Heating, Piping and Refrigeration Pension Fund

Physical Address: 8700 Ashwood Dr., Suite 150, Capitol Heights, MD 20743

Phone: (410) 444-3756 or (800) 618-2879 • Fax: (240) 303-2484 • Website: HPRBenefitFunds.com

Administered by
Welfare & Pension Administration Service, Inc.

APPLICATION FOR PRE-RETIREMENT PENSION DEATH BENEFITS

In accordance with the rules of the Plan, you as the surviving spouse of _______________________________, a vested participant under the Heating, Piping & Refrigeration Pension Fund are eligible for Surviving Spouse Pension benefits as a result of their death.

The Plan offers you the choice of two ways as described below in which you may collect the pension benefit.

Option 1- is the Pre-Retirement Surviving Spouse Annuity. Under this Option, a monthly annuity payment would be paid to you beginning _________________________ (first of the month following their normal retirement age). The monthly payments would be paid to you for your lifetime and the amount that you will be paid is based on the Benefits your spouse had accrued during their years of Service under the Plan and the difference in your age and that of your spouse. We have determined your monthly survivor's benefit to be $_____________________ using _________________ as your spouse's birth date and _________________________ as your date of birth. If either of these dates is incorrect, please advise us immediately, a correction may affect the benefit amount payable to you.

Option 2- In lieu of the Pre-retirement Surviving Spouse Monthly Annuity payments offered in Option 1, you may elect to receive a one-time Lump Sum payment of the Actuarial Present Value of the Pre-Retirement Surviving Spouse Pension in Option 1.

Under the terms of the Plan, you are entitled to the greater of the Actuarial Present Value or the total of all contributions made to the Pension Fund on your spouse's behalf. The total contributions deposited on your spouse's behalf was $___________________________ which is more than Actuarial Present Value of $____________________________, therefore, the Lump Sum value of your Pre-Retirement Surviving Spouse Benefit is $_______________________________.

Please complete the enclosed ***Application for Pre-Retirement Surviving Spouse Benefits*** and return it to us along with ***a copy of your social security card*** in the enclosed pre-addressed envelope. If you elect to receive a lump sum, you will also need to complete the enclosed Election for Eligible Rollover Distribution.

Also enclosed is a ***Notice of Your Rollover Options*** which we recommend you read as well as talking to a financial planner prior to making your decision on the taxation of these benefits.

feel free to contact the Pension Department at the Fund Office if you should have any questions.

SURVIVING SPOUSE PERSONAL DATA:

Name: ____

Street Address: ____

City, State, Zip Code: ____

Social Security Number: ______________________ Date of Birth: ______________________

Home Number: ______________________ Cell Number: ______________________

Email Address: ____

I am the Surviving Spouse of____
Member's name & Social Security Number

I WANT MY PAYMENTS TO BEGIN ON THE FIRST DAY OF ________________, ____________
Month Year

I understand that as the spouse of a deceased vested participant, I am entitled to the Surviving Spouse Pre-retirement Benefits payable on my spouse's behalf. I further understand that I may select the way in which the Pre-Retirement Benefits will be paid to me by selecting one of the Payment Options offered herein.

***** Please make your election by signing and dating under either Option 1 or Option 2*****

- **OPTION 1.**

Surviving Spouse Monthly Benefit Payments. I have been advised by the Heating, Piping & Refrigeration Pension Fund that monthly retirement benefit payments in the approximate amount of $_______________ will commence to me effective ______________________and that these monthly payments will continue to me for my lifetime.

I understand that these monthly payments represent the full Surviving spouse benefit to which I am entitled under the Heating, Piping & Refrigeration Pension Fund and that by signing the line below ***I am electing monthly payments*** and waiving my right to any Surviving Spouse Pre-retirement Benefits offered under other Payment Options by the Pension Fund.

____ ______________________

Signature **Date**

- **OPTION 2.**

Lump-Sum Payment of Actuarial Equivalent. **I have been advised by the Heating Piping & Refrigeration Pension Fund that I may receive a Lump-Sum Payment in the amount of $______________________________ representing the total value of my late spouse's Pension Benefits.**

I understand that the one-time Lump-Sum Option is instead of receiving monthly payments, and I am waiving my right to any other Surviving Spouse Pre-retirement Benefits offered under the Heating, Piping & Refrigeration Pension Fund. By signing the line below, *I am electing the one-time lump sum payment* **Option offered by the Pension Fund.**

____ ______________________________

Spouse Signature **Date**

Please be sure to read the enclosed material 'Notice of Your Rollover Options' concerning the Taxation of your benefit election.

