

Palm Tran/A.T.U Local 1577 Pension Plan

Request for Refund of Contributions

There are three reasons for which you may elect a refund of contributions.

1. You are not vested in any pension benefit and entitled only to a refund of the money that you put into the plan. This refund is instead of any benefit in the plan. Section 4.16(1)(d).
2. You are retiring as a vested member with a retirement benefit that is expected to begin more than 6 months into the future. In this case, you may elect a refund of your contributions, with interest earned before May 25, 2007. This will reduce your future benefit to take into account the payment of this benefit. Section 4.16.
3. You have more than 10 years of service and are immediately retiring on a Normal Retirement, Early Retirement, Unreduced Early Retirement, Rule of 85 Retirement, Late Retirement, or Disability Retirement. In this event, you are entitled to a refund of your contributions as of December 31, 2011, without interest. Contributions made after December 31, 2011 will not be refunded. Your pension benefit is not affected by the amount of the refund of contributions. Section 4.19.

There are two reasons that you can repay your refunded contributions, if you are rehired by Palm Tran:

1. If you have requested a refund of your contributions and you are rehired within 5 years of your separation from employment, you may repay the contributions plus 5% interest and have your credited service restored. To be eligible for this restoration, you must repay the balance in full within 12 months of rehire. Section 4.17(a).
2. If you have requested a refund of your contributions because you were involuntarily terminated from employment and you are subsequently reinstated, then you must repay to the plan the contributions plus 5% interest within 60 months of reinstatement. If there is a back pay award, then such amount will be deducted from the back pay. Section 4.17(b).

Palm Tran, Inc. Amalgamated Transit Union Local 1577

Application for Refund of Pension Contributions for Vested Terminated Members

PLEASE PRINT OR TYPE:

1.
 - a. Name of Employee: _____

Last,
First,
MI.
 - b. Social Security No. _____
 *In accordance with the provisions of §119.071(5)(a)6g, Florida Statutes, the collection and use of social security numbers is authorized for the purpose of the administration of the pension Fund.
 - c. Marital Status: _____
 *If married, please include a copy of your marriage certificate with this application. Please note, your spouse must complete the enclosed Spousal Consent form.
 - d. Date of Birth: _____
 *Attach copy of birth certificate or other proof.
 - e. Daytime Telephone No.: _____
 - f. Home Address: _____

Address
Street

City
State
Zip Code
 - g. Permanent address (only if Home Address is temporary):

Address
Street

City
State
Zip Code
2.
 - a. Date of Hire by Palm Tran: _____
 - b. Last day worked, or expected to work: _____

Payment Options: *If choosing a cash distribution, choose to either have the check mailed to your permanent address or direct deposited into your bank account. If rolling over to a Traditional IRA complete the Direct Rollover information below. If rolling over to a Roth IRA, attach a separate sheet of paper with name of institution, address for mailing check, and account number.*

- Immediate Cash Distribution:** (choose a check or direct deposit)

_____ Please mail a check to my permanent address.

_____ Please deposit into my bank account per enclosed direct deposit form.

- Direct Rollover:**

Name of Institution

Address Line 1 (Check will be mailed directly here)

Address Line 2 of Institution

Account Number

I hereby certify that the above statements are true and correct to the best of my knowledge. I understand that a false statement may disqualify me for benefits. I understand that by accepting this refund, my future benefits (if eligible for future benefits) will be subject to a reduction by the amount of refund. I understand that if I am married, my spouse must provide his or her consent before I can receive this refund of contributions. I have received and read the enclosed calculation of my terminated vested benefit. I have received and read the enclosed Special Tax Notice. This application revokes any prior applications.

Employee Signature Date

STATE OF _____

COUNTY OF _____

Sworn to and subscribed before me by means of [] physical presence or [] online notarization, this day of _____, _____, 20____, by _____.

Personally Known OR Produced Identification

Type of Identification Produced _____.

Notary Public

NOTARY PUBLIC SEAL:

Return to:
Palm Tran Pension Center
2472 Jett Ferry Road, Suite 400-309
Atlanta, GA 30338

**Palm Tran, Inc. Amalgamated Transit Union Local 1577
Spousal Consent Form for Vested Terminated Refund of
Contributions**

PLEASE PRINT OR TYPE:

1. a. Name of Employee: _____
Last, First, MI.
- b. Name of Spouse: _____
Last, First, MI.

