NORTH ATLANTIC STATES CARPENTERS ANNUITY FUND

Connecticut Office
10 Broadway
Hamden, CT 06518
Phone (203) 281-5511
Fax (203) 230-2457

New York Office
270 Motor Parkway
Hauppauge, NY 11778-5150
Phone (631) 952-9700 Option 5
Fax (631) 952-9813

RHODE ISLAND VERSION

Dear Annuity Fund Participant:

You have asked about applying for benefits from the North Atlantic States Carpenters Annuity Fund (NAS Carpenters Annuity Fund).

Before we go any further, *we want you to be aware that this application allows you to apply for your account balance under the Rhode Island Carpenters Annuity Plan (the "RI Plan")* <u>*prior to January 1, 2018*</u> *(what we call your "RI Plan account"), and it contains all the distribution rules and options that were available to you under the RI Plan at that point in time.* Keep in mind that the distribution rules and options for contributions made to the NAS Carpenters Annuity Plan on and after January 1, 2018 are a bit different, so if you have had "post 2017" contributions made on your behalf you *may* be required to fill out a separate application as to those amounts. Our address is 10 Broadway, Hamden, Connecticut 06518 and our telephone number is 1-800-922-6026 (ext. 2644), and we can certainly help you if you have any specific questions. *You, with your spouse, if applicable, will need to determine what benefit distribution option outlined in this application is best for your circumstances.*

Moving on, the benefit application process under the NAS Carpenters Annuity Fund requires you to receive numerous forms. Some (marked with an *) must be completed and returned and others (marked with **) are optional. Here is a list of what is enclosed:

*I. Application for Benefits. If you are applying for a benefit because of your disability, we need a copy of your Social Security Disability Award.

II. Consent Form <u>or**</u> Certification of No Spouse – we need one <u>or</u> the other if your Annuity account has ever held more than $5,000. IT MUST BE NOTARIZED. **A copy of your spouse's driver's license is required.**

**III. Certification of No Work – we need this if you are applying for a Break in Service distribution, whether for three (3) or six (6) months. IT MUST BE NOTARIZED.

**IV. Direct Rollover Form.

V. Income Tax cover letter.

*VI. Withholding Election Form for Federal Income Tax.

VII. Explanation and Relative Value of Forms of Benefits.

VIII. Notice called Your Rollover Options.

If you have questions about completing these forms, please call (203) 281-5511, ext. 644. When we receive your <u>properly completed</u> forms, we will submit your application for approval at the next Board of Trustees meeting.

Applications must be received in the Connecticut Fund Office (10 Broadway, Hamden, CT 06518) no later than ____________________ in order to be presented at our next meeting. Checks will be mailed on or about the first week of _________________.

North Atlantic States Carpenters Annuity Fund

NORTH ATLANTIC STATES CARPENTERS ANNUITY FUND

I. APPLICATION FOR BENEFITS (TO BE COMPLETED BY A *RHODE ISLAND PRE 1-1-18 PARTICIPANT*)

(Please review the Explanation and Relative Value notice for information on the alternate forms of benefit which are available to you.)

Name of Member	Social Security No.	Local Union No.	Date of Birth

I hereby make application for annuity benefits from the North Atlantic States Carpenters Annuity Fund *from my prior Rhode Island Carpenters Annuity Fund account (i.e., pre-January 1, 2018 balance and applicable net investment results)* due to: ( ) RETIREMENT; ( ) THREE (3) MONTH BREAK IN SERVICE (*50% of account ONLY*); ( ) SIX (6) MONTH BREAK IN SERVICE (*100% of account*); ( ) IN-SERVICE DISTRIBUTION; ( ) SOCIAL SECURITY DISABILITY AWARD (SSDA); or ( ) QDRO. I understand that the amount of my benefits depends upon my distribution event noted above, the amount in my individual account (most recent valuation date balance is shown above). If I am eligible, I elect to receive my benefits in the form indicated below:

A. ☐ I wish to receive my annuity benefits in the form of a lump sum. (Consent of Spouse required if the value of your benefits is greater than $5,000; ***NOTE: For three (3) month break in service, <u>Option A or C only</u>**).

B. ☐ I wish to receive a portion of my annuity benefits in a partial lump sum (maximum of twelve (12) per year; permitted for retirement and SSDA only; QDRO if Participant eligible). Gross amount requested: $__________.

C. ☐ I wish to receive my annuity benefits in the form of monthly installments of $______________. (minimum $100).

D. ☐ I wish to receive an in-service distribution in the amount of $___________ (must be age 59 ½ and have 20 consecutive years of service). An in-service distribution is allowed once per year.

E. ☐ Rollover (Application & Rollover form must be completed).

F. ☐ I wish to have the applicable value of my annuity benefits applied to the purchase of a nontransferable annuity contract from an insurance company which will pay me a monthly bene/fit for my life. Once I die, no further benefits will be payable to any individual or entity.

