

# WEST VIRGINIA LABORERS PROFIT SHARING PLAN

PLAN OFFICE

WEST VIRGINIA LABORERS  
PROFIT SHARING PLAN  
ONE UNION SQUARE  
SUITE 200  
CHARLESTON, WV 25302

## PARTICIPANT APPLICATION FOR DISTRIBUTION (OTHER THAN HARDSHIP)

Phone: (304) 342-5142  
Fax: (304) 342-2610

### Section I: Participant Information

Name: \_\_\_\_\_ Soc. Sec. No: \_\_\_\_\_  
Address: \_\_\_\_\_ Birth Date: \_\_\_\_\_  
City: \_\_\_\_\_ State: \_\_\_\_\_ Zip Code: \_\_\_\_\_ Telephone: \_\_\_\_\_  
Last Employer: \_\_\_\_\_ Last Day Worked: \_\_\_\_\_  
Marital Status:  Married  Not married Local Union No: \_\_\_\_\_  
Balance: \_\_\_\_\_ As of \_\_\_\_\_

### Section II: Application for Distribution of Account

I hereby apply for distribution of my Account under the Profit Sharing Plan on account of:

- Retirement (at or age 55) Retirement Date: \_\_\_\_\_  
 Disability (eligible for Social Security Disability Benefit; must attach award) Date of Disability: \_\_\_\_\_  
 Termination of Employment (left employment and no contributions for 24 months) Last Day Worked: \_\_\_\_\_

### Section III: Cash Distributions

Complete this section if you want your entire Account distributed in cash.

A. I hereby elect that my Account under the Profit Sharing Plan be distributed in the form of: (elect only one)

- Lump Sum Payment (entire balance of Account)  
 Payment in Monthly Installments in the amount of \$ \_\_\_\_\_  
(minimum \$100 and only if Account balance \$5,000 or more)

B. For the direct payment elected in A. above, I hereby elect:

- withholding of only the mandatory 20% federal income tax withholding; or  
 withholding of the mandatory 20% federal income tax withholding plus an additional \_\_\_\_\_%.

### Section IV: Federal Income Tax Withholding Election for Non-Eligible Rollover Payments

(Complete *only* if you elect to have your Account distributed in (1) Monthly Installments expected to be paid for 120 months or (2) regardless of the form of distribution, a calendar year in which you are age 70½ or older.) I hereby elect the following federal income tax withholding for each Non-Eligible Rollover Payment:

- No withholding of federal income tax; or  Withholding of federal income tax equal to \_\_\_\_\_% of each payment.

**Section V: Direct Rollover/Payment Election for Eligible Rollover Payments**

If you completed Section III **do not** complete this section. Complete this section only if you want all or a portion of your Account directly rolled over to an IRA or Eligible Employer Plan.

Before you elect a direct rollover of your Account to an IRA you should consider your investment options and expenses. Your Account is currently invested for you by the Board of Trustees, following the advice of a professional investment consultant. The investment consulting and management fees are then spread across all Plan participants in an equitable manner. Because the Trustees are investing all of the Plan's assets (as opposed to just your Account), they are able to obtain investment management fees that are generally lower than what individuals are able to obtain through a retail IRA account. In other words, you will probably pay less in investment consulting and management fees by leaving your Account in the Plan than by rolling it over into an IRA.

A. I hereby elect that each Eligible Rollover Payment be distributed by: (elect only one)

- direct rollover of the entire amount to the IRA or Eligible Employer Plan designated in C. below; or
- direct rollover of \$\_\_\_\_\_ (\$500 minimum) to the IRA or Eligible Employer Plan designated in C. below and direct payment of the remaining balance to me.

B. For a direct payment, if any, elected in A. above, I hereby elect:

- withholding of only the mandatory 20% federal income tax withholding; or
- withholding of the mandatory 20% federal income tax withholding plus an additional \_\_\_\_\_%.

C. For a direct rollover, if any, elected in A. above, the direct rollover is to be made to: (designate only one)

- A Traditional IRA
- A Roth IRA
- An Eligible Employer Plan (includes another 401(a) qualified plan)

Name of IRA or Eligible Employer Plan: \_\_\_\_\_

Account Number (if applicable): \_\_\_\_\_

Trustee/Custodian of IRA or Eligible Employer Plan: \_\_\_\_\_

Address of Trustee/Custodian: \_\_\_\_\_

**Section VI: Participant Signature and Certification**

I hereby certify that:

1. the information furnished above is true and correct to the best of my knowledge; and
2. for an application for distribution on account of Termination of Employment, it is my intention to permanently cease looking for and accepting employment within the territorial jurisdiction allocated to the Union (as defined in the Plan) in work that is customarily performed by the employers contributing to the Profit Sharing Plan.

I hereby authorize all actions necessary to implement the elections made above. I understand that all payments are governed by the document for the Profit Sharing Plan and that I must hold any payments not provided for in the document for the benefit and reimbursement of the Plan.

