

GENERAL INSTRUCTIONS FOR 403(b)(7) DISTRIBUTIONS

IMPORTANT INFORMATION

403(b) accounts may not be distributed before age 59 ½ except for certain specifically permitted distributions. Before proceeding, contact your employer's Plan Administrator to discuss your permitted distributions.

In addition, it is important that you read the *Rollover Explanation For Qualified Plans and 403(b) Plans - Special Tax Notice Regarding Plan Payments* included in this booklet.

To request a distribution from a 403(b) custodial account, you must complete:

Form A - 403(b) Participant's Request for Distribution completed in its entirety, may be used to request a distribution either on its own or in combination with other forms as indicated below for certain distribution requests. Exception Form A is NOT used for Required Minimum Distribution use only Form D below.

Note: Please refer to the *Rollover Explanation For Qualified Plans and 403(b) Plans - Special Tax Notice Regarding Plan Payments* for rollover rules.

Financial Hardship:

Form A - 403(b) Participant's Request for Distribution, and

Form B - 403(b) Financial Hardship Certification Form

Direct Rollover:

If you have met the qualifications for a distribution and are electing to roll the proceeds directly into an individual retirement account, 403(b) or other qualified plan account, please complete:

Form A - 403(b) Participant's Request for Distribution, and

Form C - 403(b) Direct Rollover/Affirmative Election Form

Note: Please refer to the *Rollover Explanation For Qualified Plans and 403(b) Plans - Special Tax Notice Regarding Plan Payments* for rollover rules.

Qualified Domestic Relations Order ("QDRO"):

Form A - 403(b) Participant's Request for Distribution, and

Form C - 403(b) Direct Rollover/Affirmative Election Form

Required Minimum Distributions:

Form D - 403(b) Required Minimum Distribution Election Form

IRS Form W-4R – Substitute Withholding Certificate for Nonperiodic Payments and Eligible Rollover Distributions:

If any form you are required to complete includes a Federal Withholding Election section you would provide the election on the form(s) you are completing. A substitute IRS Form W-4R is attached at the end of this booklet which has **Marginal Rate Tables** and "**Suggestion for determining withholding**" instructions. You may use these tables and instructions to help you select the appropriate withholding rate.

For more information on IRS Form W-4R, please refer to IRS Publication 505 "Tax Withholding and Estimated Tax", under the heading "Pensions and Annuities." The form and Publication 505 are available at www.irs.gov.

Please note: This booklet is 15 pages in its entirety and consists of four separate forms, a special tax notice and a copy of IRS Form W-4R. Different forms are required depending upon the type of distribution you are requesting. Please be sure to print and complete all pages of each form needed for your distribution type. You must return the appropriate completed forms as identified in the instructions above to avoid processing delays.

Important Information for Nonresident Aliens: In the absence of a tax treaty exemption, nonresident aliens, nonresident alien beneficiaries, and foreign estates generally are subject to a 30% federal withholding tax on the taxable portion of periodic or nonperiodic pension payments from U.S. sources. For details, see *Publication 515, "Withholding of Tax on Nonresident Aliens and Foreign Entities"*, and *Publication 519, "U.S. Tax Guide for Aliens"*. A foreign person should submit *Form W-8Ben, "Certificate of Foreign Status of Beneficial Owner for United States Tax Withholding"* along with their request. See page 4 of the *Rollover Explanation For Qualified Plans and 403(b) Plans - Special Tax Notice Regarding Plan Payments*.

FIRSTHAND FUNDS
FORM A - 403(b) PARTICIPANT'S REQUEST FOR DISTRIBUTION

Please read the *Rollover Explanation For Qualified Plans and 403(b) Plans - Special Tax Notice Regarding Plan Payments*

PARTICIPANT INFORMATION

Participant Name: _____ Account Number: _____

Address: _____

City: _____ State: _____ Zip Code: _____

Social Security Number: _____ Date of Birth: _____ Telephone Number: _____

Complete the following if you are a beneficiary requesting a full liquidation of the inherited proceeds.

Beneficiary Name: _____ Daytime Telephone: () _____

Address: _____ Alternate Telephone: () _____

City: _____ State: _____ Zip Code: _____

Social Security Number: _____ Date of Birth: _____

DISTRIBUTION REASON

Note: There is a mandatory 20% Federal tax withholding from all 403(b) distributions, except for direct rollovers, asset transfers, required minimum distributions, and others as described in the *Rollover Explanation For Qualified Plans and 403(b) Plans - Special Tax Notice Regarding Plan Payments*.