G. ☐ If the value of my annuity benefits exceeds $5,000 I wish to have such benefits paid from a nontransferable annuity contract as a Joint and Survivor Annuity (*not available if QDRO*). Under Joint and Survivor Annuity I have selected the following survivor percentage for my spouse:

☐ 50% Option ☐ 75% Option ☐ 100% Option

*EXCEPT AS NOTED IN A, YOU MAY COMBINE A LUMP SUM (A), OR A ROLLOVER (C), WITH ANY OTHER OPTION.

IF YOU WISH TO RECEIVE A JOINT AND SURVIVOR ANNUITY, PLEASE SUBMIT PROOF OF YOUR SPOUSE'S AGE AND A CERTIFICATE OF YOUR MARRIAGE WITH THIS FORM. IF YOU DO NOT SELECT (E) AND THE VALUE OF YOUR ANNUITY ACCOUNT EXCEEDS $5,000, EITHER THE CONSENT OF SPOUSE OR THE CERTIFICATION THAT YOU DO NOT HAVE A SPOUSE MUST BE COMPLETED ON THE REVERSE SIDE OF THIS FORM.

If you have elected B above, please name the beneficiary below who is to receive any remaining annuity benefits due in the event of your death. This beneficiary designation revokes any prior beneficiary designation which you may have made. If you name more than one beneficiary, they will share equally.

Name of Beneficiary	Beneficiary's Address	Relationship

This application must be completed and signed at least 30 days and not more than 180 days prior to the commencement of your benefits. By signing this application you agree that: (i) all statements made on this Application and related papers are true, (ii) you have disclosed all instances in which you left covered employment to enter military service, (iii) you have reviewed the Explanation and Relative Value of Forms of Benefits furnished to you by the Annuity Fund, (iv) your benefit is based on your prior Rhode Island Carpenters Annuity Fund account value as of the end of the month before the date this application is approved or, if later, the date benefit payments will be made or begin, and (v) the Annuity Fund has the right to correct mistakes and recover any overpayments directly from you or by reducing your future benefits.

Must be completed by Participant

Print Name______________________________

Signature ______________________________

Current Address______________________________

____

Telephone and email______________________________

Date Signed ______________________________

FOR OFFICE USE ONLY

Date Approved: ____________________
Authorization of Payment

Trustee______________________

II. CONSENT FORM

CONSENT OF SPOUSE (If the value of your annuity benefit exceeds $5,000, this Form must be completed if you have a spouse and have indicated that you do not wish to receive your benefits in the form of a 50% Joint and Survivor Annuity).

I HEREBY CONSENT TO MY SPOUSE'S ELECTION TO WAIVE AND REJECT THE 50% JOINT AND SURVIVOR ANNUITY. I ALSO CONSENT TO MY SPOUSE'S ELECTION TO RECEIVE THE FORM OF BENEFIT PAYMENT AND TO NAME THE BENEFICIARY(IES), BOTH AS SHOWN ON THE APPLICATION FOR BENEFITS SIGNED BY MY SPOUSE ON THE REVERSE SIDE. IN GRANTING THIS CONSENT, I HAVE REVIEWED THE EXPLANATION AND RELATIVE VALUE OF FORMS OF BENEFITS FURNISHED BY THE NORTH ATLANTIC STATES CARPENTERS ANNUITY FUND. I UNDERSTAND THE EFFECT OF MY SPOUSE'S REJECTION OF THE 50% JOINT AND SURVIVOR ANNUITY AND THE EFFECT OF HIS/HER ELECTIONS. I ACKNOWLEDGE THAT MY SPOUSE MAY REVOKE THIS WAIVER AND REJECTION AND ELECT THE 50% JOINT AND SURVIVOR ANNUITY, WITHOUT FURTHER CONSENT, BUT MAY NOT CHANGE THE BENEFICIARY(IES) SHOWN ON THE REVERSE SIDE OF THIS FORM WITHOUT MY CONSENT.

Signature of Participant's Spouse: ____________________

Subscribed and sworn before me this __________ day of ____________________, 20___.

Notary Public ____________________ My Commission Expires ____________________

CERTIFICATION OF NO SPOUSE

I hereby certify and represent that I am not married, do not have a spouse, and will notify the Fund Office immediately if I marry before the effective date of my annuity benefits.

Signature of Participant: ____________________

Subscribed and sworn before me this __________ day of ____________________, 20___.

Notary Public ____________________ My Commission Expires ____________________

III. CERTIFICATION OF NO WORK – BREAK IN SERVICE DISTRIBUTIONS

I hereby certify and represent, under the applicable penalties for making a False Statement under Oath, with respect to my work in the last 3 or 6 months as noted in Section I, above, and currently, that

- I have not had contributions made on my behalf by any Contributing Employer to the Fund*, and
- I have not worked in a jurisdiction bound by a reciprocal agreement requiring contributions made on my behalf by a contributing employer to be transferred to the North Atlantic States Carpenters Annuity Fund, and
- In the event that I left Covered Employment with a Contributing Employer to the Fund and continued to work for such Contributing Employer in a position not covered by a collective bargaining agreement, I have terminated employment with such Contributing Employer for at least 3 months, or 6 months, as applicable**.