Signature: \_\_\_\_\_  
(Sign in Presence of Notary Public)

Date: \_\_\_\_\_

State of: \_\_\_\_\_ County of: \_\_\_\_\_ On \_\_\_\_\_, 20\_\_\_\_, the above-named Participant appeared before me and signed this Participant Application for Distribution.

[SEAL]

Notary Public: \_\_\_\_\_

Commission Expires: \_\_\_\_\_

Section VI: Plan Office Use Only

- A. Application and Instructions  mailed  delivered to Participant on \_\_\_\_\_ by \_\_\_\_\_.
- B. Application received from Participant on \_\_\_\_\_ by \_\_\_\_\_.
- C. Distribution approved / denied on \_\_\_\_\_ by \_\_\_\_\_.
- D. Check issued on \_\_\_\_\_ by \_\_\_\_\_.

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PLAN OFFICE

WEST VIRGINIA LABORERS  
PROFIT SHARING PLAN  
ONE UNION SQUARE  
SUITE 200  
CHARLESTON, WV 25302

## INSTRUCTIONS FOR PARTICIPANT APPLICATION FOR DISTRIBUTION (OTHER THAN HARDSHIP)

Phone: (304) 342-5142  
Fax: (304) 342-2610

### Application

Use the Participant Application for Distribution to apply for a distribution of your Account upon your retirement at or after age 55, disability or eligible termination of employment.

Please print or type all information (except for the required signatures). File the completed Application with the Plan Office at the above address. If you are applying for distribution of your Account on account of disability, include a copy of the Award of Disability Benefits from the Social Security Administration.

The amount of a distribution will be based on the value of your Account as of the preceding March 31, as adjusted for subsequent employer contributions and distributions (and withdrawals).

### Application for Distribution - Section II of the Application

Retirement – You may receive a distribution of your Account on account of retirement if you retire and leave covered employment at or after age 55. Covered employment is employment for which contributions are due to the Profit Sharing Plan.

Disability – You may receive a distribution of your Account on account of Disability if you are entitled to Social Security Disability Benefits.

Termination of Employment – You may receive a distribution of your Account on account of Termination of Employment (before retirement or disability) if (1) you certify (by signing this Application) your intention to permanently cease all employment within the Union's territorial jurisdiction in the type of work customarily done by contributing employers and (2) no employer contributions have been made or are due to the Plan on your behalf for 24 consecutive months.

### Cash Distributions - Section III of the Application

If your Account balance is \$5,000 or more, you may elect one of the following forms for the distribution of your Account in cash.

Lump Sum Payment – The entire balance of your Account will be distributed in a single payment.

Monthly Installments – Monthly Installments will be paid from your Account in the dollar amount (\$100 minimum) you specify until:

- (1) 10 years of payments have been made;
- (2) the entire balance of your Account has been distributed;
- (3) you attain the required beginning date, generally the April 1 following the calendar year in which you attain age 70½; or
- (4) your death.

Any balance remaining in your Account at the end of the 10-year installment period or when you attain the required beginning date will be paid to you in a Lump Sum Payment. Any balance remaining in your Account at your death will be paid to your beneficiary in a Lump Sum Payment.

After payment of the Monthly Installments begins, you may elect at any time to receive the remaining balance of your Account in a Total Lump Sum Payment.

If the balance of your Account is \$5,000 or less, your Account will be distributed to you in a Lump Sum Payment only.

### **Federal Income Tax Withholding Election - Section IV of the Application**

The federal income tax withholding election you make in Section IV applies to:

- (1) monthly installments that are expected to be paid for 10 years (you may contract Plan Office for a determination of whether monthly installments are expected to be paid for 10 years); or
- (2) a lump sum payment or monthly installments paid in the calendar year in which you attain age 70½ (or the following calendar year, if you retire in that calendar year) and in any later calendar year.

If distribution is to be made in monthly installments that are expected to be paid for 10 years, your withholding election applies to the entire amount of each installment. For a distribution paid in calendar years age 70½ or older, your withholding election applies to the portion of the payment or installment equal to the required minimum distribution for the calendar year. (The portion that is more than the required minimum distribution is subject to your direct rollover/payment election under Section V.)

You may be responsible for the payment of quarterly estimated tax payments if you elect no withholding, or if you do not have enough withheld from the installments. You may be subject to tax penalties if your withholding or estimated tax payments for your income during a year are insufficient. Information on the withholding of federal income tax can be found in the instructions to IRS Form W-4P.

### **Direct Rollover/Payment Election - Section V of the Application**

The direct rollover/payment elections are discussed in the Special Tax Notice Regarding Your Rollover Options, which contains the IRS's explanation of the election of a direct payment and/or direct rollover for your distribution. Please contact the Plan Office if you have not received a copy of this Special Tax Notice.