I HEREBY APPLY FOR A PENSION AS A SURVIVING SPOUSE OF A MEMBER FROM THE HEATING, PIPING AND REFRIGERATION PENSION FUND. I HAVE MADE MY ELECTION OF EITHER OPTION 1 OR OPTION 2. I UNDERSTAND THAT A FALSE STATEMENT MAY DISQUALIFY ME FOR PENSION BENEFITS AND THAT THE TRUSTEES SHALL HAVE THE RIGHT TO RECOVER ANY PAYMENT MADE TO ME BECAUSE OF A FALSE STATEMENT.

DO NOT SIGN UNTIL YOU ARE IN FRONT OF A NOTARY PUBLIC OR A FUND REPRESENTATIVE

____ _________________________________

Signature of Surviving Spouse Date

WITNESS: (NOTARY PUBLIC OR FUND REPRESENTATIVE)

On the _________ day of ________________________________, 20_________, before me came ___________

____, known to me (or satisfactorily proven) to be the person described herein and who executed the foregoing statement and they duly acknowledged to me that they executed the same.

____ _______________________________

Signature (Notary Public or Fund Representative) Notary Commission Expiration Date

Affix Notary Seal: **(for electronic scanning purposes this must be an ink stamp, not a pressed/raised seal)**

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NOTICE OF WITHHOLDING OF FEDERAL AND STATE INCOME TAXES

➢ ***For a Surviving Spouse who elects Option 1***

Under the Tax Equity and Fiscal Responsibility Act of 1982, pension payments are subject to withholding of Federal Income Tax.

Instructions to you:

1. If you do not want Federal and/or State income tax withheld from your monthly check, mark the "NO" box. Sign, date, and return this form.
2. If you want Federal and/or State income tax withheld from your monthly check, mark the appropriate "YES" box and tell us what to withhold. Sign, date, and return this form.

I understand this election will stay in effect until I change it. I authorize the Board of Trustees to follow my directions as set out above.

FEDERAL INCOME TAX

☐ **No. Do not withhold any Federal Income Tax from my checks.**

☐ **Yes. Withhold Federal Income Tax as follows:**

I am (check one) (☐) single or (☐) married, and I claim _______________ exemptions.
Enter #

$_______________ enter flat amount OR % ______________ you want withheld per month.
Amount Percentage

IF YOU DO NOT RETURN THIS NOTICE, THE LAW REQUIRES US TO WITHHOLD AS SINGLE WITH 0 EXEMPTIONS FOR FEDERAL INCOME TAX.

STATE INCOME TAX

☐ **No. Do not withhold any State Income Tax from my checks.**

☐ **Yes. Withhold State Income Tax** – ***for the following State (Pick one only)***
The Pension Fund will NOT withhold State income tax if you reside in a State not listed below:

☐ **California*** ☐ **Delaware*** ☐ **Maryland** ☐ **North Carolina*** ☐ **Virginia*** ☐ **Washington, DC**

I am (check one) (☐) single or (☐) married, and I claim ___________________ exemptions
Enter #

$_______________ (enter flat amount you want withheld per month)

****If you live in one of these states and have Federal Taxes deducted, we must also deduct State Taxes, unless you specifically elect $0 withholding for your state of residence***

Penalties may be incurred under the estimated Tax Payment Rules if the payments of estimated tax are not adequate, and sufficient tax is not withheld from payments made to you.

____________________________	____________________________
Print Your Name	Social Security Number
____________________________	____________________________
Signature	Date

If you have any questions, call your Retirement Service Representative at the Administration Office listed above.

STEAMFITTERS LOCAL 602 RETIREMENT SAVINGS PLAN
NOTICE OF YOUR ROLLOVER OPTIONS

You are receiving this notice because all or a portion of a payment you are receiving from the Steamfitters Local 602 Retirement Savings Plan (the "Plan") is otherwise eligible to be rolled over to an IRA or an employer plan. This notice is intended to help you decide whether to make such a rollover. This notice describes the rollover rules that apply to payments from a plan that are not from a designated Roth account (a type of account with special tax rules in some employer plans).

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

GENERAL INFORMATION ABOUT ROLLOVERS

How can a rollover affect my taxes?

You will be taxed on a payment from the Plan if you do not roll it over. If you are under the age of 59½ and do not do a rollover, you will also have to pay a 10% additional income tax on early distributions (unless an exception applies). However, if you do a rollover, you will not have to pay tax until you receive payments later and the 10% additional income tax will not apply if those payments are made after you are age 59½ (or if an exception applies).

Where may I roll over the payment?

You may roll over the payment to either an IRA (an individual retirement account or individual retirement annuity) or an employer plan (a tax-qualified plan, section 403(b) plan, or governmental section 457(b) plan) that will accept the rollover. The rules of the IRA or employer plan that holds the rollover will determine your investment options, fees, and rights to payment from the IRA or employer plan (for example, no spousal consent rules apply to IRAs and IRAs may not provide loans). Further, the amount rolled over will become subject to the tax rules that apply to the IRA or employer plan.

