

# General Building Laborers' Local 66

## TRUST FUNDS

1600 WALT WHITMAN ROAD, P.O. BOX 667, MELVILLE, N.Y. 11747-0667

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Address Replies To:  
ALLEN MARMOR, Fund Manager



### TRUSTEES:

Vincent Alu, Co-Chairman  
John O'Hare, Co-Chairman  
Antonio Ferreira  
Thomas Hayes  
Michael Hellstrom  
Craig Noller  
Josh Slaughter  
Anthony Speziale



Dear Member:

Attached please find a complete hardship withdrawal application package for the withdrawal of monies from your General Building Laborers Local 66 Annuity Fund Profit-Sharing Account that is, amounts attributable to contributions made on your behalf on or after July 1, 2000. **Please be advised that you can only withdraw up to 50% of your balance for any hardship withdrawal, as stated in the Summary Plan Description.**

The amount distributed to you is subject to income taxes. Additionally, the distribution may also be subject to a 10% early withdrawal penalty if you are under age 59 1/2. You are encouraged to consult your tax professional so they may advise you on the applicable tax rules.

Please read the application carefully and make sure you fill out all of the required forms and sections to avoid any delay in the processing of the application. Your application will be returned to you if it is incomplete. Make sure your (and your spouse's) application is notarized, in all the required places, and all the necessary information is provided.

If you have any questions regarding the enclosed, please do not hesitate to contact the Annuity Department for further assistance.

Very truly yours,

Allen Marmor  
Fund Manager

# **Instructions**

1. Please read each question carefully and answer to the best of your ability.
2. Please print or type all information except where signatures are required.
4. You must sign and date this application and obtain notarized signatures where required.
5. **You must attach the following. Without these documents, we cannot process your application.**
  - a copy of your driver license or passport;
  - if you are married, a copy of your marriage certificate and your spouse's driver license or passport;
  - if you are divorced or legally separated, a copy of your final divorce/legal separation papers;
  - if the withdrawal relates to expenses incurred for a child, a copy of the child's birth certificate (or adoption papers) reflecting that you are the child's parent; and
  - supporting documentation evidencing the expense for which your hardship withdrawal is requested. The documentation that is required varies based on the type of hardship withdrawal you have requested. The information required for each type of hardship withdrawal is detailed in the section entitled "Required Documentation" near the end of this packet.
6. You must mail the completed application along with supporting documentation to the Fund Office at 1600 Walt Whitman Road, Melville, NY 11747 and the Fund Office must receive the completed application. You can also drop your application off at the Fund Office or scan and e-mail a completed application to: [dromaneck@l66funds.com](mailto:dromaneck@l66funds.com).

**IMPORTANT NOTE:** If you make a misrepresentation relating to your hardship withdrawal application or furnish fraudulent information or proof to the Fund Office, you will be prohibited from receiving a hardship withdrawal for a period of 5 years from the date of the misrepresentation or fraud (in the case of a failure to use withdrawn funds for the purchase of a principal residence) or the date of the Fund's discovery of the misrepresentation or fraud (in all other types of hardship withdrawal situations). Additionally, if you do not use a hardship withdrawal for its stated purpose, you will not be eligible to receive a future hardship withdrawal for that purpose.

**GENERAL BUILDING LABORERS' LOCAL 66 ANNUITY FUND**

**HARDSHIP WITHDRAWAL FORM**

**I. GENERAL INFORMATION:**

**Name:** \_\_\_\_\_

**Address:** \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

**SS#:** \_\_\_\_\_

**Date of Birth:** \_\_\_\_\_

**Phone Number:** \_\_\_\_\_

**Amount Requested:** \_\_\_\_\_

As a reminder, the maximum amount you may withdraw for a hardship purpose is the lesser of the amount of your expenses or 50% of the balance of your Profit-Sharing Account.

