

# MOSAIC & TERRAZZO WORKERS ANNUITY PLAN

45-34 Court Square, Long Island City, NY 11101

Tele. # (718) 729-4416, Fax (718) 729-4417

## Application For Annuity Benefits

Please read this application carefully before answering any questions. Print your answers to all questions which apply to you. If any part of this application is not entirely clear, do not hesitate to contact the Fund office at the above telephone # for assistance between 9:00 a.m. and 4:00 p.m. Monday through Friday.

I hereby make application for benefits from the MOSAIC & TERRAZZO WORKERS ANNUITY PLAN. I make the following statements and representations to the Trustees of the Fund with the knowledge that said Trustees will rely on the same in granting said payment. If for any reason my application is put on hold, I understand that I will have to reapply since a delay may affect my eligibility for benefits.

1. Name \_\_\_\_\_  
FIRST MIDDLE INITIAL LAST

2. Address \_\_\_\_\_  
NUMBER AND STREET CITY STATE ZIP CODE

3. Soc.Sec.No. \_\_\_\_\_ - \_\_\_\_\_ - \_\_\_\_\_ 4. Phone Number (\_\_\_\_\_) \_\_\_\_\_

5. Marital Status: [ ] Single, [ ] Married, [ ] Divorced, [ ] Other \_\_\_\_\_

6. Date of Birth \_\_\_\_\_ (Submit proof if Joint & Survivor Benefit Chosen)

7. \_\_\_\_\_  
EMPLOYER'S NAME DATE HIRED DATE LAST WORKED

8. Type of Benefit- Please check only one and indicate Date of Event where applicable

- \_\_\_\_ 100% Normal Retirement (Age 62 or 72) \_\_\_\_\_ Date last service  
\_\_\_\_ 100% Early Retirement (Age 55 and have Account for 10 or more years) \_\_\_\_\_ Date of last service  
\_\_\_\_ 100% Withdrawal Benefit - Date of Termination \_\_\_\_\_  
a) less than 2-weeks work in 6 consecutive months in 12 mo's preceding application, or  
b) unemployed and no work in 6 consecutive months preceding application  
\_\_\_\_ 100% Withdrawal Benefit - if terminated as a result of a strike or lockout  
\_\_\_\_ 25% Coronavirus-related withdrawal not to exceed \$25,000 (eff to 12/31/20). Enter amount \$ \_\_\_\_\_  
\_\_\_\_ 50% Severance Benefit (Account for 4 years, unemployed 60 consecutive days immediately preceding application)  
\_\_\_\_ Disability (Copy of U.S. Social Security Award required showing date of commencement)  
\_\_\_\_ Death of Member (submit Copy of Death Certificate), Date of Death \_\_\_\_\_  
\_\_\_\_ Divorce- In the event of a divorce, a Qualified Domestic Relations Order (QDRO) is required

9. Election of Benefit Form - Please circle option you wish for your Distribution

If the balance in your account is less than \$5,000, only options a, b, c or d are available. Under all single sum options (except 2020 Coronavirus withdrawals), mandatory 20% Federal Withholding Tax applies unless you Roll the money over to another qualified tax deferred plan. This federal withholding is required by the Internal Revenue Service (IRS).

- a. NORMAL, WITHDRAWAL, DISABILITY, DIVORCE OR DEATH BENEFIT – Lump sum – 20% taxes withheld  
b. SEVERANCE BENEFIT - In a lump sum of \_\_\_\_\_ 50% of account balance (20% taxes withheld).  
c. DIRECT ROLLOVER of entire account balance (No taxes withheld). Please provide Rollover information below that meets Plan's requirements. Alternatively, if available, please submit the Rollover form from your financial institution.

\_\_\_\_\_  
NAME OF BANK OR FINANCIAL INSTITUTION PHONE # AND EXT.

\_\_\_\_\_  
STREET ADDRESS OF BANK OR FINANCIAL INSTITUTION

\_\_\_\_\_  
CITY, STATE AND ZIP OF FINANCIAL INSTITUTION

\_\_\_\_\_  
CONTACT/ACCOUNT REPRESENTATIVE ACCOUNT NUMBER

**MOSAIC & TERRAZZO WORKERS ANNUITY PLAN**

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9. Benefit Forms - continued