Note that:

- Monthly installments that are expected to be paid for 10 years are not eligible for a direct rollover to an IRA or an Eligible Employer Plan and are not subject to mandatory 20% federal income tax withholding. (These installments will be paid directly to you and subject to your federal income tax withholding election under Section V.) If you want to elect monthly installments, you may contact the Plan Office for a determination of whether the installments are expected to be paid for 10 years.
- If a payment eligible for a direct rollover to an IRA or an Eligible Employer Plan is paid directly to you, mandatory 20% federal income tax withholding will apply to the direct payment. You may not waive the 20% federal income tax withholding or elect a smaller percentage, but you may elect to have an additional percentage withheld.
- If you elect a direct rollover to an IRA, it is important that you properly designate the type of IRA (Traditional or Roth) that is to receive the direct rollover. The Profit Sharing Plan will rely on this designation in reporting the direct rollover distribution to the IRS.

### **IRS Required Information**

Under current IRS rules:

- You have the right to a 30-day period after you are provided with these Instructions and the IRS required Special Tax Notice Regarding Your Rollover Options to consider your Application for Distribution and your direct rollover/payment election. You may waive that right by filing the Application within this 30-day period.

- You cannot be provided with these Instructions and the IRS required Special Tax Notice Regarding Your Rollover Options any earlier than 180 days before the date distribution is made. Accordingly, if, when you return the Application, the distribution cannot be made within 180 days of the date you were provided with these Instructions and the Special Tax Notice, the distribution will not be made and you will have to obtain another set of Instructions and Special Tax Notice before you can apply for the distribution.

Under the minimum distribution rules of the Internal Revenue Code, distribution of your Account must be made or begin by the April 1 following the later of (1) the calendar year in which you attain age 70½ or (2) (if not a 5%-owner) the calendar year in which you retire from employment under the Profit Sharing Plan. You have the right to defer the distribution of your Account until the required date of distribution. This is done by not filing an Application for Distribution.

If you defer the distribution, the entire amount of your Account will continue to be invested on a tax-deferred basis in the trust fund under the Profit Sharing Plan and will continue to be credited and charged with earnings, gains, losses and expenses accordingly.

If you apply for and receive a distribution now, the distribution will cease to be so invested in the trust fund for the Profit Sharing Plan, and if paid directly to you, will be subject to federal income tax, including potentially the additional 10% federal income tax for payment before age 59½. If distributed by direct rollover, the distribution will not be subject to federal income tax, except for a direct rollover to a Roth IRA. However, in such case, the same investments may not be available, or may be available only on different terms and at different costs.

## **SPECIAL TAX NOTICE REGARDING YOUR ROLLOVER OPTIONS**

You are receiving this notice because all or a portion of a payment you are receiving from the West Virginia Laborers Profit Sharing Plan (the "Plan") 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).

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. 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
- Required minimum distributions after age 70½ (or after death)

- Hardship distributions

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 under the Plan within the meaning of the Internal Revenue Code if you will be at least age 55 in the year of the separation
- Payments made due to total and permanent disability within the meaning of the Internal Revenue Code
- 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 under the Internal Revenue Code
- 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

**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 at or 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).
- 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 within the meaning of the Internal Revenue Code 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**

If you roll over a payment from the Plan 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).

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)*.

#### **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 (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.

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)*; 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](http://www.irs.gov), or by calling 1-800-TAX-FORM.

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CHARLESTON, WV 25302

Phone: (304) 342-5142  
Fax: (304) 342-2610

## PAYMENT RESIDENCY REPRESENTATIONS

### Section I: Participant/Beneficiary Information

The address you indicate is where checks and tax forms will be mailed.

Name: \_\_\_\_\_ Soc. Sec. No: \_\_\_\_\_  
Address: \_\_\_\_\_ Birth Date: \_\_\_\_\_  
City: \_\_\_\_\_ State: \_\_\_\_\_ Zip Code: \_\_\_\_\_ Telephone: \_\_\_\_\_

### Section II: Residency Information

My tax status is (select one of the following):  U.S. Citizen / Resident Alien  Non-Resident Alien

Is payment to be delivered to an address or account outside the United States: \_\_\_\_\_ Yes \_\_\_\_\_ No

If you are a Non-Resident Alien, please complete IRS Form W8-BEN by following the instructions provided, and include with your Distribution Application. If IRS Form W8-BEN is not included, withholding will be processed at 30% of the gross payment. If you are a U.S. Citizen / Resident Alien, please complete the IRS Form W4-P by following the instructions provided and include with your Distribution Application. If IRS Form W-4P is not included, withholding will be processed assuming a marital status of married filing jointly with 3 exemptions.

### Section III: Participant Signature and Certification

I hereby certify that the information furnished above is true and correct to the best of my knowledge. My direct deposit authorization (if any) shall remain in effect until such time as I provide written notification to the Plan, and the Plan has a reasonable opportunity to act on it.

Signature: \_\_\_\_\_ Date: \_\_\_\_\_

### Section IV: Plan Office Use Only

Received on \_\_\_\_\_ by \_\_\_\_\_