*This determination will be confirmed by the Fund's administrative office.

**You, or your former Contributing Employer, must provide evidence of your termination which is acceptable to the Fund.

Signed on: __________, 20__ by ____________________
Signature of Participant

Subscribed and sworn to before me on __________, 20__ by ____________________
Signature of Notary Public

My commission expires on __________, 20__

IV. NORTH ATLANTIC STATES CARPENTERS ANNUITY FUND DIRECT ROLLOVER FORM

NOTE: You should read the Notice called "Your Rollover Options" before you complete this Form. Also consent a tax advisor.

Your Name ______________________________

Address ______________________________

____

Social Security No. ______________________

(Check One)

_______ I direct the Fund to rollover 100% of my distribution directly to an IRA or another qualified plan (if it accepts rollovers).

_______ I direct the Fund to rollover $__________ directly to an IRA or another qualified plan (if it accepts rollovers). I direct the Fund to pay the balance of my distribution to me, reduced by income tax withholding (as required), in the form chosen on my Application for Benefits.

(You must complete this information)

Rollover is to a (check one) _______ IRA _______ Qualified Plan

Name of IRA Trustee or
Name of Qualified Plan ______________________________

Mailing Address: ______________________________

Account Number: ______________________________

Your Contact and Phone Number: ______________________________

I certify that the information above relates to an Individual Retirement Account, an Individual Retirement Annuity or an IRS-qualified plan that accepts rollovers. I agree that payment as directed above releases the Fund and its Trustees from any obligation or liability regarding benefit payments due to me.

____
Your Signature

Date: ______________________________

V. WITHHOLDING AND OTHER TAX MATTERS

Dear Applicant:

You may want to consult with your tax advisor or other financial professional. The Trustees and Fund Office cannot give tax advice on particular situations. Keep in mind that it is smart to be prepared for your tax obligations and you may incur tax penalties if you do not have enough withheld from your distribution.

INCOME TAX WITHHOLDING

Amounts distributed from the Annuity Fund are taxed as ordinary income.

Under certain circumstances, you may defer payment of taxes by "rolling over" all or part of a lump sum payment or certain installment payments to an IRA or other qualified plan.

An IRS form 1099 will be issued for all distributions, even those that are rolled over.

All annuity payments and death benefits payable under the plan in excess of minimum levels set by the IRS are subject to Federal income tax withholding. In some cases – for example, lump sum payments to you or your spouse and certain installments to you or your spouse – withholding is mandatory at a level of 20% unless all or part of the distribution is directly rolled over to an IRA or other qualified plan. In other cases – for example, IRS required minimum distributions – you may elect income tax withholding.

Here are some general rules about income tax withholding that may apply to you:

1. 20% federal tax must be withheld from most lump sum distributions. You have no choice.
2. 10% federal tax will be withheld from Required Minimum Distributions unless you make a different election.
3. 20% federal tax must be withheld from installment payments if they will be made for fewer than 10 years.
4. 10% federal tax will be withheld from installment payments if they will be made for 10 or more years unless you make a different election.
5. Nothing (0%) will be withheld from a loan, as a loan is not treated as a distribution unless certain other events occur (for example, such loan is not paid back on a timely basis).
6. For Rhode Island residents, nothing (0%) is withheld for state income tax purposes. You have no choice.

If withholding is optional, you, your spouse or beneficiary may elect not to have taxes withheld from any payment made to you (or them) by filing an IRS Form W-4P or the Fund's withholding election form with the Fund Office. Your election will become effective as soon as possible after the Fund Office receives your form. You may alter an election on a prospective basis at any time by simply filing a new form with the Fund Office.

Attached is a Notice called "Your Rollover Options" published by the IRS that covers the details of the federal tax rules that may apply to your Annuity Fund distribution. You may want to share this with your tax advisor.

PENALTIES FOR EARLY DISTRIBUTION

A distribution before you reach age 59-½ may result in an extra federal tax penalty equal to 10% of the amount of the distribution. This penalty is not imposed in certain circumstances, such as if:

- The early distribution is made on account of your death, or
- You work steadily through age 55 and then receive a distribution, or
- You are totally and permanently disabled, or
- The payment is to an alternate payee as required by a QDRO.

Payments under the Joint and Survivor Annuity will not incur the penalty. Other exemptions may apply to early retirement.

Again, you may want to consult with your tax advisor or other financial professional, and review the Notice called "Your Rollover Options," before electing to receive any distribution from the plan.

Form **W-4P**
(Rev. January 2022)
Department of the Treasury
Internal Revenue Service

Withholding Certificate for Periodic Pension or Annuity Payments

▶ Give Form W-4P to the payer of your pension or annuity payments.