I direct the Custodian to make a distribution from the referenced custodial account for the following reason (check one):

- 1. Early (premature) Distribution, no known exception applies - This also applies if you are separated from service and are under age 55.
 - 1a. Check this box if you are separated from service and the Early Distribution request is for a direct rollover to an IRA, 403(b) or qualified plan. You must complete and attach **Form C** - 403(b) Direct Rollover/Affirmative Election Form.
 - 1b. Check this box if the Early Distribution request is due to financial hardship. You must complete and attach **Form B** - 403(b) Financial Hardship Certification Form. **Note:** assets received through hardship withdrawals are not eligible for rollover.
- 2. Early (premature) Distribution, exception applies - This reason applies to separation from service after age 55 (including retirement) or an IRS Levy.
 - 2a. Check this box if you are separated from service or retired and the Early Distribution request is for a direct rollover to an IRA, 403(b) or qualified plan. You must also complete and attach **Form C** - 403(b) Direct Rollover/Affirmative Election Form.
- 3. Normal Distribution - You are the participant who is age 59½ or older and no other reason applies.
 - 3a. Check this box if you are requesting a direct rollover to an IRA, 403(b) or qualified plan. You must also complete and attach **Form C** - 403(b) Direct Rollover/Affirmative Election Form.
- 4. Substantially Equal Periodic Payments (after separation of service) - You are certifying that you meet the requirements within the meaning of Section 72(t) of the Internal Revenue Code. Please proceed to Distribution Amount Section B and review section B II.
- 5. Permanent Disability - You are disabled within the meaning of Section 72(m)(7) of the Internal Revenue Code. (For purposes of Section 72(m)(7), an individual shall be considered to be disabled if they are unable to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment which can be expected to result in death or to be of long-continued and indefinite duration.)
 - 5a. Check this box if you are disabled and you are requesting a direct rollover to an IRA, 403(b) or qualified plan. You must also complete and attach **Form C** - 403(b) Direct Rollover/Affirmative Election Form.
- 6. Participant's Death - If you are a beneficiary, please contact Shareholder Services for additional requirements.
 - 6a. Check this box if you are a beneficiary and you are requesting a direct rollover to an IRA, You must also complete and attach **Form C** - 403(b) Direct Rollover/Affirmative Election Form.
- 7. Corrective Distributions of Excess Deferrals, Excess Contributions and/or Excess Aggregate Contributions under sections 401(k) and 401(m).
Date of Excess Contribution Deposit: _____
- 8. Plan Termination - Termination Date: _____
- 9. Distribution pursuant to a Qualified Domestic Relations Order ("QDRO") - You must include a certified copy of the QDRO. If the proceeds are to be directly rolled into an IRA, 403(b) or qualified plan, you must also complete and attach **Form C** - 403(b) Direct Rollover/Affirmative Election Form.
- 10. Qualified Rollover Contribution - (Conversion) - You are electing to convert the proceeds of your employer's 403(b) plan to a Roth IRA.
You must also complete and attach **Form C** - 403(b) Direct Rollover/Affirmative Election Form. *NOTE: Effective January 1, 2018, a Roth IRA conversion cannot be recharacterized. A Roth IRA conversion is considered an irrevocable election which cannot be "reversed" or "corrected".*

Important: For non-reportable trustee to trustee transfers please complete the appropriate receiving custodian's transfer form. All required documentation must be received in good order before the distribution request will be honored. All legal documents must be certified and a Medallion Signature Guarantee may be required.

DISTRIBUTION AMOUNT Complete Section A or B

Select Section A for a one time distribution or Section B for Systematic Distributions

A. One time redemption - Choose one: Liquidate Entire Account or Partial Distribution of \$ _____¹

OR

B. Systematic Distributions: Amount of each distribution \$ _____¹

Beginning Date MM/DD/YYYY _____ / _____ / _____ Frequency: Monthly Quarterly Semi-Annually Annually

If no beginning date is selected distributions will be scheduled for the 20th of the month, if this form is received after the beginning date selected the first distribution will occur immediately upon receipt and future payments scheduled on the date selected. *If a frequency is not selected, your SWP will be distributed monthly.*

B Part II - Substantially Equal Periodic Payments ("SEPP" under Section 72(t) of the Internal Revenue Code) - I acknowledge I have consulted with a qualified tax professional and *IRS Publication 590-B; Distributions from Individual Retirement Arrangements (IRAs)*. I understand I am solely responsible for determining the amount to distribute and for monitoring if a modification of the SEPP under Section 72(t) has occurred. Neither the custodian nor the plan sponsor will monitor the SEPP. I understand the custodian does not report SEPP distributions on IRS Form 1099-R as exempt from the early distribution penalty and that I am expected to file IRS Form 5329 along with my income tax return to the IRS to claim a penalty tax exception for this reason.

If you are requesting BNYM IS Trust recalculate the amount of your SEPP annually using an RMD method leave "Amount of each distribution" in B. Systematic Distributions blank and select the calculation method to use:

Calculate under the RMD method using Uniform Lifetime Table Single Life Table Joint and Last Survivor Table*

*Beneficiary's Name: _____ Date of Birth: _____

¹Distribution will be taken proportionately across all funds unless specific fund(s) and amount(s) are indicated below:

Fund: _____ Amount: \$ _____ or Percentage: _____%

Fund: _____ Amount: \$ _____ or Percentage: _____%

Fund: _____ Amount: \$ _____ or Percentage: _____%

Total Amount: \$ _____ or Total 100%

METHOD OF PAYMENT

Based on your selected distribution method, a Medallion Signature Guarantee Stamp may be required. Please refer to your prospectus or call us at the number provided for specific requirements.