NOTE: You may obtain the dollar amount of your account that is available for a hardship withdrawal through [laborers66.com/benefits/annuity](http://laborers66.com/benefits/annuity)

**II. HARDSHIP REASON FOR WITHDRAWAL (check applicable reason):**

- ☐ **Medical or dental expenses** of at least \$1,000 for you, your spouse or dependent child that are incurred as a result of injury or sickness of such individuals in the two-year period immediately before the date of the hardship withdrawal request. Further, the only expenses covered are those you are obligated to pay and for which you have no right to reimbursement from any public or private plan or program, including, the General Building Laborers' Local 66 Welfare Fund.
- ☐ **Expenses for the payment of COBRA Continuation Coverage** for you, your spouse and/or dependent child(ren) under the General Building Laborers' Local 66 Welfare Fund.
- ☐ **Funeral expenses** incurred as a result of the death of your spouse, child, parents, sibling or in-law.
- ☐ **Down payment, contract, title and construction expenses** that are directly related to the purchase or construction of your home, cooperative or condominium apartment that will be used as your principal residence. This does not include making mortgage payments on your principal residence.
- ☐ **Education expenses** incurred in connection with the payment of tuition and/or room and board for post-secondary education (college or graduate school) for you, your spouse or dependent children, for the semester immediately preceding and/or the semester immediately following the date of the hardship withdrawal request.

## **GENERAL BUILDING LABORERS' LOCAL 66 ANNUITY FUND**

### **HARDSHIP WITHDRAWAL FORM**

- ☐ **Special education expenses** incurred in connection with tuition fees for your handicapped dependent child. Expenses related to fund-raising activities, book fees or enrollment fees are not eligible expenses.
- ☐ **Private education expenses** for tuition fees for private education for your dependent child. Expenses related to fund-raising activities, book fees or enrollment fees are not eligible expenses.
- ☐ **Payments to prevent the loss of the home, cooperative or condominium apartment** in which you principally reside because of (a) a foreclosure proceeding (or threatened foreclosure proceeding) brought against you or (b) a tax lien proceeding (or threatened tax lien proceeding) that is based on your failure to pay real estate taxes on that property.
- ☐ **Expenses to pay federal and state income taxes** you owe.
- ☐ **Expenses to prevent eviction from your principal residence** as a result of failure to pay rent for a period of up to six months.
- ☐ **Expenses incurred to obtain a new principal residence, renovate a principal residence or to replace necessary basic household furnishings** or belongings that have been destroyed due to a disaster that caused destruction to your principal residence, but only where the expenses cannot be satisfied from another source (such as insurance).
- ☐ **Attorney fees** incurred by (1) you or your dependents as a result of a criminal act; (2) you as a result of your personal bankruptcy filing; or (3) you as a result of divorce or child support proceedings in which you are a named party.
- ☐ **Expenses incurred in order to renovate your principal residence to make it handicap accessible** for you or a family member.
- ☐ **Delinquent child support** incurred by you pursuant to a domestic relations order, a judgment of divorce or a stipulation of settlement.

### **III. REQUIRED DOCUMENTATION:**

You must attach supporting documentation to your application, including documentation evidencing the expense for which this withdrawal is requested. The documentation that is required varies based on the type of hardship withdrawal you have requested. The information required for each type of hardship withdrawal is detailed in the section entitled "Required Documentation" near the end of this packet.

**GENERAL BUILDING LABORERS' LOCAL 66 ANNUITY FUND**

**HARDSHIP WITHDRAWAL FORM**

**IV. TAX WITHHOLDING**

Please indicate below your withholding instructions. You may elect to have 20% withheld or no taxes withheld.

Your hardship withdrawal will be subject to applicable federal and state income taxes. Additionally, the distribution may also be subject to a 10% early withdrawal penalty if you are under age 59½. The less tax that is withheld during the year, the more likely you are to end up paying at tax time. To avoid a large tax bill at the end of the year, you should elect to have 20% withheld from your hardship distribution.

If you elect to have no amount withheld, you may be responsible for payment of estimated tax. You should consider discussing this election with your tax advisor.

☐ Yes, withhold 20% for federal  
and state income taxes.

☐ No, do not withhold for  
federal and state income taxes.