How do I make a rollover?

There are two ways to make a rollover. You can do either a direct rollover or a 60-day rollover. If you do a direct rollover, the Plan will make the payment directly to your IRA or an employer plan. You should contact the IRA sponsor or the administrator of the employer plan for information on how to do a direct rollover.

If you do not do a direct rollover, you may still do a rollover by making a deposit into an IRA or eligible employer plan that will accept it. You will have 60 days after you receive the payment to make the deposit. If you do not do a direct rollover, the Plan is required to withhold 20% of the payment for federal income taxes. This means that, in order to roll over the entire payment in a 60-day rollover, you must use other funds to make up for the 20% withheld. If you do not roll over the entire amount of the payment, the portion not rolled over will be taxed and will be subject to the 10% additional income tax on early distributions if you are under the age of 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 lives or joint life expectancy of you and your beneficiary);
- Required minimum distributions after age 70½ (or after death);
- Hardship distributions; or
- Corrective distributions of contributions that exceed tax law limitations.

The Plan Administrator can tell you what portion of a payment is eligible for rollover.

If I do not do a rollover, will I have to pay the 10% additional income tax on early distributions?

If you are under the age of 59½, you will have to pay the 10% additional income tax on early distributions for any payment from the Plan (including amounts withheld for income tax) that you do not roll over, unless one of the exceptions listed below applies. This tax is in addition to the regular income tax on the payment not rolled over.

The 10% additional income tax does not apply to the following payments from the Plan:

- Payments made after you separate from service, if you will be at least age 55 in the year of separation;
- 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 lives or joint life expectancy of you and your beneficiary);
- Payments made 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 up to the amount of your deductible medical expenses; or
- Payments made under a qualified domestic relations order (QDRO)

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 the age of 59½, you will have to pay the 10% additional income tax on early distributions from the IRA, unless an exception applies. In general, the exceptions to the 10% additional income tax for early distributions from an IRA are the same as the exceptions listed above for early distributions from a plan. However, there are a few differences for payments from an IRA, including:

- There is no exception for payments after separation from service that are made after 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 had a separation from service.
- 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 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 your payment includes after-tax contributions

After-tax contributions included in a payment are not taxed. If a payment is only part of your benefit, an allocable portion of your after-tax contributions is generally included in the payment. 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 a payment.

You may roll over to an IRA 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 a portion is paid to you, each of the payments will include an allocable portion of the after-tax contributions. If you do a 60-day rollover to an IRA of only a portion of the payment made to you, the after-tax contributions are treated as rolled over last. For example, assume you are receiving a complete distribution of your benefit which totals $12,000, of which $2,000 is after-tax contributions. In this case, if you roll over $10,000 to an 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. To apply for a waiver, you must file a private letter ruling request with the IRS. Private letter ruling requests require the payment of a nonrefundable user fee. For more information, see IRS Publication 590, Individual Retirement Arrangements (IRAs).

If you were born on or before January 1, 1936

If you were born on or before January 1, 1936, and receive a lump sum distribution 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

You can roll over a payment from the Plan made before January 1, 2010, to a Roth IRA only if your modified adjusted gross income is not more than $100,000 for the year the payment is made to you and, if married, you file a joint return. These limitations do not apply to payments made to you from the Plan after 2009. If you wish to roll over the payment to a Roth IRA, but you are not eligible to do a rollover to a Roth IRA until after 2009, you can do a rollover to a traditional IRA and then, after 2009, elect to convert the traditional IRA into a Roth IRA.

If you roll over the payment 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). For payments from the Plan during 2010 that are rolled over to a Roth IRA, the taxable amount can be spread over a 2-year period starting in 2011. 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 the required minimum distributions from a Roth IRA during your lifetime. For more information, see IRS Publication 590, Individual Retirement Arrangements (IRAs). You cannot roll over a payment from the Plan to a designated Roth account in an employer plan.

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 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 Participant was born on or before January 1, 1936.

- If you are a surviving spouse. If you receive a payment from the Plan as the surviving spouse of a deceased Participant, you have the same rollover options that the Participant would have had, as described elsewhere in this notice. In addition, if you choose to do a rollover to an IRA, you may treat the IRA as your own or as an inherited IRA.

  An IRA you treat as your own is treated like any other IRA of yours, so that payments made to you before you are age 59½ will be subject to the 10% additional income tax on early distributions (unless an exception applies) and required minimum distributions from your IRA do not have to start until after you are age 70½.