- Process a Direct Rollover** – I have completed, attached and signed Form C - 403(b) Direct Rollover/Affirmative Election Form providing payment instructions. A Medallion Signature Guarantee ("MSG") Stamp is required
- Mail check to my address of record currently on file.
- Purchase into my non-retirement account
 - I have attached an Application with investment instructions (or)
 - I have an existing Account Number _____ please invest in the following Fund(s):

Investments will be made in the same fund(s) redeemed unless specific funds and amounts are indicated below:

Fund: _____ Amount: \$ _____ or Percentage: _____%

Fund: _____ Amount: \$ _____ or Percentage: _____%

Fund: _____ Amount: \$ _____ or Percentage: _____%

Total Amount: \$ _____ or Total 100%

- Transfer funds electronically via ACH. Existing bank instructions on file New bank account* (attach a voided check).

Name of Financial Institution: _____

Address: _____

Bank Routing Number: _____ Bank Account Number: _____

*A Medallion Signature Guarantee ("MSG") Stamp is required if the banking instructions are not already on file. An MSG may be obtained at your local bank or trust company, securities broker/dealer, clearing agency or savings association. The bank account must include your name in the account registration.

- Mail check to the bank address above for deposit to my checking or savings account.*

Note: If a payment method is not selected, your distribution will be sent as a check payable to you and mailed to your address of record. Your payment method will remain in force until we receive notice from you requesting a change.

TAX WITHHOLDING ELECTION

Federal Withholding:

Mandatory 20% Withholding – Applies **ONLY** if the distribution is an "eligible rollover distribution" as described in §402(c) of the Internal Revenue Code and you do not elect to directly roll the monies into another qualified plan, 403(b) or individual retirement account. You understand you will receive only 80% of the payment since the Custodian is required to withhold 20% of the distribution and send it to the IRS as federal income tax withholding to be credited against your taxes. You understand the custodian will not apply voluntary withholding elections and will neither waive mandatory withholding nor apply elections for additional withholding when mandatory withholding is applicable.

Voluntary Withholding - Applies **ONLY** if the distribution is **not** an "eligible rollover distribution" as described in §402(c) of the Internal Revenue Code. Eligibility is described in the **Rollover Explanation For Qualified Plans and 403(b) Plans - Special Tax Notice Regarding Plan Payments**.

Voluntary Federal income tax will be withheld at the rate of 10% from any distribution, subject to the IRS withholding rules, unless you elect a withholding rate of 0% below or have previously elected out of withholding. Tax will be withheld on the gross amount of the payment even though you may be receiving amounts that are not subject to withholding because they are excluded from gross income. This withholding procedure may result in excess withholding on the payments. If you elect to have no federal taxes withheld from your distribution, or if you do not have enough federal income tax withheld from your distribution, you may be responsible for payment of estimated tax. You may incur penalties under the estimated tax rules if your withholding and estimated tax payments are not sufficient. You understand that your below election will remain in effect until such time as you make a different election with the Custodian.

- I elect federal income tax withholding of 0%, do not withhold federal income tax from my distributions.*
- I elect federal income tax withholding of _____% must be a whole percent, you may elect any rate from 1% to 100%.*

See the attached Form W-4R Withholding Certificate which has the **Marginal Rate Tables** and "**Suggestion for determining withholding**" instructions. You may use these tables and instructions to help you select the appropriate withholding rate.

*Generally, you can't elect less than 10% federal income tax withholding for payments to be delivered outside the United States and its possessions.

State Withholding: Your state of residence will determine your state income tax withholding requirements, if any. Those states with mandatory withholding may require state income tax to be withheld from payments if federal income taxes are withheld or may mandate a fixed amount regardless of your federal tax election. Voluntary states let individuals determine whether they want state taxes withheld. Some states have no income tax on retirement payments. Please consult with a tax advisor or your state's tax authority for additional information on your state requirements. If you are completing this form, your below election will remain in effect until such time as you make a different election in writing to the Custodian.

- I elect **NOT TO** have state income tax withheld from my retirement account distributions (**only for residents of states without mandatory state tax withholding**).
- I elect **TO** have the following dollar amount or percentage withheld from my retirement account distribution for state income taxes (**for residents of states that allow voluntary state tax withholding**). \$ _____ or _____ %

PARTICIPANT CERTIFICATION

I certify that I am the proper party authorized to make these elections and that all information provided is true and accurate. I further certify that no tax or legal advice has been given to me by the Custodian, the Sponsor, or any agent of either of them, and that all decisions regarding the elections made on this form are my own. The Custodian is hereby authorized and directed to distribute funds from my account in the manner requested. The Custodian may conclusively rely on this certification and authorization without further investigation or inquiry. I expressly assume responsibility for any adverse consequences which may arise from the election(s) and agree that the Custodian, the Sponsor, and their agents shall in no way be responsible, and shall be indemnified and held harmless, for any tax, legal or other consequences of the election(s) made on this form. I have received, read, understand and agree to be legally bound by the terms of this form. *By completing this form, I am affirmatively electing to waive the 30 day notification period as described in the Rollover Explanation For Qualified Plans and 403(b) Plans - Special Tax Notice Regarding Plan Payments.*

Substitute W-9 - Under penalties of perjury, I certify that:

1. The number shown on this form is my correct taxpayer identification number, and
2. I am not subject to backup withholding because:
 - a. I am exempt from backup withholding; or
 - b. I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends; or
 - c. The IRS has notified me that I am no longer subject to backup withholding; and
3. I am a U.S. citizen or other U.S. person (as defined in the Form W-9 instructions found at www.irs.gov).
4. The FATCA code(s) entered on this form (if any) indicating that I am exempt from FATCA reporting is correct.