OMB No. 1545-0074

2022

Step 1: Enter Personal Information

(a) First name and middle initial | Last name | (b) Social security number

Address

City or town, state, and ZIP code

(c) ☐ **Single** or **Married filing separately**
☐ **Married filing jointly** or **Qualifying widow(er)**
☐ **Head of household** (Check only if you're unmarried and pay more than half the costs of keeping up a home for yourself and a qualifying individual.)

Complete Steps 2–4 ONLY if they apply to you; otherwise, skip to Step 5. See pages 2 and 3 for more information on each step and how to elect to have no federal income tax withheld (if permitted).

Step 2: Income From a Job and/or Multiple Pensions/ Annuities (Including a Spouse's Job/ Pension/ Annuity)

Complete this step if you (1) have income from a job or more than one pension/annuity, or (2) are married filing jointly and your spouse receives income from a job or a pension/annuity. **See page 2 for examples on how to complete Step 2.**

Do **only one** of the following.

(a) Reserved for future use.

(b) Complete the items below.

(i) If you (and/or your spouse) have one or more jobs, then enter the total taxable annual pay from all jobs, plus any income entered on Form W-4, Step 4(a), for the jobs less the deductions entered on Form W-4, Step 4(b), for the jobs. Otherwise, enter "-0-" . . ▶ $

(ii) If you (and/or your spouse) have any other pensions/annuities that pay less annually than this one, then enter the total annual taxable payments from all lower-paying pensions/ annuities. Otherwise, enter "-0-" . . . . ▶ $

(iii) Add the amounts from items (i) and (ii) and enter the **total** here . . . . ▶ $

TIP: To be accurate, submit a 2022 Form W-4P for all other pensions/annuities. Submit a new Form W-4 for your job(s) if you have not updated your withholding since 2019. If you have self-employment income, see page 2.

If (b)(i) is blank and this pension/annuity pays the most annually, complete Steps 3–4(b) on this form. Otherwise, do not complete Steps 3–4(b) on this form.

Step 3: Claim Dependent and Other Credits

If your total income will be $200,000 or less ($400,000 or less if married filing jointly):

Multiply the number of qualifying children under age 17 by $2,000 ▶ $

Multiply the number of other dependents by $500 . . . . . ▶ $

Add other credits, such as foreign tax credit and education tax credits ▶ $

Add the amounts for qualifying children, other dependents, and other credits and enter the total here . . . . **3** $

Step 4 (optional): Other Adjustments

(a) Other income (not from jobs or pension/annuity payments). If you want tax withheld on other income you expect this year that won't have withholding, enter the amount of other income here. This may include interest, taxable social security, and dividends . **4(a)** $

(b) Deductions. If you expect to claim deductions other than the basic standard deduction and want to reduce your withholding, use the Deductions Worksheet on page 3 and enter the result here . . . . **4(b)** $

(c) Extra withholding. Enter any additional tax you want withheld from **each payment** . **4(c)** $

Step 5: Sign Here

▶ **Your signature** (This form is not valid unless you sign it.) ▶ **Date**

General Instructions

Section references are to the Internal Revenue Code.

Future developments. For the latest information about any future developments related to Form W-4P, such as legislation enacted after it was published, go to *www.irs.gov/FormW4P.*

Purpose of form. Complete Form W-4P to have payers withhold the correct amount of federal income tax from your periodic pension, annuity (including commercial annuities), profit-sharing and stock bonus plan, or IRA payments. Federal income tax withholding applies to the taxable part of these payments. Periodic payments are made in installments at regular intervals (for example, annually, quarterly, or monthly) over a period of more than 1 year. Don't use Form W-4P for a nonperiodic payment (note that distributions from an IRA that are payable on demand are treated as nonperiodic payments) or an eligible rollover distribution (including a lump-sum pension payment). Instead, use Form W-4R, Withholding Certificate for Nonperiodic Payments and Eligible Rollover Distributions, for these payments/distributions. For more information on withholding, see Pub. 505, Tax Withholding and Estimated Tax.

Choosing not to have income tax withheld. You can choose not to have federal income tax withheld from your payments by writing "No Withholding" on Form W-4P in the space below Step 4(c). Then, complete Steps 1a, 1b, and 5. Generally, if you are a U.S. citizen or a resident alien, you are not permitted to elect not to have federal income tax withheld on payments to be delivered outside the United States and its possessions.

Caution: If you have too little tax withheld, you will generally owe tax when you file your tax return and may owe a penalty unless you make timely payments of estimated tax. If too much tax is withheld, you will generally be due a refund when you file your tax return. If your tax situation changes, or you chose not to have federal income tax withheld and you now want withholding, you should submit a new Form W-4P.