2. **SPOUSAL CONSENT**

I, _____, do hereby swear that I am the spouse of _____, a current vested member of the Palm Tran, Inc. Amalgamated Transit Union Local 1577 Pension Plan.

I understand and acknowledge that once my spouse elects a refund of his or her accumulated employee contributions, his or her, and my, future monthly benefit will be reduced.

If I sign below, I agree to give up my right to a larger monthly benefit upon my spouse's retirement.

If I **do not** sign below, I will have a right to a larger monthly benefit upon my spouse's retirement. I understand and acknowledge that should my spouse and I divorce after benefit payments have begun, I will no longer have a right to any benefit payable under the Plan. Additionally, I understand and acknowledge that my spouse and I must be married at the time of his or her death in order to qualify for death benefits payable under the Plan.

I understand and acknowledge that I am not required to sign this Spousal Consent form.

I understand and acknowledge that once I do sign, my consent is irrevocable.

Spouse Signature

Date

STATE OF _____

COUNTY OF _____

Sworn to and subscribed before me by means of [] physical presence or [] online notarization, this day of _____, _____, 20____, by _____.

Personally Known OR Produced Identification

Type of Identification Produced _____.

Return to:
Palm Tran Pension Center
2472 Jett Ferry Road, Suite 400-309
Atlanta, GA 30338

Notary Public

NOTARY PUBLIC SEAL:



AUTHORIZATION AGREEMENT FOR DIRECT DEPOSIT

RECIPIENT'S NAME: _____

RECIPIENT'S PHONE: _____

SOCIAL SECURITY NUMBER: _____

PLAN NAME (City retired from): Palm Tran ATU Local 1577 Pension Fund – 3040002751

I hereby authorize SALEM TRUST COMPANY to initiate credit and debit entries or adjustments (if necessary for any credit entries made in error) to my checking or savings account as indicated below. SALEM TRUST COMPANY is only permitted to withdraw money from my account if an overpayment has been deposited into that account. Prior to making any deductions, SALEM TRUST COMPANY is required to notify me and the Board of Trustees of the above-referenced plan of the overpayment.

ACCOUNT INFORMATION (Check one)

_____ CHECKING (Attach voided check; deposit slips are not accepted)

_____ SAVINGS (Attach voided deposit slip; you may need to check with your bank for the routing number)

_____ MONEY MARKET CHECKING (Attach voided check; check with your bank, most money markets are checking accounts, some are considered savings accounts)

_____ MONEY MARKET SAVINGS (Attach voided deposit slip; check with your bank, most money markets are checking accounts, some are considered savings accounts)

FINANCIAL INSTITUTION INFORMATION

ROUTING OR ABA NUMBER (first 9 digits): _____

ACCOUNT NUMBER: _____

BANK NAME: _____

PHONE NUMBER (Including area code): _____

This authorization is to remain in full force and effect until SALEM TRUST COMPANY has received notification from me of its termination, in such a manner as to afford SALEM TRUST COMPANY and my financial institution a reasonable opportunity to act upon my request. I hereby agree to hold SALEM TRUST COMPANY harmless from any loss resulting from following the above instructions.

If any payments are deposited to my account which I am not entitled to receive under said Plan, by reason of death prior to the date when such payments became due, then for myself, my heirs, executors and assigns, I agree to repay and refund the amount of any such overpayments. I hereby authorize and direct the financial institution named above to refund the amount of such overpayments to SALEM TRUST COMPANY and debit the amount from my account.

SIGNATURE: _____ DATE: _____

**PALM TRAN, INC./AMALGAMATED TRANSIT UNION
LOCAL 1577
SPECIAL TAX NOTICE**

YOUR ROLLOVER OPTIONS

You are receiving this notice because all or a portion of a payment you are receiving from the Palm Tran, Inc./Amalgamated Transit Union Local 1577 (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). If you also receive a payment from a designated Roth account in the 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 a Plan are described in the "General Information About Rollovers" section. Special rules that only apply in certain circumstances are described in the "Special Rules and Options" section.