Cross out item 2 above if the IRS has notified you that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return.

The Internal Revenue Service does not require your consent to any provision of this document other than the certifications required to avoid backup withholding.

Participant's Signature:

Date:

*Medallion Signature Guarantee Stamp and Signature: An eligible guarantor is a domestic bank or trust company, securities broker/dealer, clearing agency or savings association that participates in a medallion program recognized by the Securities Transfer Agents Association. The three recognized medallion programs are the Securities Transfer Agents Medallion Program (known as STAMP), Stock Exchanges Medallion Program (SEMP), and the Medallion Signature Program (MSP). A notarization from a notary public is NOT an acceptable substitute for a signature guarantee.

Medallion Signature Guarantee Stamp

Mail to the following:

First Class Mail:

Firsthand Funds
P.O. Box 534444
Pittsburgh, PA 15253-4444

Overnight Mail:

Firsthand Funds
Attention: 534444
500 Ross Street, 154-0520
Pittsburgh, PA 15262

Customer Service:

1-888-884-2675

FIRSTHAND FUNDS

FORM B - 403(b) FINANCIAL HARDSHIP CERTIFICATION FORM

You must complete **FORM A - 403(b) PARTICIPANT'S REQUEST FOR DISTRIBUTION** and attach it to this form. Failure to do so will cause your request to be rejected.

A Financial Hardship distribution may only be made on account of an immediate and heavy financial need of the Participant, and where the distribution is necessary to satisfy the immediate and heavy financial need. A Financial Hardship distribution will only be considered as necessary to satisfy an immediate and heavy financial need of the Participant if the distribution is not in excess of the amount of the immediate and heavy financial need (including amounts necessary to pay any federal, state or local income taxes or penalties reasonably anticipated to result from the distribution);

Financial Hardship shall be determined in accordance with Code Section 403(b), and the regulations thereunder, the following are the only financial needs considered immediate and heavy:

- expenses incurred (or necessary to obtain) for medical care that would be deductible under Code Section 213(d), determined without regard to the limitations in Code Section 213(a) (relating to the applicable percentage of adjusted gross income and the recipients of the medical care) provided that, if the recipient of the medical care is not listed in Code Section 213(a), the recipient is a primary beneficiary under the Plan (as that term is defined in Treas. Reg. 1.401(k)-1(d)(3)(ii)(C));
- costs directly related to the purchase (excluding mortgage payments) of a principal residence for the Participant;
- payment of tuition and related educational fees for the next twelve (12) months of post-secondary education for the Participant, the Participant's spouse, children or dependents, or the Participant's primary beneficiary;
- payment necessary to prevent the eviction of the Participant from, or a foreclosure on the mortgage of, the Participant's principal residence;
- payments for funeral or burial expenses for the Participant's deceased parent, spouse, child or dependent, or the Participant's primary beneficiary;
- expenses to repair damage to the Participant's principal residence that would qualify for a casualty loss deduction under Code Section 165 (determined without regard to whether the loss exceeds ten percent (10%) of adjusted gross income; and
- expenses and losses, including loss of income, incurred by the Participant on account of a disaster declared by the Federal Emergency Management Agency (FEMA), provided that the Participant's principal residence or principal place of employment at the time of the disaster was located in an area designated by FEMA for individual assistance with respect to the disaster.

PARTICIPANT INFORMATION

I certify that I am the Participant authorized to make this election and that all information provided is true and accurate to the best of my knowledge. I certify that I have obtained confirmation from my Employer or my Employer's Plan Administrator that hardship distributions are allowable under the 403(b) plan. The Custodian may conclusively rely on this certification and authorization without further investigation or inquiry. I certify that I have obtained and will continue to maintain adequate documentation necessary to support my qualifications for financial hardship, that all other financial means available were previously exhausted and that the sum of the distributions from multiple vendors, if applicable, does not exceed the amount needed to relieve the hardship.

Participant's Signature:

Date:

Mail to the following:

First Class Mail:

Firsthand Funds
P.O. Box 534444
Pittsburgh, PA 15253-4444

Overnight Mail:

Firsthand Funds
Attention: 534444
500 Ross Street, 154-0520
Pittsburgh, PA 15262

Customer Service:

1-888-884-2675

FIRSTHAND FUNDS
FORM C - 403(b) DIRECT ROLLOVER / AFFIRMATIVE ELECTION FORM

You must complete **FORM A - 403(b) PARTICIPANT'S REQUEST FOR DISTRIBUTION** and attach it to this form. Failure to do so will cause your request to be rejected.