Self-employment. Generally, you will owe both income and self-employment taxes on any self-employment income you (or you and your spouse) receive. If you do not have a job and want to pay these taxes through withholding from your payments, you should enter the self-employment income in Step 4(a). Then compute your self-employment tax, divide that tax by the number of payments remaining in the year, and include that resulting amount per payment in Step 4(c). You can also add half of the annual amount of self-employment tax to Step 4(b) as a deduction. To calculate self-employment tax, you generally multiply the self-employment income by 14.13% (this rate is a quick way to figure your self-employment tax and equals the sum of the 12.4% social security tax and the 2.9% Medicare tax multiplied by 0.9235). See Pub. 505 for more information, especially if your self-employment income multiplied by 0.9235 is over $147,000.

Payments to nonresident aliens and foreign estates. Do not use Form W-4P. See Pub. 515, Withholding of Tax on Nonresident Aliens and Foreign Entities, and Pub. 519, U.S. Tax Guide for Aliens, for more information.

Tax relief for victims of terrorist attacks. If your disability payments for injuries incurred as a direct result of a terrorist attack are not taxable, write "No Withholding" in the space below Step 4(c). See Pub. 3920, Tax Relief for Victims of Terrorist Attacks, for more details.

Specific Instructions

Step 1(c). Check your anticipated filing status. This will determine the standard deduction and tax rates used to compute your withholding.

Step 2. Use this step if you have at least one of the following: income from a job, income from more than one pension/annuity, and/or a spouse (if married filing jointly) that receives income from a job/pension/annuity. The following examples will assist you in completing Step 2.

Example 1. Bob, a single filer, is completing Form W-4P for a pension that pays $50,000 a year. Bob also has a job that pays $25,000 a year. Bob has no other pensions or annuities. Bob will enter $25,000 in Step 2(b)(i) and in Step 2(b)(iii).

If Bob also has $1,000 of interest income, which he entered on Form W-4, Step 4(a), then he will instead enter $26,000 in Step 2(b)(i) and in Step 2(b)(iii). He will make no entries in Step 4(a) on this Form W-4P.

Example 2. Carol, a single filer, is completing Form W-4P for a pension that pays $50,000 a year. Carol does not have a job, but she also receives another pension for $25,000 a year (which pays less annually than the $50,000 pension). Carol will enter $25,000 in Step 2(b)(ii) and in Step 2(b)(iii).

If Carol also has $1,000 of interest income, then she will enter $1,000 in Step 4(a) of this Form W-4P.

Example 3. Don, a single filer, is completing Form W-4P for a pension that pays $50,000 a year. Don does not have a job, but he receives another pension for $75,000 a year (which pays more annually than the $50,000 pension). Don will not enter any amounts in Step 2.

If Don also has $1,000 of interest income, he won't enter that amount on this Form W-4P because he entered the $1,000 on the Form W-4P for the higher paying $75,000 pension.

Example 4. Ann, a single filer, is completing Form W-4P for a pension that pays $50,000 a year. Ann also has a job that pays $25,000 a year and another pension that pays $20,000 a year. Ann will enter $25,000 in Step 2(b)(i), $20,000 in Step 2(b)(ii), and $45,000 in Step 2(b)(iii).

If Ann also has $1,000 of interest income, which she entered on Form W-4, Step 4(a), she will instead enter $26,000 in Step 2(b)(i), leave Step 2(b)(ii) unchanged, and enter $46,000 in Step 2(b)(iii). She will make no entries in Step 4(a) of this Form W-4P.

If you are married filing jointly, the entries described above do not change if your spouse is the one who has the job or the other pension/annuity instead of you.

CAUTION ***Multiple sources of pensions/annuities or jobs.*** *If you (or if married filing jointly, you and/or your spouse) have a job(s), do NOT complete Steps 3 through 4(b) on Form W-4P. Instead, complete Steps 3 through 4(b) on the Form W-4 for the job. If you (or if married filing jointly, you and your spouse) do not have a job, complete Steps 3 through 4(b) on Form W-4P for* ***only*** *the pension/annuity that pays the most annually. Leave those steps blank for the other pensions/annuities.*

Step 3. This step provides instructions for determining the amount of the child tax credit and the credit for other dependents that you may be able to claim when you file your tax return. To qualify for the child tax credit, the child must be under age 17 as of December 31, must be your dependent who generally lives with you for more than half the year, and must have the required social security number. You may be able to claim a credit for other dependents for whom a child tax credit can't be claimed, such as an older child or a qualifying relative. For additional eligibility requirements for these credits, see Pub. 501, Dependents, Standard Deduction, and Filing Information. You can also include **other tax credits** for which you are eligible in this step, such as the foreign tax credit and the education tax credits. Including these credits will increase your payments and reduce the amount of any refund you may receive when you file your tax return.

Specific Instructions *(continued)*

Step 4 (optional).