**V. CERTIFICATION**

I hereby apply for a hardship withdrawal in the amount of \$\_\_\_\_\_ in accordance with the rules and regulations of the General Building Laborers' Local 66 Annuity Fund and certify that this withdrawal:

- (1) shall be used only for the purpose checked above;
- (2) will help meet an immediate and heavy financial need that cannot be satisfied through other sources; and
- (3) is not more than the amount required to satisfy the amount of the financial need, as shown with required documentation.

I understand that, under the rules of the Fund, interest and earnings for a calendar year are credited only on the amount in my Individual Account at the end of the Plan year (June 30). Accordingly, the money withdrawn pursuant to my request for a hardship withdrawal, will not be credited with interest or earnings accrued during the Plan year of the withdrawal.

I hereby swear that all statements in this application, and all other information I have provided to the Fund, are true and complete.

Participant's Signature \_\_\_\_\_ Date: \_\_\_\_\_

Sworn to before me this \_\_\_\_ day of \_\_\_\_\_, 20\_\_.

\_\_\_\_\_  
**NOTARY PUBLIC**

**GENERAL BUILDING LABORERS' LOCAL 66 ANNUITY FUND**

**HARDSHIP WITHDRAWAL FORM**

**YOU AND YOUR SPOUSE MUST COMPLETE THIS PAGE IF YOU ARE MARRIED**

**Note:** This waiver applies only to the amount withdrawn pursuant to this hardship withdrawal application. For example, if your account has \$100,000 and you are applying for a hardship withdrawal of \$20,000, you and your spouse are only waving the right to a Joint and Survivor Annuity form of benefit with respect to the \$20,000 being withdrawn. This waiver has no impact on the remaining funds that are in your account.

**WAIVER OF JOINT AND SURVIVOR ANNUITY**

I have received an explanation of the Joint and Survivor Annuity form of benefit offered under the Fund, and all information I have requested describing the financial effect on me and on my spouse of my election not to receive benefits in that form. I have read and understood all explanations and information given me, and I have received sufficient information to permit me to make my election.

**I HEREBY ELECT NOT TO RECEIVE MY BENEFITS (TO THE EXTENT OF THE AMOUNT WITHDRAWN) UNDER THE FUND IN THE FORM OF A JOINT AND SURVIVOR ANNUITY.** I understand that I may revoke this election at any time before the date on which benefits are paid to me under the Fund.

**My spouse has consented**, in writing, by completing below, to my election not to receive the Joint and Survivor Annuity for this hardship withdrawal form of benefit and such consent has been witnessed by a notary public.

**Participant's Signature** \_\_\_\_\_ **Date** \_\_\_\_\_

**Print Name** \_\_\_\_\_

**SPOUSAL CONSENT**

I, \_\_\_\_\_, the lawful spouse of \_\_\_\_\_ hereby consent to the election by the Participant not to receive the Joint and Survivor Annuity form of benefit offered by the General Building Laborers Local 66 Annuity Fund for this hardship withdrawal. As a result the Participant's waiver (and my consent to it), however, I will not receive benefits otherwise payable to me (to the extent of the amount withdrawn) as a result of his/her death. I have been provided with all information that I may have requested as to the economic effect of my consent and waiver as provided in this instrument. I understand fully the consequences of this action and the loss of benefits that I may experience if I survive the Participant.

I have participated in the Participant's decision not to receive the Joint and Survivor Annuity form of benefit for this hardship withdrawal, and my action as set forth herein is voluntary and freely taken on my part.

**Spouse's Signature** \_\_\_\_\_ **SS#** \_\_\_\_\_

**Print Spouse's Name** \_\_\_\_\_ **Date** \_\_\_\_\_

On the \_\_\_\_ day of \_\_\_\_\_, 20 \_\_, before me personally came \_\_\_\_\_ to me known to be the person whose name is first inscribed above and who executed the foregoing consent, and acknowledged that (s)he executed the same of his/her own volition.

\_\_\_\_\_  
**NOTARY PUBLIC**

**GENERAL BUILDING LABORERS' LOCAL 66 ANNUITY FUND**

**HARDSHIP WITHDRAWAL FORM**

**YOU MUST COMPLETE THIS PAGE IF YOU ARE SINGLE**

**Attestation of Marital Status**

I hereby attest that I am a single participant and have no spouse.