PARTICIPANT INFORMATION

403(b) Participant Name: _____ Account Number: _____

Surviving Spouse, Beneficiary, Former Spouse or Alternate Payee Name: _____

AFFIRMATIVE ELECTION – for Direct Rollover

1) Depending upon your relationship to the participant, complete either a, b or c below.

a) **DIRECT ROLLOVER** by:

Plan Participant Surviving Spouse

DIRECT ROLLOVER to:

Qualified Plan 403(b) Plan Traditional IRA
 Roth IRA as a Qualified Rollover Contribution (conversion)¹

b) **DIRECT ROLLOVER** by:

Non-Spouse Beneficiary

DIRECT ROLLOVER to:

Beneficiary / Inherited Traditional IRA
 Beneficiary / Inherited Roth IRA as a Qualified Rollover Contribution (conversion)¹

c) **DIRECT ROLLOVER** by:

Former Spouse or Alternate Payee under a
Qualified Domestic Relations Order ("QDRO")

DIRECT ROLLOVER to:

Qualified Plan 403(b) Plan Traditional IRA
 Roth IRA as a Qualified Rollover Contribution (conversion)¹

¹ Effective January 1, 2018, a Roth IRA conversion cannot be recharacterized. A Roth IRA conversion is considered an irrevocable election which cannot be "reversed" or "corrected".

2) This election shall apply to (check one):

a) The entire account balance (or) b) \$ _____ as listed in **Form A** under the section titled **Distribution Request**.

3) I hereby elect to have my benefit under the 403(b) custodial account paid in a **DIRECT ROLLOVER** to² (please print):
Requires Medallion Signature Guarantee on Form A - 403(b) Participant's Request for Distribution.

Successor Custodian: _____

For Benefit of: _____ (or)
(Participant, Surviving Spouse, Former Spouse or Alternate Payee)

For a Non-Spouse Beneficiary/Inherited IRA, For Benefit of: _____ (Non-Spouse Beneficiary) _____ (403(b) Participant's Name)

Account Number²: _____

Successor Custodian Address: _____

Contact Name: _____ Telephone Number: _____

²Note: You must contact the successor custodian and provide them direction as to how you want the proceeds invested.

CERTIFICATION SIGNATURE

I certify I have received and read the **Rollover Explanation For Qualified Plans and 403(b) Plans - Special Tax Notice Regarding Plan Payments** and understand that I have at least 30 days to choose between a direct rollover or payment. I authorize and direct the Custodian to facilitate a direct rollover as indicated above. **By completing this form I am affirmatively electing to waive the 30 day notification period as described in the Rollover Explanation For Qualified Plans and 403(b) Plans - Special Tax Notice Regarding Plan Payments.**

Signature: _____

Date: _____

(Participant, Surviving Spouse, Beneficiary, Former Spouse or Alternate Payee)

Mail to the following:

First Class Mail:

Firsthand Funds
P.O. Box 534444
Pittsburgh, PA 15253-4444

Overnight Mail:

Firsthand Funds
Attention: 534444
500 Ross Street, 154-0520
Pittsburgh, PA 15262

Customer Service:

1-888-884-2675

FIRSTHAND FUNDS
FORM D - 403(b) REQUIRED MINIMUM DISTRIBUTION ELECTION FORM

Note: Failure to withdraw your required minimum distribution amount by the applicable deadline could result in a 50% penalty tax. The penalty tax would be assessed on the difference between the amount that you were required to take and the amount that was actually distributed, if any. Before making any decision regarding your RMD, we urge you to consult your tax advisor or tax attorney.

PARTICIPANT INFORMATION

Participant Name: _____

Last 4 Digits of your Social Security Number: _____

Date of Birth: _____

Telephone Number: _____

DISTRIBUTION ELECTION - (RMD amounts are calculated on the entire account balance including all the underlying investments in your 403(b) account.)

Account Number: _____

Distribution will be made proportionately across all funds unless specific funds and amounts are indicated.

Fund: _____ Amount: \$ _____ or Percentage: _____%

Fund: _____ Amount: \$ _____ or Percentage: _____%

Fund: _____ Amount: \$ _____ or Percentage: _____%

Total Amount: \$ _____ or Total 100%

CALCULATION METHOD

The Required Minimum Distribution ("RMD") amount is determined by Internal Revenue Service ("IRS") regulations. These regulations are explained in IRS Publication 590-B – *Distributions from Individual Retirement Arrangements (IRAs)*, IRS Publication 560 - *Retirement Plans for Small Business*, and IRS Publication 575 - *Pension and Annuity Income*, which incorporate updated Life Expectancy Tables. Each RMD will be calculated based on the Uniform Lifetime Table, unless the following exception applies to you and you have indicated so by checking the box below.

- My sole primary beneficiary is my spouse who is more than 10 years younger than I am. I elect to calculate the RMD based on the life expectancy from the Joint and Last Survivor Table. Beneficiary's date of birth ____/____/____ Beneficiary's Name: _____
MM DD YY

Before making any decision regarding your RMD, we urge you to consult your tax advisor or tax attorney.

DISTRIBUTION TYPE

If you are turning 72 and were born on or after July 1, 1949, and this is your first required minimum distribution amount due it may be distributed either 1) in the year you turn 72, or 2) no later than April 1st of the following year (prior year deferred RMD). Electing to defer your first year RMD will result in two taxable distributions the next year, the deferred prior year payment and the RMD amount due for that calendar year before December 31st of the same year.