Step 4(a). Enter in this step the total of your other estimated income for the year, if any. You shouldn't include amounts from any job(s) or pension/annuity payments. If you complete Step 4(a), you likely won't have to make estimated tax payments for that income. If you prefer to pay estimated tax rather than having tax on other income withheld from your pension, see Form 1040-ES, Estimated Tax for Individuals.

Step 4(b). Enter in this step the amount from the Deductions Worksheet, line 6, if you expect to claim deductions other than the basic standard deduction on your 2022 tax return and want to reduce your withholding to account for these deductions. This includes itemized deductions, the additional standard deduction for those 65 and over, and other deductions such as for student loan interest and IRAs.

Step 4(c). Enter in this step any additional tax you want withheld from **each payment**. Entering an amount here will reduce your payments and will either increase your refund or reduce any amount of tax that you owe.

Note: If you don't give Form W-4P to your payer, you don't provide an SSN, or the IRS notifies the payer that you gave an incorrect SSN, then the payer will withhold tax from your payments as if your filing status is single with no adjustments in Steps 2 through 4. For payments that began before 2022, your current withholding election (or your default rate) remains in effect unless you submit a new Form W-4P.

Step 4(b)—Deductions Worksheet *(Keep for your records.)*

1	Enter an estimate of your 2022 itemized deductions (from Schedule A (Form 1040)). Such deductions may include qualifying home mortgage interest, charitable contributions, state and local taxes (up to $10,000), and medical expenses in excess of 7.5% of your income	1	$
2	Enter: • $25,900 if you're married filing jointly or qualifying widow(er) • $19,400 if you're head of household • $12,950 if you're single or married filing separately	2	$
3	If line 1 is greater than line 2, subtract line 2 from line 1 and enter the result here. If line 2 is greater than line 1, enter "-0-"	3	$
4	If line 3 equals zero, and you (or your spouse) are 65 or older, enter: • $1,750 if you're single or head of household. • $1,400 if you're a qualifying widow(er) or you're married and one of you is under age 65. • $2,800 if you're married and both of you are age 65 or older. Otherwise, enter "-0-". See Pub. 505 for more information	4	$
5	Enter an estimate of your student loan interest, deductible IRA contributions, and certain other adjustments (from Part II of Schedule 1 (Form 1040)). See Pub. 505 for more information	5	$
6	**Add** lines 3 through 5. Enter the result here and in **Step 4(b)** on Form W-4P	6	$

Privacy Act and Paperwork Reduction Act Notice. We ask for the information on this form to carry out the Internal Revenue laws of the United States. You are required to provide this information only if you want to (a) request federal income tax withholding from pension or annuity payments based on your filing status and adjustments; (b) request additional federal income tax withholding from your pension or annuity payments; (c) choose not to have federal income tax withheld, when permitted; or (d) change a previous Form W-4P. To do any of the aforementioned, you are required by sections 3405(e) and 6109 and their regulations to provide the information requested on this form. Failure to provide this information may result in inaccurate withholding on your payment(s). Failure to provide a properly completed form will result in your being treated as a single person with no other entries on the form; providing fraudulent information may subject you to penalties.

Routine uses of this information include giving it to the Department of Justice for civil and criminal litigation, and to cities, states, the District of Columbia, and U.S. commonwealths and possessions for use in administering their tax laws. We may also disclose this information to other countries under a tax treaty, to federal and state agencies to enforce federal nontax criminal laws, or to federal law enforcement and intelligence agencies to combat terrorism.

You are not required to provide the information requested on a form that is subject to the Paperwork Reduction Act unless the form displays a valid OMB control number. Books or records relating to a form or its instructions must be retained as long as their contents may become material in the administration of any Internal Revenue law. Generally, tax returns and return information are confidential, as required by section 6103.

The average time and expenses required to complete and file this form will vary depending on individual circumstances. For estimated averages, see the instructions for your income tax return.

If you have suggestions for making this form simpler, we would be happy to hear from you. See the instructions for your income tax return.

VII. EXPLANATION AND RELATIVE VALUE OF FORMS OF BENEFITS
North Atlantic States Carpenters Annuity Fund
(pre-January 1, 2018 RI Plan Account)

The purpose of this notice is to help you (and your spouse if you are married) make an informed choice about the form in which you choose to receive your retirement benefits. You are entitled to the total value of your pre-January 1, 2018 RI Plan Account when you retire, become totally and permanently disabled, or have a six (6) month break in service. Please note that you are entitled to one-half (50%) of the value of your Account in only lump sum form or a rollover when you have a three (3) month break in service.