**Signature** \_\_\_\_\_ **Date** \_\_\_\_\_

**Sworn to before me this** \_\_\_\_\_ **day of** \_\_\_\_\_ **20** \_\_\_\_\_

\_\_\_\_\_  
**NOTARY PUBLIC**

## **Required Documentation**

Depending on the type of Hardship Withdrawal requested, the following additional documentation must be submitted to the Fund Office along with the Application:

- **Medical/Dental Expenses** (This type of withdrawal is only permitted once every twelve months, provided, however, that if you are suffering from a critical illness and have not worked in Covered Employment for the three-month period preceding your hardship withdrawal application, you may receive this type of withdrawal as such medical costs are incurred.)
  - *Original* medical/dental bills and correspondence from the medical/dental provider(s) indicating the amount due and the Participant's responsibility for such expenses; and
  - Correspondence from all sources of insurance coverage detailing amounts covered by such insurance.
- **General Building Laborers' Local 66 Welfare Fund COBRA Coverage** (This type of withdrawal is permitted no more often than twice every twelve months.)
  - Eligibility for this type of hardship withdrawal will be determined in coordination with the General Building Laborers' Local 66 Welfare Fund.
- **Funeral Expenses** (This type of withdrawal is only permitted once every twelve months.)
  - An *original* death certificate and appropriate proof of relationship (i.e., marriage or birth certificate); and
  - An itemized bill from the funeral home *bearing the Participant's name*.

*Note: Checks issued by the Fund for this type of withdrawal will be made payable to the funeral home unless an official paid bill/invoice is submitted to the Fund Office along with the Application and other documentation.*
- **Purchase/Construction Expenses of Principal Residence** (This type of withdrawal is only permitted once every thirty-six months.)
  - A copy of the fully-executed contract of sale or binder agreement (or, in the case of a cooperative, the subscription agreement); and
  - Documentation substantiating the amount of the requested withdrawal, as determined by the Fund.

*In addition to the above, if the Participant is purchasing the home (as opposed to having a home built), he/she must submit:*

- An original letter from his/her attorney (in the form provided by the Fund Office) stating that:
  - the Participant is represented by such attorney, and
  - the Participant is purchasing the residence as his/her *principal* residence and will have legal ownership of the residence as of a specified closing date.

*Note: Checks issued by the Fund for this type of withdrawal will be made payable to the escrow account of the Participant's attorney. If for any reason the purchase and closing of the subject home does not take place, the Participant's attorney must return all withdrawn funds (from his/her Local*



## **Required Documentation (continued)**

*66 Annuity Fund profit-sharing account) to the Fund Office within 90 days of the scheduled closing date.*

*In addition to the above, if the Participant is **having his home built**, he/she must submit:*

- A copy of the deed to the property where the home will be built; and
- Documentation substantiating the amount of the requested withdrawal, as determined by the Fund. The supporting documentation may include (without limitation) approved architectural plans, building permits, contracts for work being performed by third parties (construction, plumbing, electrical, etc.), receipt for foundation and bills for necessary materials.

*In addition to the above, if the Participant is **buying a mobile home**, he/she must submit:*

- A copy of the fully-executed contract of sale;
- A notarized affidavit stating that the mobile home will be kept stationary; and
- A copy of the deed to the land where he/she intends to park the mobile home or, if leased, a copy of the lease agreement with the trailer park where he/she intends to park it.

***Important Note Regarding Purchase in Spouse's Name:*** If the Participant is buying a home, condominium or cooperative, and the contract is in his/her spouse's name, the Participant must submit a notarized affidavit stating that the home will be owned in the spouse's name for personal reasons, and that the Participant intends to occupy the home as his/her **principal** residence. In addition, the Participant must submit a copy of his/her marriage certificate.

***Additional Documentation Required in the Event of Prior Purchase:*** If a Participant has previously received a Hardship Withdrawal from the Fund in order to purchase a principal residence, then, in order to receive a subsequent withdrawal for this purpose, the Participant must also submit to the Fund Office documentation verifying that (i) the prior purchase occurred, and (ii) the Participant was/is the owner (e.g., a copy of the deed or property tax statement or, in the case of a cooperative, a copy of the certificate of shares). In addition, the Participant's address of record on file with the Fund must have been changed to the address of the Participant's new principal residence (related to the prior withdrawal) within a reasonable time of that purchase.

