary writes in the names of all parties signing, such as husband *and* wife in the Notary Acknowledgement section. This detail is the main reason we return applications for correction. **If you are divorced, please check with the Fund Office to see if you will be required to send a copy of your Separation Agreement and Final Judgment of Divorce. If your spouse has deceased please send us a copy of the death certificate.**

IMPORTANT NOTICE

For your security, we will request three forms of ID: your Social Security card, Birth certificate, *and* a State issued Photo I.D. card, which may include Driver's license, or Passport.
Photocopies are recommended.

Incomplete applications will be returned.

The valuation of the account balance will be determined based on the positive and/or negative fiscal year-to-date returns as of the last month prior to the Fund receiving your annuity application. All funds are subject to fluctuations in the Market until the actual issue date of your check. Completed applications, including copies of all required identifications, returned by the 15th of the month will have their check issued on the first of the following month, provided the member is eligible.

With respect to taxes, please be advised that there is a mandatory Federal income tax of 20%, which is imposed on all lump sum distributions and most periodic distributions made to the member. Also, a Federal Early Withdrawal Penalty Tax of 10% is applicable if the account is drawn before reaching the age of 59 ½, unless you are collecting Social Security Disability payments, or have attained age 55 and are collecting a pension. Massachusetts State tax is calculated at approximately 6%. Applicants may pay the penalty, and/or MA State tax, at the time of withdrawal, or upon filing their income taxes. Members are reminded to file proper tax forms for these taxes (such as **Form 5329** for the 10% penalty). A transfer into an Individual Retirement Account (I.R.A.) is not taxed at the time of the rollover, only at the time of withdrawal from your IRA. Partial rollovers (rolling over a portion of the account and withdrawing the remainder) are also an option.

The Annuity Department

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Estimado Miembro,

Usted puede ser elegible para la distribución de su Annuity basada en el hecho en el cual el Fondo del Annuity de los Trabajadores de Massachusetts no haya recibido contribuciones en su nombre en los últimos 12 meses, o por jubilación o incapacidad. **Cuentas dejadas aquí se continuaran acreditando con interés positivo y/o negativo hasta que esté completamente retirado. Los estados de cuenta se envían en el otoño.**

Adjunto encontrara una aplicación para la distribución de su Annuity, juntamente con un formulario de Elección/Rechazo de transferencia de dinero. Si desea retirar su Annuity en este momento, por favor complete y devuelva todos los formularios. La declaración del solicitante (casilla #4) de la aplicación debe de ser firmada ante un Notario Público; asegúrese que el Notario escriba los nombres de todas las personas que firman, como esposo y esposa en la sección de reconocimiento ante el notario. Esta es una de las razones principales por la cual la mayoría de las aplicaciones se devuelven por estar incompletas. **Si usted está divorciado, por favor de preguntar a la Oficina del Fondo para ver si se le pedirá que envíe una copia de su acuerdo de separación y el Juicio Final de Divorcio. Si su conyugue ha fallecido por favor envíenos una copia del certificado de defunción.**

AVISO IMPORTANTE

Para su seguridad, le pedimos tres formas de identificación: su tarjeta de Seguro Social, certificado de Nacimiento, y una identificación con foto emitida por el Estado, puede que sea su licencia de conducir o Pasaporte. Las fotocopias se recomiendan.

Las aplicaciones incompletas serán devueltas.

La valuación del saldo de la cuenta será determinada con base a los dividendos positivos y/o negativos del año fiscal al último mes antes de que el Fondo reciba su aplicación de annuity. Todos los fondos están sujetos a las fluctuaciones en el mercado hasta la fecha de expedición efectiva de su cheque. Aplicaciones completas y devueltas el 15 de cada mes, incluyendo copias de todas las identificaciones requeridas, se procesara el cheque el primero del mes siguiente, siempre y cuando el miembro sea elegible.

Con respecto a los impuestos, por favor tenga en cuenta que hay un impuesto federal obligatorio sobre el ingreso del 20%, lo que se impone a todas las distribuciones de suma global y distribuciones más periódicas efectuadas hechas al miembro. Además, se aplicara una penalidad federal por retiro temprano del 10% si la cuenta es retirada antes de alcanzar los 59 ½ de edad, a menos que este cobrando pagos de seguridad social por discapacidad o haya cumplido 55 años y este cobrando una pensión. El impuesto del Estado de Massachusetts de calcula aproximadamente de un 6%. Los solicitantes pueden pagar la penalidad, y/o los impuestos del estado de MA, al momento del retiro, o en el momento que llenar sus impuestos. Se les recuerda a los miembro de llenar las formas adecuadas para estos impuestos (tal como el **Formulario 5329** para la penalidad del 10%). Una transferencia a una Cuenta de Retiro Individual (IRA) no paga impuesto a la hora de transferencia, únicamente en el momento de que el dinero es retirado del IRA. Transferencias parciales (transferir una parte a la cuenta de IRA y retirar lo restante) también son una opción.