This summary has been prepared to illustrate the relative financial effect of electing any of the forms of benefit discussed in this notice. You may change your election at any time before your benefits commence or an annuity is purchased. Legally, we cannot issue you a check until (1) the Trustees have approved your Application, and (2) at least 30 (but not more than 180) days after you receive this explanation, unless you affirmatively elect to begin receiving your distribution sooner. The North Atlantic States Carpenters Annuity Fund offers the following forms of benefit as to your pre-January 1, 2018 RI Plan account:

(1) Joint and Survivor Annuity: This is the form of benefit a married participant with an Account exceeding $5,000 is required to receive under the Plan unless the participant rejects this form of benefit, with spousal consent, and elects one of the optional forms of benefit under (2), (3) or (4). A Joint and Survivor Annuity uses the total value of your Account to provide you with a monthly benefit for your life and, after you die, a monthly benefit equal to 50% or 75% of the your monthly benefit (depending upon your election) will continue to your spouse.

(2) Life Annuity: This is the form of benefit a single participant with an Account exceeding $5,000 is required to receive unless the participant rejects this form of benefit and elects one of the optional forms of benefit under (3) or (4). You will receive monthly payments for your life, and once you pass away no further benefits will be payable to any individual or entity.

(3) Partial Lump Sum: This form of benefit provides you with a lump sum of a portion of your Account (maximum of twelve (12) per year), with the remaining portion of your Account subject to applicable earnings or losses and common Plan administrative expenses. If you die before the entire balance of your Account has been paid to you, the remaining portion of your Account will be paid to your beneficiary. In general, if you are age 70-½ or older, any partial lump sum must be high enough to satisfy IRS rules about "minimum required distributions".

(4) Lump Sum: If the value of your Account is $5,000 or less, this is the only option available to you. This is also the only option (subject to electing a rollover) if you have a three (3) month break in service. Otherwise, if you have more than $5,000 in your Account, and you reject the mandatory form of benefit under (1) or (2), you can elect to have either the total balance of your Account, or a portion of your Account, paid to you in a lump sum. If you elect to have only a portion of your Account paid to you in a lump sum, the remainder of your Account can be paid to you under (1), (2) or (3) if you are married, or under (2) or (3) if you are single.

If your benefits are payable in the form of a Joint and Survivor Annuity or a Life Annuity, your Account will be used to purchase a nontransferable annuity contract which will be distributed to you, and you will receive monthly payments directly from the insurance company.

The Fund Office cannot provide specific information about the monthly benefit that may be provided under an annuity contract without obtaining a quote from an insurance company. However, the following estimates are provided to assist you in considering the options which are available. These actuarial value estimates are determined using mortality and interest assumptions. Mortality assumptions are based on standardized tables developed by actuarial organizations and life insurance companies, which analyze information about large groups of people to project the rates at which groups of individuals at different ages are expected to die. These statistical mortality projections are used to develop "average life expectancies". The interest assumption is an estimate of the likely investment earnings, over time, on the money put aside to pay the benefits. This is relevant in the determination of actuarial value because investment earnings will provide some of the funds to pay the benefits. The assumptions for these estimates are that the funds will earn 3.5% interest and that, on average, participants will live as long as predicted under the Applicable Mortality Table for lump sum distributions in 2018. Actual payments available from an insurance company annuity contract or in monthly installments may be less or more than the estimates in the example.

If the same assumptions are used to calculate the optional forms of benefit, all of the optional forms of benefit have the same actuarial value, and thus the same "relative value" to you, as either the Joint and Survivor Annuity or the Life Annuity. This conclusion is based on IRS regulations, which can be found at Treas. Reg. §1.417(a)(3)-1.

The following example assumes that a participant has $10,000 in his Account at the time he retires, and that both the participant and spouse are age 65 at the time benefits commence. If you have $5,001 in your Account, your benefit would be approximately 50% of the amount shown in the examples; if you have $15,000 in your Account, your benefit would be approximately 150% of the amount shown, etc. If you and/or your spouse are younger than 65, your monthly benefits will be less. Actual payments available from an insurance company annuity contract or in monthly installments may be less or more than the estimates in the example.

Lump Sum Benefit		
Payable one-time to participant	$10,000	
Partial Lump Sum		
Payable to participant	$98.00 (assuming elected monthly installments over 10 years)	
Joint and Survivor Annuity	**50%**	**75%**
Payable monthly to participant	$53.00	$51.00
Payable monthly to Surviving Spouse	$26.50	$38.25
Life Annuity		
Payable monthly to participant	$57.00	

It is important that you realize that this example *is not a guarantee* or even a prediction of what you and/or your spouse/beneficiary will actually receive after you retire. You should not rely on it as if it were. The actual value of a stream of payments for any individual, and its comparison to the values of different payment forms, will vary depending on how long the individual and spouse or beneficiary in fact live and on their ages when payments start. This is not the only information you should take into account when choosing your payment form for retirement. Other factors you might want to take into account in deciding how much a particular payment option is worth to you personally, in comparison to the other forms in which your benefits can be paid, include your health, your other sources of retirement income, the resources available to your spouse or family after you die, availability of life insurance, etc. You may want to consult a financial advisor when you make this important decision.