One-Time Distribution Options:

- One-Time Calculated Distribution Amount: Calculate and distribute **immediately** my **current year RMD** upon receipt of this form. I understand that I am responsible for contacting the Custodian to request any future year RMD amounts.
- Prior year deferred RMD (must be received between January 1st and April 1st)** applies only if your first RMD year was the previous year and you are electing to distribute last year's RMD.
- One-Time Fixed Amount: Distribute a **one-time fixed amount** of \$ _____ **immediately** upon receipt of this form. I understand that I am responsible for contacting the Custodian to request any future year RMD amounts.

Systematic Distribution Options: (In addition, please complete the Systematic Distribution Cycle section below.)

- Calculate and distribute my **current year RMD amount for this year and all subsequent years**. If you elect this option, we will continue to calculate and distribute your RMD amount for subsequent years until such time that you notify us to discontinue the payments.
- Calculate my **prior year deferred and current year RMD**: (this request must be received between January and April 1st). Please calculate and distribute immediately my prior year deferred required minimum distribution amount. We will also calculate and distribute your current year amount and all subsequent years based on your election in the Systematic Distribution Cycle section below until such time that you notify us to discontinue the payments.
- Distribute a **fixed amount** of \$ _____ **for this year and all subsequent years** until such time as I notify you to discontinue payments.

Systematic Distribution Cycle:

Begin systematic distributions on¹: ____/____/____ Frequency (choose one)²: Monthly Quarterly Semi-Annually Annually
MM DD YY

¹If this form is received after the date selected it will be processed immediately upon receipt. Future RMD's will be established with date listed.

²If a frequency is not selected, your RMD will be distributed annually on the 20th of the next available month.

PAYMENT METHOD

Based on your selected distribution method, a Medallion Signature Guarantee Stamp may be required. Please refer to your prospectus or call us at the number provided for specific requirements.

- Mail check to my address of record currently on file.
- Purchase into my non-retirement account
 - I have attached an Application with investment instructions (or)
 - I have an existing Account Number _____ please invest in the following Fund(s):

Investments will be made in the same fund(s) redeemed unless specific funds and amounts are indicated below:

Fund: _____ Amount: \$ _____ or Percentage: _____ %

Fund: _____ Amount: \$ _____ or Percentage: _____ %

Fund: _____ Amount: \$ _____ or Percentage: _____ %

Total Amount: \$ _____ or Total 100%

- Transfer funds electronically via ACH. Existing bank instructions on file New bank account* (attach a voided check).

Name of Financial Institution: _____

Address: _____

Bank Routing Number: _____ Bank Account Number: _____

*A Medallion Signature Guarantee ("MSG") Stamp is required if the banking instructions are not already on file. An MSG may be obtained at your local bank or trust company, securities broker/dealer, clearing agency or savings association. The bank account must include your name in the account registration.

- Mail check to the bank address above for deposit to my checking or savings account.*

Note: If a payment method is not selected, your RMD will be sent as a check payable to you and mailed to your address of record. Your payment method will remain in force until we receive notice from you requesting a change.

WITHHOLDING ELECTION

Federal Withholding: Federal income tax will be withheld at the rate of 10% from any distribution, subject to the IRS withholding rules, unless you elect a withholding rate of 0% below or have previously elected out of withholding. Tax will be withheld on the gross amount of the payment even though you may be receiving amounts that are not subject to withholding because they are excluded from gross income. This withholding procedure may result in excess withholding on the payments. If you elect to have no federal taxes withheld from your distribution, or if you do not have enough federal income tax withheld from your distribution, you may be responsible for payment of estimated tax. You may incur penalties under the estimated tax rules if your withholding and estimated tax payments are not sufficient. You understand that your below election will remain in effect until such time as you make a different election with the Custodian.

- I elect federal income tax withholding of 0%, do not withhold federal income tax from my distributions.*
- I elect federal income tax withholding of _____% must be a whole percent, you may elect any rate from 1% to 100%.*

See the attached Form W-4R Withholding Certificate for Nonperiodic Payments which has the **Marginal Rate Tables** and "**Suggestion for determining withholding**" instructions. You may use these tables and instructions to help you select the appropriate withholding rate.

*Generally, you can't elect less than 10% federal income tax withholding for payments to be delivered outside the United States and its possessions.

State Income Tax Withholding: Your state of residence will determine your state income tax withholding requirements, if any. Those states with mandatory withholding may require state income tax to be withheld from payments if federal taxes are withheld or may mandate a fixed amount regardless of your federal tax election. Voluntary states let individuals determine whether they want state taxes withheld. Some states have no income tax on retirement payments. You may wish to consult with a tax advisor or your state's tax authority for additional information on your state requirements. If you are completing this form, your below election will remain in effect until such time as you make a different election in writing to the Custodian.