GENERAL INFORMATION ABOUT ROLLOVERS

How can a rollover affect my taxes?

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

Where may I roll over the payment?

You may roll over the payment to either an IRA (an individual retirement account or individual retirement annuity) or an employer plan (a tax-qualified plan, section 403(b) plan, or governmental section 457(b) plan) that will accept the rollover. The rules of the IRA or

employer plan that holds the rollover will determine your investment options, fees, and rights to payment from the IRA or employer plan (for example, no spousal consent rules apply to IRAs and IRAs may not provide loans). Further, the amount rolled over will become subject to the tax rules that apply to the IRA or employer plan.

How do I do a rollover?

There are two ways to do a rollover. You can do either a direct rollover or a 60-day rollover.

If you do a direct rollover, the Plan will make the payment directly to your IRA or an employer plan. You should contact the IRA sponsor or the administrator of the employer plan for information on how to do a direct rollover.

If you do not do a direct rollover, you may still do a rollover by making a deposit into an IRA or eligible employer plan that will accept it. You will have 60 days after you receive the payment to make the deposit. If you do not do a direct rollover, the Plan is required to withhold 20% of the payment for federal income taxes (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 lives or joint life expectancy of you and your beneficiary)
- Required minimum distributions after age 70½ (or after death)
- Hardship distributions
- ESOP dividends
- 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
- Payments of certain automatic enrollment contributions requested to be withdrawn within 90 days of the first contribution
- Amounts treated as distributed because of a prohibited allocation of S corporation stock under an ESOP (also, there will generally be adverse tax consequences if you roll over a distribution of S corporation stock to an IRA).

The Plan administrator or the payor can tell you what portion of a payment is eligible for rollover.

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

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

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

- Payments made after you separate from service if you will be at least age 55 in the year of the 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 from a governmental defined benefit pension plan made after you separate from service if you are a public safety employee and you are at least age 50 in the year of the separation
- Payments made due to disability
- Payments after your death
- Payments of ESOP dividends
- 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 up to the amount of your deductible medical expenses
- 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 of certain automatic enrollment contributions requested to be withdrawn within 90 days of the first contribution
- Payments for certain distributions relating to certain federally declared disasters
- 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 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 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 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 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 a 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 directly 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 directly 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.

If you do a 60-day rollover to an IRA of only a portion of a payment made to you, the after-tax contributions are treated as rolled over last. 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. To apply for a waiver, you must file a private letter ruling request with the IRS. Private letter ruling requests require the payment of a nonrefundable user fee. For more information, see IRS Publication 590-A, *Individual Retirement Arrangements (IRAs)*.

If your payment includes employer stock that you do not roll over

If you do not do a rollover, you can apply a special rule to payments of employer stock (or other employer securities) that are either attributable to after-tax contributions or paid in a lump sum after separation from service (or after age 59½, disability, or the participant's death). Under the special rule, the net unrealized appreciation on the stock will not be taxed when distributed from the Plan and will be taxed at capital gain rates when you sell the stock. Net unrealized appreciation is generally the increase in the value of employer stock after it was acquired by the Plan. If you do a rollover for a payment that includes employer stock (for example, by selling the stock and rolling over the proceeds within 60 days of the payment), the special rule relating to the distributed employer stock will not apply to any subsequent payments from the IRA or employer plan. The Plan administrator can tell you the amount of any net unrealized appreciation.

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 amount of the loan, typically when your employment ends. The loan offset amount is treated as a distribution to you at the time of the offset and will be taxed (including the 10% additional income tax on early distributions, unless an exception applies) unless you do a 60-day rollover in the amount of the loan offset to an IRA or employer plan.