The Plan provides pre-retirement death benefits. If you are married and die prior to receiving any payments from the Plan, your Account will be used to purchase a nontransferable annuity contract payable to your spouse for your spouse's life. After attaining age 32, you can elect to waive the pre-retirement survivor annuity for your spouse and elect a lump sum death benefit by filing a rejection of the pre-retirement survivor annuity, with your spouse's consent, with the Fund Office. However, until you attain age 35, the only beneficiary you can name is your spouse. Once you attain age 35, you can designate, with your spouse's consent, a beneficiary other than your spouse for the lump sum death benefit. If you are not married, the pre-retirement death benefit is a lump sum death benefit equal to the value of your Account and payable to your chosen beneficiary. The relative value of the pre-retirement lump sum death benefit is the same when compared to the relative value of the pre-retirement survivor annuity.

The Plan defines "spouse" as a person to whom you are lawfully married by virtue of applicable state law. Once a person has qualified as your spouse under the terms of the Plan, that person will cease to be your spouse on the effective date of any state or federal court judgment, decree or order that terminates or dissolves that spouse's marriage to you.

You may request an individualized estimate of the financial effect on you of any of the options discussed above by writing to the North Atlantic States Carpenters Annuity Fund, 10 Broadway, Hamden, Connecticut 06518.

NORTH ATLANTIC STATES CARPENTERS ANNUITY FUND

YOUR ROLLOVER OPTIONS
(Pre-January 1, 2018 RI Plan account)

You are receiving this notice because all or a portion of a payment you are receiving from the NORTH ATLANTIC STATES CARPENTERS ANNUITY 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, but not this Plan or the North Atlantic States Carpenters Pension Plan). If you ever receive a payment from a designated Roth account in another plan, you will be provided a different notice for that payment, and the plan administrator or the payor will tell you the amount that is being paid from each account.

Rules that apply to most payments from the 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 59 ½ and do not do a rollover, you will also have to pay a 10% additional income tax on early distributions (generally, distributions made before age 59 ½), 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 59 ½ (or if an exception applies).

What types of retirement accounts and plans may accept my rollover?

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. Generally, 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 59 ½ (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 72 (or after death);
- Corrective distributions of contributions that exceed tax law limitations; and
- Loans treated as deemed distributions (for example, loans in default due to missed or late payments before you had a distribution event under the Plan).

The Fund Office 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 59 ½, 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 applies to the part of the distribution that you must include in income and 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 retire from the carpentry trade in Connecticut or Rhode Island if you will be at least age 55 in the year you retire;
- Payments that start after you retire from the carpentry trade in Connecticut or Rhode Island 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 if you retire due to disability;
- Payments after your death;
- Corrective distributions of contributions that exceed tax law limitations;
- 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 (without regard to whether you itemize deductions for the taxable year);
- 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; and
- Payments for certain distributions relating to certain federally declared disasters.

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 59 ½, you will have to pay the 10% additional income tax on early distributions on the part of the distribution that you must include in income, 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 retirement (this is sometimes referred to as a "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 retired.
- 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. Under certain circumstances, you may claim eligibility for a waiver of the 60-day rollover deadline by making a written self-certification. Otherwise, to apply for a waiver from the IRS, 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 have an outstanding loan that is being offset

If you have an outstanding loan from the Plan which is in good standing, your Plan benefit may be offset by the outstanding amount of the loan, typically when you have a distribution event under Plan rules. The offset amount is treated as a distribution to you at the time of the offset. Generally, you may roll over all or any portion of the offset amount. Any offset amount that is not rolled over will be taxed (including the 10% additional tax on early distributions, unless an exception applies). You may roll over offset amounts to an IRA or an employer plan (if the terms of the employer plan permit the plan to receive plan loan offset rollovers).

How long you have to complete the rollover depends on what kind of plan loan offset you have. If you have a qualified plan loan offset, you will have until your tax return due date (including extensions) for the tax year during which the offset occurs to complete your rollover. A qualified plan loan offset occurs when a plan loan in good standing is offset because your employer plan terminates, or because you have a distribution event under the plan (e.g., you qualify for, and elect to receive, a distribution under the Plan). If your plan loan offset occurs for any other reason, then you have 60 days from the date the offset occurs to complete your rollover.

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

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 59 ½ (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 another employer's plan, and our Plan does not contain designated Roth accounts.

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 59 ½ 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 72.
>
> If you treat the IRA as an inherited IRA (which means an IRA you inherit as a beneficiary of a deceased participant), 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 72.

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 IRA which you establish for the purpose of receiving the rollover (and this IRA will be treated as 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 and the same tax treatment that 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). However, 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 on special rollover rights related to the U.S. Armed Forces, see IRS Publication 3, *Armed Forces' Tax Guide*. You also may have special rollover rights if you were affected by a federally declared disaster (or similar event), or if you received a distribution on account of a disaster. For more information on special rollover rights related to disaster relief, see the IRS website at www.irs.gov.

FOR MORE INFORMATION

You may wish to consult with 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, or by calling 1-800-TAX-FORM.