El Departamento de Annuity

**COMPLETE ONLY ONE SIDE AND RETURN THIS FORM ALONG WITH
THE APPLICATION**

**MASSACHUSETTS LABORERS' ANNUITY FUND
ROLLOVER ELECTION FORM**

Check below for a full or partial rollover. Optional for any participant with a balance of \$200 or more.

____ I want to rollover my full payment directly to an IRA or other qualified retirement plan that accepts rollovers. The IRA or other retirement plan is named below.

You may choose to have only part of the payment directly rolled over, and the rest paid directly to you. 20% Federal Income Tax Withholding will be taken out of any portion that is not directly rolled over.

____ I would like to have only part of my payment directly rolled over. Please rollover (at least \$200) \$_____ to the IRA or qualified plan named below, and pay the remainder of my benefit to me, after withholding 20% for federal income taxes as required by law.

Make Check Payable to: Name of IRA Trustee or Qualified Retirement Plan Account #

Mail check to (PLEASE PRINT)

Attn:

Street Address

City

State

Zip Code

CERTIFICATION

I certify that the recipient of a direct rollover that I have named above is an Individual Retirement Account, an Individual Retirement Annuity, or a qualified retirement plan that accepts rollovers. I understand that payment of my benefits to the trustee of the IRA or qualified retirement plan will release the Trustees of the Massachusetts Laborers' Annuity Fund from any further obligations or responsibilities with respect to the benefits so paid.

Signature

Date

Social Security Number

PLEASE SEE OTHER SIDE FOR REJECTION OF DIRECT ROLLOVER FORM

COMPLETE ONLY <u>ONE SIDE</u> AND RETURN THIS FORM ALONG WITH THE APPLICATION
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MASSACHUSETTS LABORERS' ANNUITY FUND
REJECTION OF DIRECT ROLLOVER

ATTENTION: *Before completing this form, you should read the special tax notice regarding plan payments carefully. You also may wish to consult your tax advisor before making this election.*

PRINT NAME

SOCIAL SECURITY NUMBER

STREET ADDRESS

APARTMENT NUMBER

CITY

STATE

ZIP CODE

If you choose NOT to have an eligible rollover distribution transferred directly to an IRA or other retirement plan, the Plan is required to withhold 20% of the payment for federal income taxes. In addition, the Plan is required to withhold state income taxes. This withholding does not increase your taxes, but will be credited against any income tax you may owe. For further information on direct rollovers and withholding, please read the special notice regarding plan payments that the Plan has given you.

Check below if you **do not** want to elect a direct rollover of your Annuity account balance:

_____ I do not want to roll over any of my payment to an IRA or other qualified retirement plan.

PARTICIPANT'S SIGNATURE

DATE

PLEASE SEE OTHER SIDE FOR ROLLOVER ELECTION FORM

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REQUEST FOR DISTRIBUTION DUE TO RETIREMENT, DISABILITY OR 12-MONTH SEPARATION FROM COVERED EMPLOYMENT

INSTRUCTIONS

Please complete ALL sections, include copies of Birth Certificate, Social Security Card and Drivers License (or State Photo I.D.), sign (both you and your spouse, if you have one) in the presence of a Notary Public and return to the address shown above. Include a notarized spousal consent if you elect a form of payment other than the Husband and Wife Annuity, if you are married. Sign and date all of the forms that apply to your Annuity Plan application. If you should have any questions, please telephone the Fund Office at one of the telephone numbers listed above. If all sections are not completed, or if the form is not notarized, your application cannot be processed. Complete applications will be processed usually between 30 and 60 days.

Notice of Right to Defer Benefit Distribution. Although you have applied for a distribution of your account from the Annuity Plan, the law requires that we advise you of your right to postpone a distribution until a later time and the consequences if you choose to take your distribution now rather than deferring it to a later date.

Right to Defer. Under the Plan's rules, you may defer receiving your benefits until April 1 of the year following the year you reach age 70½. Of course, you may elect to start your benefit at any time before that date provided you meet the eligibility requirements as described on page 15 in your Summary Plan Description.

Consequences of Failing to Defer Your Distribution. If you postpone the distribution, the Board of Trustees will continue to invest the money in your account as described on pages 3 and 4 of your Summary Plan Description, and your account will continue to be adjusted monthly for any gains, losses or administrative fees as described on page 6 of your Summary Plan Description.