- **Post-Secondary Educational Expenses** (This type of withdrawal is only permitted once every semester.)

- A copy of the student's tuition bill (issued by the school or self-generated by the Participant or student on his/her computer) showing the school name and address, the student's name, the number of classes or courses taken and the charges for tuition, room and board (including any financial aid anticipated or received). If the student is living off-campus, the Participant must submit a copy of the lease agreement indicating the duration of the lease and the monthly rental fee. The cost of a qualified meal plan with the educational institution may be included as part of the Hardship Withdrawal Application, provided that satisfactory proof is submitted, as determined by the Fund.

***Note:*** Checks issued by the Fund for this type of withdrawal will be made payable to the educational institution unless an official paid bill/invoice is submitted to the Fund Office along with the Application.

- **Special or Private Educational Expenses** (This type of withdrawal is only permitted once every semester.)

## Required Documentation (continued)

- A copy of the student's tuition bill (issued by the school or self-generated by the Participant or student on his/her computer) showing the school name and address, the student's name, the grade level, the charges of the tuition (including any financial aid anticipated or received) and room and board charges (if applicable)

*Note: Checks issued by the Fund for these types of withdrawals will be made payable to the educational institution unless an official paid bill/invoice is submitted to the Fund Office along with the Application.*

- **Foreclosure/Tax Lien** (This type of withdrawal is only permitted once every twelve months, provided, however, that if you are suffering from a critical illness and have not worked in Covered Employment for the three-month period preceding your hardship withdrawal application, you may receive this type of withdrawal once every three months.)
  - To Avoid Foreclosure: The Participant must submit to the Fund Office the actual foreclosure document or a letter from the lending institution threatening foreclosure proceedings if the delinquent mortgage payments are not made (for example, a Notice of Default, Demand Letter or Notice to Accelerate).
  - To Avoid Tax Lien: A letter from the tax collector indicating the amount of property taxes owed and stating that a failure to pay such taxes will result in a lien on the property.

### *Important Notes:*

1. *If less than three (3) mortgage payments have been made since the Participant's last Hardship Withdrawal to avoid foreclosure, this type of withdrawal will not be permitted. In addition, if no property tax payments have been made since the Participant's last Hardship Withdrawal to avoid a tax lien, this type of withdrawal will not be permitted.*
  2. *Checks issued by the Fund for this type of withdrawal will be made payable to the party initiating the action, on behalf of the Participant.*
- **Eviction** (This type of withdrawal is only permitted once every twelve months, provided, however, that if you are suffering from a critical illness and have not worked in Covered Employment for the three-month period preceding your hardship withdrawal application, you may receive this type of withdrawal once every six months.)
    - To Avoid Eviction: The Participant must submit to the Fund Office either A, B, C or D, below:
      - A. An *original* Notice of Petition (Non-Payment), which has been signed by the clerk of the court and reflects the case's index number, and a letter from the landlord or the landlord's attorney verifying that the proceedings are currently in progress; OR
      - B. An *original* Notice of Eviction issued by a Marshal or Sheriff (including the case's index number) within the last six (6) days; OR
      - C. An *original* Judgment of Eviction issued by a court and a letter from the landlord or the landlord's attorney verifying that the proceedings are currently in progress; OR
      - D. (i) a notarized letter from the landlord stating that the Participant is currently facing eviction from his principal residence and the amount and dates of delinquent rent (or similar) payments, (ii) the Participant's last three (3) cancelled checks or money order receipts for the full rental (or similar) payment (timely paid in or before the month for which they were due), and (iii) a copy of the Participant's executed lease agreement (or other satisfactory documentation as determined by the Fund). **The Participant must submit either (i) original cancelled checks, (ii) bank statements showing copies of cancelled checks, or (iii) original money order receipts, which will be copied by the Fund Office and returned to the**

## **Required Documentation (continued)**

**Participant.** The Fund does not accept *cash receipts* as proof of payment of rent or similar charges, unless the Fund receives a notarized affidavit from the landlord confirming cash payments.