- I elect **NOT TO** have state income tax withheld from my retirement account distributions (**only for residents of states that do not have mandatory state tax withholding**).
- I elect **TO** have the following dollar amount or percentage withheld from my retirement account distribution for state income taxes (**for residents of states that allow voluntary state tax withholding**). \$ _____ or _____ %

CERTIFICATION SIGNATURE

I certify that I am the Participant authorized to make these elections and that all information provided is true and accurate. I further certify that the Custodian, the Sponsor, or the agent of either of them has given no tax or legal advice to me, and that all decisions regarding the elections made on this form are my own. The Custodian is hereby authorized and directed to distribute funds from my account in the manner requested. The Custodian may conclusively rely on this certification and authorization without further investigation or inquiry. I expressly assume responsibility for any adverse consequences which may arise from the election(s) and agree that the Custodian, the Sponsor, and their agents shall in no way be responsible, and shall be indemnified and held harmless, for any tax, legal or other consequences of the election(s) made on this form. **I have read and understand and agree to be legally bound by the terms of this form.**

Participant's Signature:

Date:

*Medallion Signature Guarantee Stamp and Signature: An eligible guarantor is a domestic bank or trust company, securities broker/dealer, clearing agency or savings association that participates in a medallion program recognized by the Securities Transfer Agents Association. The three recognized medallion programs are the Securities Transfer Agents Medallion Program (known as STAMP), Stock Exchanges Medallion Program (SEMP), and the Medallion Signature Program (MSP). A notarization from a notary public is NOT an acceptable substitute for a signature guarantee.

Medallion Signature Guarantee Stamp

Mail to the following:

First Class Mail:

Firsthand Funds
P.O. Box 534444
Pittsburgh, PA 15253-4444

Overnight Mail:

Firsthand Funds
Attention: 534444
500 Ross Street, 154-0520
Pittsburgh, PA 15262

Customer Service:

1-888-884-2675

**ROLLOVER EXPLANATION FOR QUALIFIED PLANS and 403(b) PLANS
SPECIAL TAX NOTICE REGARDING PLAN PAYMENTS
FOR PAYMENTS NOT FROM A DESIGNATED ROTH ACCOUNT**

YOUR ROLLOVER OPTIONS

You are receiving this notice because all or a portion of a payment you are receiving from your Employer's plan (the "Plan") is eligible to be rolled over to an IRA or an employer plan. This notice is intended to help you decide whether to do such a rollover.

This notice describes the rollover rules that apply to payments from the Plan that are not from a designated Roth account (a type of account in some employer plans that is subject to special tax rules). 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 (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 accepts such a 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), or after death;
- Hardship distributions;
- Payments of employee stock ownership plan ("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 that you request to withdraw within 90 days of your first contribution;
- Amounts treated as distributed because of a prohibited allocation of S corporation stock under an ESOP (also, there generally will be adverse tax consequences if you roll over a distribution of S corporation stock to an IRA); and
- Distributions of certain premiums for health and accident insurance.

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 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;

- 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 from a governmental plan made after you separate from service if you are a qualified public safety employee and you will be 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 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 of certain automatic enrollment contributions that you request to withdraw within 90 days of your first contribution;
- 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 for 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 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, generally, the 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 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 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 include 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 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 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 do a rollover to a designated Roth account in the Plan

You cannot roll over a distribution to a designated Roth account in another employer's plan. However, you can roll the distribution over into a designated Roth account in the distributing Plan. If you roll over a payment from the Plan to a designated Roth account in the Plan, the amount of the payment rolled over (reduced by any after-tax amounts directly rolled over) 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 designated Roth account in the Plan, later payments from the designated Roth account that are qualified distributions will not be taxed (including earnings after the rollover). A qualified distribution from a designated Roth account is a payment made both after you are age 59½ (or after your death or disability) and after you have had a designated Roth account in the Plan for at least 5 years. In applying this 5-year rule, you count from January 1 of the year your first contribution was made to the designated Roth account.

However, if you made a direct rollover to a designated Roth account in the Plan from a designated Roth account in a plan of another employer, the 5-year period begins on January 1 of the year you made the first contribution to the designated Roth account in the Plan or, if earlier, to the designated Roth account in the plan of the other employer. Payments from the designated Roth account 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).

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) or age 72 (if you were born after June 30, 1949).

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) or age 72 (if the participant was born after June 30, 1949).

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.

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.

Substitute W-4R 2024 - Withholding Certificate for Nonperiodic Payments and Eligible Rollover Distributions – For use with 403(b) ONLY

Where instructed to provide your withholding election on “line 2” use the space provided on the attached form under “Federal Income Withholding Election.”

For an eligible rollover distribution, the withholding rate is 20%. You may not elect a different rate.

2024 Marginal Rate Tables

You may use these tables to help you select the appropriate withholding rate for this payment or distribution. Add your income from all sources and use the column that matches your filing status to find the corresponding rate of withholding. See below for more information on how to use this table.

Single or Married filing Separately		Married filing jointly or Qualifying surviving spouse		Head of household	
Total income over—	Tax rate for every dollar more	Total income over—	Tax rate for every dollar more	Total income over—	Tax rate for every dollar more
\$0	0%	\$0	0%	\$0	0%
14,600	10%	29,200	10%	21,900	10%
26,200	12%	52,400	12%	38,450	12%
61,750	22%	123,500	22%	85,000	22%
115,125	24%	230,250	24%	122,400	24%
206,550	32%	413,100	32%	213,850	32%
258,325	35%	516,650	35%	265,600	35%
623,950*	37%	760,400	37%	631,250	37%

*If married filing separately, use \$380,200 instead for this 37% rate.