(Please Print)

1. FULL NAME _____ LOCAL UNION _____

COMPLETE ADDRESS _____

TELEPHONE NO. (____) _____

SOCIAL SECURITY NUMBER _____ DATE OF BIRTH _____

Marital Status: Single _____ Married _____ Divorced _____ Widowed _____
(Date) (Date) (Date)

INCOME TAX WITHHOLDING — Please see the section pertaining to Income Tax Withholding which follows and also please review the "Special Tax Notice Regarding Plan Payments" provided to you with this Application. For Federal Income Tax purposes, you should be aware that this Plan is a Defined Contribution Pension Plan and is "Qualified" under the Internal Revenue Service Code. For information concerning the tax treatment of total or partial distributions, such as rollovers into IRA's or other plans, please refer to a qualified tax advisor.

DISTRIBUTION AMOUNT — Account balances are determined and earnings are applied monthly. The amount of the distribution paid will be based upon the balance in your account as of the previous month's end, plus any contributions received on your behalf, prior to the distribution.

2. METHOD OF DISTRIBUTION — please indicate your choice and complete:

If you are married, your benefit will be paid as a 50% Husband and Wife Annuity, unless you and your spouse both waive this option, in writing and elect an optional form of payment. The 50% Husband & Wife Annuity (Option D) provides a lifetime benefit to you with a lifetime benefit payable to your spouse thereafter. You may also elect to receive a smaller annuity benefit with continuation of payments to your spouse of 75% or 100% of the amount you were receiving. If you wish to reject the Husband and Wife Annuity, you must complete the APPLICANT'S and SPOUSE'S STATEMENTS in Section 4 below and your signatures must be notarized. The current provisions of the Plan allow you to receive payment, if qualified, in one of the following methods:

The current provisions of the Plan allow you to receive payment, if qualified, in one of the following methods:

_____ **(A) One Lump Sum Payment** — Choose any amount you wish to receive (before taxes), up to your total account balance: \$ _____

OPTIONS B, C, D and E ARE ONLY AVAILABLE IF THE BALANCE OF YOUR ACCOUNT EXCEEDS \$5,000.00

_____ **(B) Monthly Installments** — You may elect to receive benefits in approximately equal monthly installments over a period not to exceed 15 years. (If you choose this method, indicate the number of monthly installments: _____) (minimum of 12 months) (remaining balances continue to be affected by positive or negative earnings)

_____ **(C) A Combination Payment and Installments** - you may elect to receive a portion of your account, with the balance paid out in approximately equal monthly installments not to exceed 15 years. (If you choose this method, indicate the portion you wish to receive at this time: \$ _____ and the number of monthly installments for the balance of the account: _____) (minimum of 12 months)

_____ **(D) A Husband & Wife Annuity** - you may elect to have monthly payments made to you for your lifetime, which, upon your death, will continue to your spouse for his or her lifetime at 50%, 75% or 100%, (whichever you choose) of the amount that you received monthly.

_____ 50% _____ 75% _____ 100%

_____ **(E) A Lifetime Annuity** - you may elect to have monthly payments made to you for only your lifetime. There will be no payments made to your spouse or beneficiary after your death.

***Note:** If you choose to receive a Lump Sum Payment please read the "Special Tax Notice" and complete the Rollover Election Form. If you choose "D" or "E", your benefits will be used to purchase the annuity from an outside insurance company and your benefit will be administered and distributed by the insurance company at an additional cost to you.*

3. PROOF OF AGE - Attach a photocopy of your Social Security Card, Drivers License (or State I.D.) and ONE of the following proofs of age.

1. Birth Certificate
2. Baptismal Certificate or other certified church record
3. Notification of Registration of Birth in a public registry of vital statistics
4. Hospital Birth Record-
5. Foreign church or government record
6. A signed notarized statement by the physician or midwife in attendance at birth
7. Naturalization Record
8. Immigration papers
9. Military Record
10. Passport
11. School Record

4. APPLICANT AND SPOUSES' STATEMENTS / APPLICANT'S STATEMENT (Check one)

_____ I hereby swear that I am not legally married at this time

_____ I hereby swear that I am unable to locate my spouse. (Please include a letter detailing your most recent attempt to locate your spouse.)

_____ I hereby swear that the person co-signing the document below is my current legal spouse.

Date _____

Applicant's Signature (MEMBER)

This must be signed in front of a Notary

SPOUSE'S STATEMENT

I hereby consent to my spouse's request for payment from the Fund in a form other than a Husband & Wife Annuity, as stated in this application. I understand that I waive my right to the surviving spouse benefit under the Husband and Wife Annuity from this Fund, as described in Section 2. Option D.