  If you treat the IRA as an inherited IRA, payments from the IRA will not be subject to the 10% additional income tax on early distributions. However, if the Participant had started taking required minimum distributions, you will have to receive required minimum distributions from the inherited IRA. If the Participant had not started taking required minimum distributions from the Plan, you will not have to start receiving required minimum distributions from the inherited IRA until the year the Participant would have been age 70½.

- If you are a surviving beneficiary other than a spouse. If you receive a payment from the Plan because of the Participant's death, and you are a designated beneficiary other than a surviving spouse, the only rollover option you have is to do a direct rollover to an inherited IRA. Payments from the inherited IRA will not be subject to the 10% additional income tax on early distributions. You will have to receive the required minimum distributions from the inherited IRA.

- Payments under a qualified domestic relations order. If you are the spouse or former spouse of the Participant who receives a payment from the Plan under a qualified domestic relations order (QDRO), you generally have the same options the Participant would have (for example, you may roll over the payment to your own IRA or an eligible employer plan that will accept it). Payments under the QDRO will not be subject to the 10% additional income tax on early distributions.

If you are a nonresident alien

If you are a nonresident alien and you do not do a direct rollover to a U.S. IRA or U.S. employer plan, instead of withholding 20%, the Plan is generally required to withhold 30% of the payment for federal income taxes. If the amount withheld exceeds the amount of tax you owe (as may happen if you do a 60-day rollover), you may request an income tax refund by filing Form 1040NR and attaching your Form 1042-S. See Form W-8BEN for claiming that you are entitled to a reduced rate of withholding under an income tax treaty. For more information, see also IRS Publication 519, U.S. Tax Guide for Aliens, and IRS Publication 515, Withholding of Tax on Nonresident Aliens, and Foreign Entities.

Other special rules

If a payment is one in a series of payments for less than 10 years, your choice whether to make a direct rollover will apply to all later payments in the series (unless you make a different choice for later payments).

If your payments for the year are less than $200, the Plan is not required to allow you to do a direct rollover and is not required to withhold for federal income taxes. However, you may do a 60-day rollover.

You may have special rollover rights if you recently served in the U.S. Armed Forces. For more information, see IRS Publication 3, Armed Forces' Tax Guide.

FOR MORE INFORMATION

You may wish to consult with the Plan Administrator or 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, 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

Heating, Piping and Refrigeration Pension Fund

ELECTION FOR ELIGIBLE ROLLOVER DISTRIBUTION

- ***For a Surviving Spouse who elects Option 2***

☐ I elect to receive the lump sum value of my Surviving Spouse Pension Benefit under the Heating, Piping & Refrigeration Pension Fund.

I understand that 20% Federal Tax plus any Mandatory State Taxes for the State in which I reside will be withheld from my lump sum distribution.

OR

☐ I elect to rollover the lump sum value of the benefits I am entitled to receive on behalf of my late spouse from the Heating, Piping & Refrigeration Pension Fund. I elect for these funds to be rolled into the listed Individual Retirement Account below.

____
Name of Financial Institution

____
Street Address

____
City, State & Zip

____
Account Number

____
Name – Please Print

____ _______________________________
Surviving Spouse Signature **Date**

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AUTHORIZATION AGREEMENT FOR ELECTRONIC PENSION BENEFIT DEPOSIT

➢ ***For a Surviving Spouses who elects Option 1***

I hereby authorize the Heating, Piping and Refrigeration Pension Fund to make Pension benefit deposits to my bank account. This authorization is to remain in full force and effect until the Administration Office receives written notice from me instructing them otherwise. I understand that it can take up to (30) thirty days to make bank and/or account number changes or to discontinue my electronic deposit.

In the event an amount should be credited in error to my account, including, but not limited to, by reason of my death prior to the date on which any payment shall become due, I authorize the Trust Fund to direct the Depository to make the appropriate debit adjustment.

Name ____

Retirement Number ______N/A______ Social Security Number ______________________________

Home Address ____

______________________ Zip Code ________________________

Phone Number (____)____

Name of Bank/Financial Organization ____

Bank's Phone Number (____)____

Bank's Mailing Address ____

________________________Zip Code ________________________

Routing Number ____________________ Account Number ________________________________
(9 Digits)

Account Type (please mark one) ☐ Savings ☐ Checking

Amount of Monthly Benefit _______________________All______________________________________

Signature ___________________________________ Date ____________________________

PLEASE CONTACT YOUR FINANCIAL INSTITUTION FOR THE NECESSARY NUMBERS REQUESTED AND ENCLOSE EITHER A BANK VERIFICATION LETTER OR A VOIDED CHECK

To ensure that your retirement checks are received in a timely manner, and your retirement records are up to date, a Continuance Form will be mailed to you annually. If the Continuance Form is not returned, your retirement checks will be withheld until the Administration Office has received your completed form.