How long you have to complete the rollover depends on what kind of plan loan you have. If you have a qualified plan loan offset, you will have until your tax return 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, 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 your payment is from a governmental section 457(b) plan

If the Plan is a governmental section 457(b) plan, the same rules described elsewhere in this notice generally apply, allowing you to roll over the payment to an IRA or an employer plan that accepts rollovers. One difference is that, if you do not do a rollover, you will not have to pay the 10% additional income tax on early distributions from the Plan even if you are under age 59½ (unless the payment is from a separate account holding rollover contributions that were made to the Plan from a tax-qualified plan, a section 403(b) plan, or an IRA). However, if you do a rollover to an IRA or to an employer plan that is not a governmental section 457(b) plan, a later distribution made before age 59½ will be subject to the 10% additional income tax on early distributions (unless an exception applies). Other differences are that you cannot do a rollover if the payment is due to an "unforeseeable emergency" and the special rules under "If your payment includes employer stock that you do not roll over" and "If you were born on or before January 1, 1936" do not apply.

If you are an eligible retired public safety officer and your pension payment is used to pay for health coverage or qualified long-term care insurance

If the Plan is a governmental plan, you retired as a public safety officer, and your retirement was by reason of disability or was after normal retirement age, you can exclude from your taxable income plan payments paid directly as premiums to an accident or health plan (or a qualified long-term care insurance contract) that your employer maintains for you, your spouse, or your dependents, up to a maximum of \$3,000 annually. For this purpose, a public safety officer is a law enforcement officer, firefighter, chaplain, or

member of a rescue squad or ambulance crew.

If you roll over your payment to a Roth IRA

If you roll over the payment from the Plan to a Roth IRA, a special rule applies under which the amount of the payment rolled over (reduced by any after-tax amounts) will be taxed. However, the 10% additional income tax on early distributions will not apply (unless you take the amount rolled over out of the Roth IRA within 5 years, counting from January 1 of the year of the rollover).

If you roll over the payment to a Roth IRA, later payments from the Roth IRA that are qualified distributions will not be taxed (including earnings after the rollover). A qualified distribution from a Roth IRA is a payment made after you are age 59½ (or after your death or disability, or as a qualified first-time homebuyer distribution of up to \$10,000) and after you have had a Roth IRA for at least 5 years. In applying this 5-year rule, you count from January 1 of the year for which your first contribution was made to a Roth IRA. Payments from the Roth IRA that are not qualified distributions will be taxed to the extent of earnings after the rollover, including the 10% additional income tax on early distributions (unless an exception applies). You do not have to take required minimum distributions from a Roth IRA during your lifetime. For more information, see IRS Publication 590-A, *Contributions to Individual Retirement Arrangements (IRAs)*, and IRS Publication 590-B, *Distributions from Individual Retirement Arrangements (IRAs)*.

If you are not a plan participant

Payments after death of the participant. If you receive a distribution after the participant's death that you do not roll over, the distribution will generally be taxed in the same manner described elsewhere in this notice. However, the 10% additional income tax on early distributions 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 required minimum distributions from the inherited IRA.

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

If you are a nonresident alien

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

Other special rules

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

If your payments for the year are less than \$200 (not including payments from a designated Roth account in the Plan), the Plan is not required to allow you to do a direct rollover and is not required to withhold for federal income taxes. However, you may do a 60-day rollover.

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, see IRS Publication 3, *Armed Forces' Tax Guide*.

FOR MORE INFORMATION

You may wish to consult with the Plan administrator or payor, or a professional tax advisor, before taking a payment from the Plan. Also, you can find more detailed information on the federal tax treatment of payments from employer plans in: IRS Publication 575, *Pension and Annuity Income*; IRS Publication 590-A, *Contributions to Individual Retirement Arrangements (IRAs)*; IRS Publication 590-B, *Distributions from Individual Retirement Arrangements (IRAs)*; and IRS Publication 571, *Tax-Sheltered Annuity Plans (403(b) Plans)*. These publications are available from a local IRS office, on the web at www.irs.gov, or by calling 1-800-TAX-FORM.

* * *

I HAVE RECEIVED THE PRECEDING 9-PAGE SPECIAL TAX NOTICE:

Date: _____

Participant's Signature

Print Clearly Participant's Name

Note: Return ONLY this last page (numbered 10 of 10) to:

Palm Tran Pension Center
2472 Jett Ferry Road
Suite 400-309
Atlanta, GA 30338
Email: palmtranpension@sba-inc.com
Telephone: (844)352-5610