Spouse's Name. _____ Spouse's SS No. _____

Spouse's Date of Birth _____ Date of Marriage _____

Signature of Spouse _____ Date _____

This must be signed in front of a Notary

If you are married, your spouse's signature is required (pursuant to the Retirement Equity Act of 1984)

NOTARY'S ACKNOWLEDGEMENT

State of _____ County of _____

On the _____ day of _____, 20____ before me came _____

Notary: Please list the Name (s) of all whom are signing above (Both parties need to be present, if married)

to me known to be the person(s) described in this Section 4, and who executed the foregoing statement and they duly acknowledged to me that they executed the same as their free act and deed for the purposes therein contained. In witness whereof, I hereunto set my hand:

(Notary's Signature may be required on next page also)

Signature of Notary Public

My commission expires: _____ Affix seal:

4. DECLARACIONES DEL SOLICITANTE Y CONYUGE / DECLARACION DEL SOLICITANTE
(Marque una))

_____ Por el presente juro que en este momento no estoy casado legalmente.

_____ Por el presente juro que no puedo localizar a mi cónyuge. (Por favor incluya una carta donde indica el más recientemente intento de localizar a su cónyuge).

_____ Por el presente juro que la persona que firma el documento a continuación es mi cónyuge legal actual.

_____ Fecha _____
Firma del Solicitante (MIEMBRO)
Debe ser firmado ante un Notario

DECLARACIÓN DEL CONYUGE

Doy consentimiento para la solicitud de mi cónyuge para el pago del Fondo en una forma distinta al Annuity del Esposo y Esposa, como se indica en esta solicitud. Entiendo que renuncio a mi derecho a la prestación de cónyuge sobreviviente bajo la descripción del Annuity del Esposo y Esposa de este Fondo, como se describe en la Sección 2, Opción D.

Nombre del Cónyuge (IMPRIMA) _____ No. De Seguro Social de Cónyuge _____

Fecha de Nacimiento del Cónyuge _____ Fecha del Matrimonio _____

Firma del Cónyuge _____ Fecha _____

Debe ser firmado ante un Notario

Si está casado, la firma de su cónyuge se requiere (en conformidad con la Ley de Equidad de Retiro de 1984)

DECLARACIÓN DEL NOTARIO

Estado de _____ Condado de _____

En el _____ día de _____, 20 _____ ante de mi vinieron _____

Notario: por favor indique el(los) nombre(s) de todos los que se han mencionado anteriormente (ambas partes tienen que estar presentes, si están casados)

A quien conozco como la(s) persona(s) descritos en la Sección 4, y que ejecuta la instrucción anterior y debidamente reconoció que firma el mismo en su forma libre y voluntaria para los propósitos que en el figuran. En fe de lo cual, he aquí mi firma y sello:

_____ (la firma del notario también puede ser requerida en la siguiente página)

Mi comisión vence: _____ Sello: _____

5. BENEFICIARY DESIGNATION — If you are not married, or if you choose to name a beneficiary other than your spouse, please complete the following.

Please note that your spouse will automatically be your beneficiary unless he or she agrees to another beneficiary, by signing below.

I hereby designate as my beneficiary to receive any benefits payable at my death from the Massachusetts Laborers' Annuity Fund:

Name _____ S.S. No. _____

Address _____

Date of Birth _____ Relationship _____

Member's Signature _____ Date _____

Spouse's Signature _____ Date _____

Signature of Notary Public _____ Date _____

6. INCOME TAX WITHHOLDING — If you have elected to have your retirement benefit distributed in the form of a lump-sum or periodic payments for a period of less than 10 years, a 20% mandatory Federal Income Tax withholding rule will apply. You may elect to have additional taxes withheld below.

If you have elected to have your retirement benefit distributed in the form of an installment distribution over 10 years or more, a life annuity, a Husband & Wife annuity, or a direct rollover to an Individual Retirement Account (IRA), Roth IRA or another qualified retirement plan, the 20% mandatory Federal Income Tax withholding does not apply. You may elect to have other applicable taxes withheld below.

You should also be aware that a 10% Federal Penalty Tax may apply for many distributions made before attainment of age 59 1/2 in addition to the tax withholding.

☐ No Federal Income Tax withheld

☐ No State Income Tax withheld

☐ 10% Federal Penalty Tax withheld

☐ _____ % or \$ _____
State Income Tax withheld

☐ _____ % or \$ _____
Federal Income Tax withheld

Even if you elect not to have Federal Income Tax withheld, you are liable for payment of Federal Income Tax on the taxable portion of your distribution or withdrawal. You may also be subject to tax penalties under the estimated tax payment rates if your payments or estimated tax and withholding, if any, are not adequate.

☐ I am exempt from Massachusetts income tax withholding because my legal residence (domicile) is elsewhere and the income being paid was not derived or connected with an occupation, profession, trade or business carried on in Massachusetts.

7. SIGNATURE- I hereby apply for payment(s) under the terms of the Massachusetts Laborers' Annuity Plan and certify that the information set forth above is true and complete.

Signature of Applicant (required) _____ Date _____