***Important Notes:***

- 1. If less than three (3) monthly rent (or similar) payments have been timely paid since the Participant's last Hardship Withdrawal to avoid eviction, this type of withdrawal will not be permitted.***
- 2. Checks issued by the Fund for this type of withdrawal will be made payable to the landlord (or homeowners' association) on behalf of the Participant.***

- To Obtain a New Principal Residence Due to Eviction: The Participant must submit to the Fund Office all of the following:
  - The *original* Notice of Eviction issued by a Marshal or Sheriff (including the case's index number);
  - A copy of the executed lease agreement for the new residence; and
  - A notarized letter from the landlord stating the amount needed to secure the new residence (or other satisfactory documentation as determined by the Fund). *The amount of the withdrawal permitted by the Fund will be limited to the first month's rent plus an amount for a security deposit not to exceed two months of rent.*

***Note: Checks issued by the Fund for this type of withdrawal will be made payable to the landlord on behalf of the Participant.***

- **Destruction of Principal Residence due to Fire, Earthquake, Hurricane and Similar "Acts of God"** (This type of withdrawal is only permitted once every thirty-six months.)
  - A copy of the lease agreement (or ownership document) in effect prior to the destruction;
  - A notarized letter from the Participant's landlord verifying the destruction caused to the residence, furnishings and/or belongings, if applicable;
  - A copy of the Fire or Police Department's report clearly setting forth the address where the disaster occurred, the date on which it occurred and the nature/extent of the damages caused to the residence, furnishings and/or belongings;
  - A copy of any fire, property, casualty, homeowners' or other insurance policy covering the residence and property, as well as copies of any correspondence from the insurance company regarding coverage for the damages/loss; and
  - In cases where the Participant is obtaining a new residence, a letter or lease from the new landlord specifying the amount required to obtain the new residence (e.g., first month's rent and security deposit).
  - For expenses related to renovations or the replacement of necessary, basic household furnishings/belongings, the Participant must also submit (in addition to the above): Bills or estimates from vendors, which reflect the cost of renovating and/or replacing necessary basic household furnishings/belongings (e.g., beds, sofa, clothing).
- **Delinquent Income Taxes** (This type of withdrawal is only permitted once every thirty-six months.)
  - An official written notification from the Internal Revenue Service (IRS) or the applicable state tax authority requesting payment for the delinquent taxes owed, which must state the delinquent amount due, the Participant's name and the Participant's social security number. *The check will be payable to the Internal Revenue Service or applicable state tax authority.*
- **Attorneys' Fees** (This type of withdrawal is only permitted once every thirty-six months.)

## **Required Documentation (continued)**

- Documentation establishing the criminal case, bankruptcy filing, divorce proceeding, or child support proceeding, as applicable; and
- An invoice from the attorney.
- **Handicap Accessibility** (This type of withdrawal is only permitted once every thirty-six months.)
  - Documentation substantiating the amount of the requested withdrawal and the specific renovations. The supporting documentation may include (without limitation) approved architectural plans, building permits, contracts for work being performed by third parties (construction, plumbing, electrical, etc.), and bills for necessary work and materials; and
  - A notarized affidavit of the Participant stating that the renovations are required in order to make his/her *principal* residence handicapped accessible for him/herself or a family member.
- **Delinquent Child Support Payments** (This type of withdrawal is only permitted once during your lifetime.)
  - A copy of the court invoice, past-due payment statement or demand letter issued by a federal, state or local governmental institution listing the amount of accumulated child support which is owed by the Participant. *Checks issued by the Fund for this type of withdrawal will be made payable directly to the institution that has demanded such payment.*

## **JOINT AND SURVIVOR ANNUITY NOTICE (MARRIED PARTICIPANTS)**

As a married Participant in the General Building Laborers' Local 66 Annuity Fund, you have accumulated benefits that will be paid to you under the provisions of the Plan. This notice will explain to you the joint and survivor annuity, which is the form in which your benefits will be paid unless you elect a different form of benefit, and your spouse consents to such election.