General Instructions: Section references are to the Internal Revenue Code.

Future developments. For the latest information about any future developments related to Form W-4R, such as legislation enacted after it was published, go to www.irs.gov/FormW4R.

Purpose of form. Complete Form W-4R to have payers withhold the correct amount of federal income tax from your nonperiodic payment from an employer retirement plan, annuity (including a commercial annuity), or individual retirement arrangement (IRA). See below for the rules and options that are available for each type of payment.

Caution: If you have too little tax withheld, you will generally owe tax when you file your tax return and may owe a penalty unless you make timely payments of estimated tax. If too much tax is withheld, you will generally be due a refund when you file your tax return. Your withholding choice (or an election not to have withholding on a nonperiodic payment) will generally apply to any future payment from the same plan or IRA. Submit a new Form W-4R if you want to change your election.

Nonperiodic payments—10% withholding. Your payer must withhold at a default 10% rate from the taxable amount of nonperiodic payments **unless** you enter a different rate on line 2. Distributions from an IRA that are payable on demand are treated as nonperiodic payments. Note that the default rate of withholding may not be appropriate for your tax situation. You may choose to have no federal income tax withheld by entering “-0-” on line 2. See the specific instructions below for more information. Generally, you are not permitted to elect to have federal income tax withheld at a rate of less than 10% (including “-0-”) on any payments to be delivered outside the United States and its territories.

Note: If you don’t give Form W-4R to your payer, you don’t provide an SSN, or the IRS notifies the payer that you gave an incorrect SSN, then the payer must withhold 10% of the payment for federal income tax and can’t honor requests to have a lower (or no) amount withheld. Generally, for payments that began before 2024, your current withholding election (or your default rate) remains in effect unless you submit a Form W-4R.

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

Tax relief for victims of terrorist attacks. If your disability payments for injuries incurred as a direct result of a terrorist attack are not taxable, enter “-0-” on line 2. See Pub. 3920, Tax Relief for Victims of Terrorist Attacks, for more details.

Specific Instructions

Line 2 - More withholding. If you want more than the default rate withheld from your payment, you may enter a higher rate on line 2.

Less withholding (nonperiodic payments only). If permitted, you may enter a lower rate on line 2 (including “-0-”) if you want less than the 10% default rate withheld from your payment. If you have already paid, or plan to pay, your tax on this payment through other withholding or estimated tax payments, you may want to enter “-0-”.

Suggestion for determining withholding. Consider using the Marginal Rate Tables above to help you select the appropriate withholding rate for this payment or distribution. The tables are most accurate if the appropriate amount of tax on all other sources of income, deductions, and credits has been paid through other withholding or estimated tax payments. If the appropriate amount of tax on those sources of income has not been paid through other withholding or estimated tax payments, you can pay that tax through withholding on this payment by entering a rate that is greater than the rate in the Marginal Rate Tables.

The marginal tax rate is the rate of tax on each additional dollar of income you receive above a particular amount of income. You can use the table for your filing status as a guide to find a rate of withholding for amounts above the total income level in the table.

To determine the appropriate rate of withholding from the table, do the following. Step 1: Find the rate that corresponds with your total income not including the payment. Step 2: Add your total income and the taxable amount of the payment and find the corresponding rate.

If these two rates are the same, enter that rate on line 2. (See Example 1 below.)

If the two rates differ, multiply (a) the amount in the lower rate bracket by the rate for that bracket, and (b) the amount in the higher rate bracket by the rate for that bracket. Add these two numbers; this is the expected tax for this payment. To get the rate to have withheld, divide this amount by the taxable amount of the payment. Round up to the next whole number and enter that rate on line 2. (See Example 2 below.)

If you prefer a simpler approach (but one that may lead to overwithholding), find the rate that corresponds to your total income including the payment and enter that rate on line 2.

Examples. Assume the following facts for Examples 1 and 2. Your filing status is single. You expect the taxable amount of your payment to be \$20,000. Appropriate amounts have been withheld for all other sources of income and any deductions or credits.

Example 1. You expect your total income to be \$62,000 without the payment. Step 1: Because your total income without the payment, \$62,000, is greater than \$61,750 but less than \$115,125, the corresponding rate is 22%. Step 2: Because your total income with the payment, \$82,000, is greater than \$61,750 but less than \$115,125, the corresponding rate is 22%. Because these two rates are the same, enter “22” on line 2.

Example 2. You expect your total income to be \$43,700 without the payment. Step 1: Because your total income without the payment, \$43,700, is greater than \$26,200 but less than \$61,750, the corresponding rate is 12%. Step 2: Because your total income with the payment, \$63,700 is greater than \$61,750 but less than \$115,125, the corresponding rate is 22%. The two rates differ. \$18,050 of the \$20,000 payment is in the lower bracket (\$61,750 less your total income of \$43,700 without the payment), and \$1,950 is in the higher bracket (\$20,000 less the \$18,050 that is in the lower bracket). Multiply \$18,050 by 12% to get \$2,166. Multiply \$1,950 by 22% to get \$429. The sum of these two amounts is \$2,595. This is the estimated tax on your payment. This amount corresponds to 13% of the \$20,000 payment (\$2,595 divided by \$20,000). Enter “13” on line 2.