A joint and survivor annuity form of payment provides you with monthly payments for your life and, upon your death, a monthly payment during your spouse's life equal to 50% of the monthly payment you received prior to your death. Because your spouse will receive a 50% survivor payment, the relative financial effect of a joint and survivor annuity is to reduce the monthly payments you would otherwise have received had payments been made to you as a single life annuity.

Under the joint and survivor annuity the amount of the monthly benefit payments payable to you and your spouse will be the amount that can be purchased from an insurance company with the amount in your Individual Account at the time payment is due.

You may elect in writing not to receive your benefits in the form of a joint and survivor annuity. You must make this election during the 180-day period before your benefits are due to be paid. However, your spouse must consent in writing before a Plan representative or notary public to your election. You may also revoke this election before your benefits begin.

In the event you elect to waive the joint and survivor annuity form of payment, and your spouse has consented to such waiver, your benefits will be distributed in an alternative method. These alternative methods are:

1. a lump-sum.
2. 75% Joint and Survivor Annuity.
3. a Single Life Annuity with a five-year guarantee.

It is important that you understand your rights and obligations regarding this joint and survivor annuity form of payment and any alternative form of payment. You should direct any questions to the Fund Office.

The foregoing notice is intended only as a summary of certain provisions of the Plan. In all cases where this notice may be interpreted to conflict with the Plan, the provisions of the Plan will control.

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

You are receiving this notice because all or a portion of a payment you are receiving from the General Building Laborers Local 66 Annuity Fund (the "Plan") is eligible to roll over to an individual retirement account ("IRA") or a employer plan. This notice is intended to help you decide whether to do such a rollover.

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

### **GENERAL INFORMATION ABOUT ROLLOVERS**

#### **How can a rollover affect my taxes?**

You will be taxed on a payment from the Plan if you do not roll it over. If you are under age 59½ and do not do a rollover, you will also have to pay a 10% additional income tax on early distributions (generally, distributions made before age 59½), 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 to the 10% additional income tax 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, IRAs are not subject to spousal consent rules, 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 (up to the amount of cash and property received other than employer stock). This means that, in order to roll

over the entire payment in a 60-day rollover, you must use other funds to make up for the 20% withheld. If you do not roll over the entire amount of the payment, the portion not rolled over will be taxed and will be subject to the 10% additional income tax on early distributions if you are under age 59½ (unless an exception applies).

### **How much may I roll over?**

If you wish to do a rollover you may roll over all or part of the amount eligible for rollover. Any payment from the Plan is eligible for rollover, except:

- Certain payments spread over a period of at least 10 years or over your life or life expectancy (or the joint lives or joint life expectancies of you and your beneficiary);
- Required minimum distributions after age 70½ (if you were born before July 1, 1949), after age 72 (if you were born after June 30, 1949, but before January 1, 1951), age 73 (if you were born after December 31, 1950), or after death;
- Hardship distributions;
- Corrective distributions of contributions that exceed tax law limitations;
- Loans treated as deemed distributions (for example, loans in default due to missed payments before your employment ends);
- Cost of life insurance paid by the Plan;
- Distributions of certain premiums for health and accident insurance.

The Plan Administrator or 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 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 separate from service if you will be at least age 55 in the year of the separation (or age 50 for qualified public safety employees);
- Payments that start after you separate from service if paid at least annually in equal or close to equal amounts over your life or life expectancy (or the joint lives or joint life expectancies of you and your beneficiary);
- Payments made due to disability;
- Payments after your death;
- Corrective distributions of contributions that exceed tax law limitations;
- Cost of life insurance paid by the Plan;
- Payments made directly to the government to satisfy a federal tax levy;

- Payments made under a qualified domestic relations order (“QDRO”);
- Payments of up to \$5,000 made to you from a defined contribution plan if the payment is a qualified birth or adoption distribution;
- 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;
- Payments excepted from the additional income tax by federal legislation relating to certain emergencies and disasters; and
- Phased retirement payments made to federal employees.

**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 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:

- The exception for payments made after you separate from service if you will be at least age 55 in the year of the separation (or age 50 for qualified public safety employees) does not apply;
- The exception for 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); and
- The exception for payments made at least annually in equal or close to equal amounts over a specified period applies without regard to whether you have had a separation from service.

Additional exceptions apply for payments from an IRA, including:

- Payments to qualified higher education expenses;
- Payments up to \$10,000 used in a qualified first-time home purchase; and
- 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 address any State or local income tax rules (including withholding rules).



## **SPECIAL RULES AND OPTIONS**

### **If your payment includes after-tax contributions**

After-tax contributions included in a payment are not taxed. If you receive a partial payment of your total benefit, an allocable portion of your after-tax contributions is included in the payment, so you cannot take a payment of only after-tax contributions. However, if you have pre-1987 after-tax contributions maintained in a separate account, a special rule may apply to determine whether the after-tax contributions are included in the payment. In addition, special rules apply when you do a rollover, as described below.

You may roll over to an IRA a payment that includes after-tax contributions through either a direct rollover or a 60-day rollover. You must keep track of the aggregate amount of the after-tax contributions in all of your IRAs (in order to determine your taxable income for later payments from the IRAs). If you do a direct rollover of only a portion of the amount paid from the Plan and at the same time the rest is paid to you, the portion rolled over consists first of the amount that would be taxable if not rolled over. For example, assume you are receiving a distribution of \$12,000, of which \$2,000 is after-tax contributions. In this case, if you directly roll over \$10,000 to an IRA that is not a Roth IRA, no amount is taxable because the \$2,000 amount not rolled over is treated as being after-tax contributions. If you do a direct rollover of the entire amount paid from the Plan to two or more destinations at the same time, you can choose which destination receives the after-tax contributions.

Similarly, if you do a 60-day rollover to an IRA of only a portion of a payment made to you, the portion rolled over consists first of the amount that would be taxable if not rolled over. For example, assume you are receiving a distribution of \$12,000, of which \$2,000 is after-tax contributions, and no part of the distribution is directly rolled over. In this case, if you roll over \$10,000 to an IRA that is not a Roth IRA in a 60-day rollover, no amount is taxable because the \$2,000 amount not rolled over is treated as being after-tax contributions.

You may roll over to an employer plan all of a payment that includes after-tax contributions, but only through a direct rollover (and only if the receiving plan separately accounts for after-tax contributions and is not a governmental section 457(b) plan). You can do a 60-day rollover to an employer plan of part of a payment that includes after-tax contributions, but only up to the amount of the payment that would be taxable if not rolled over.

### **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, your Plan benefit may be offset by the outstanding amount of the loan, typically when your employment ends. 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 income 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 sever from employment. If your plan loan offset occurs for any other reason (such as a failure to make level loan repayments that results in a deemed distribution), then you have 60 days from the date the offset occurs to complete your rollover.

### **If you 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. In general, the 10% additional income tax on early distributions will not apply. However, if you take the amount rolled over out of the Roth IRA within the 5-year period that begins on January 1 of the year of the rollover, the 10% additional income tax will apply (unless an exception applies).

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 generally will be taxed in the same manner described elsewhere in this notice. However, the 10% additional income tax on early distributions and the special rules for public safety officers do not apply, and the special rule described under the section "If you were born on or before January 1, 1936" applies only if the deceased 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 were born before July 1, 1949), age 72 (if you were born after June 30, 1949), or age 73 (if you were born after December 31, 1950).

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 the participant was born before July 1, 1949), age 72 (if the participant was born after June 30, 1949), or age 73 (if you were born after December 31, 1950).

- 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 QDRO. If you are the spouse or former spouse of the participant who receives a payment from the Plan under a 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 do 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 federal income taxes. However, you may do a 60-day rollover.

Unless you elect otherwise, a mandatory cashout of more than \$1,000 (not including payments from a designated Roth account in the Plan) will be directly rolled over to an IRA chosen by the Plan administrator or the payor. A mandatory cashout is a payment from a plan to a participant made before age 62 (or normal retirement age, if later) and without consent, where the participant's benefit does not exceed \$5,000 (not including any amounts held under the plan as a result of a prior rollover made to the plan).

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](http://www.irs.gov).

**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.