- d. MINIMUM /PARTIAL DISTRIBUTION – Beyond age 72 - 20% taxes withheld
- e. SINGLE LIFE ANNUITY – Monthly payments during your lifetime only – account must exceed \$5,000.00) Single members & married members with spousal consent; account balance converted to a monthly amount payable over member's lifetime. I elect to receive \$\_\_\_\_\_ per month during my lifetime (spousal consent required). Important - My wife and I understand that that by electing this option, monthly payments will only be made to me during my lifetime and will cease upon my death with no survivor benefits paid following my death.
- f. JOINT & 50% SURVIVOR ANNUITY (Married Participants only with account balance in excess of \$5,000.00) Account balance converted to a monthly amount payable over your lifetime with 50% of the reduced amount payable over your surviving spouse's lifetime. I elect to receive \$\_\_\_\_\_ per month during my lifetime. Upon my death, my spouse will receive \$\_\_\_\_\_ per month during her/his lifetime. If my spouse dies before me, I will continue to receive \$\_\_\_\_\_ per month during my lifetime, and upon my death all payments will cease.
- g. JOINT & 75% SURVIVOR ANNUITY (Married Participants only - with account balance in excess of \$5,000.00) Account balance converted to a monthly benefit that is further reduced, payable over your lifetime with 75% of that reduced amount payable over your surviving spouse's lifetime. I elect to receive \$\_\_\_\_\_ per month during my lifetime. Upon my death, my spouse will receive \$\_\_\_\_\_ per month during her/his lifetime. If my spouse dies before me, I will continue to receive \$\_\_\_\_\_ per month during my lifetime, and upon my death all payments will cease.

[Note: Options (e), (f) and (g) are actuarially equivalent to the value of a 100% distribution of your account based on average life expectancy tables and interest assumptions.]

- h. CORONAVIRUS WITHDRAWAL. For 2020, with a Coronavirus-related distribution, **you must complete the enclosed Certification of your eligibility.** The 10% early withdrawal penalty for distributions prior to age 59 ½ is waived. You may choose to spread the federal taxes you owe ratably over the 3-taxable-year period beginning with the date of distribution.

**Signature of Member:** \_\_\_\_\_ **Today's Date:** \_\_\_\_\_

10. Spousal Consent – Required if Married

Name of Spouse – if married – Print please Spouse's Name \_\_\_\_\_

I, \_\_\_\_\_, born \_\_\_\_\_, am aware that my spouse,  
Spouse's Printed Name Spouse's Date of birth

\_\_\_\_\_, has applied for his/her Annuity Benefits and agree to the form  
Print Member's Name

of benefit elected in # 9 above.

**Signature of Spouse (Required):** \_\_\_\_\_ **Today's Date:** \_\_\_\_\_

**Notarization:** STATE OF \_\_\_\_\_ COUNTY OF \_\_\_\_\_

ON THE \_\_\_\_\_ DAY OF \_\_\_\_\_ 20\_\_ BEFORE ME, PERSONALLY CAME,

MEMBER \_\_\_\_\_ & SPOUSE (IF MARRIED) \_\_\_\_\_  
PERSONALLY KNOWN TO ME OR PROVED TO ME ON THE BASIS OF SATISFACTORY EVIDENCE TO BE THE  
INDIVIDUAL(S) WHOSE NAME(S) IS(ARE) SUBSCRIBED TO THE WITHIN INSTRUMENT AND ACKNOWLEDGED TO  
ME THAT HE/SHE/THEY EXECUTED THIS INSTRUMENT.

NOTARY PUBLIC: \_\_\_\_\_

**MOSAIC & TERRAZZO ANNUITY FUND  
COVID-19 DISTRIBUTION CERTIFICATION**

I, \_\_\_\_\_, hereby certify:

1. I am a participant in the Mosaic & Terrazzo Annuity Fund (the "Fund"). I have submitted or will submit an application for a COVID-19 Distribution in the amount of \$ \_\_\_\_\_ from my annuity account.

2. I understand that, in order to take a COVID-19 Distribution, I must meet at least one of the eligibility requirements set forth below. I meet the following: *[check at least one]*

\_\_\_\_\_ I have been diagnosed with SARS-CoV-2 or COVID-19 by a test approved by the Centers for Disease Control (CDC), or

\_\_\_\_\_ I have a spouse or dependent who was diagnosed with SARS-CoV-2 or COVID-19 by a test approved by the Centers for Disease Control (CDC)

\_\_\_\_\_ I have experienced "adverse financial consequences" as a result of being quarantined, furloughed, or laid off, or having my hours reduced, or being unable to work due to lack of child care, or experiencing a closing or reduction of hours of a business I own, because of the virus or disease.

3. I hereby certify to the Fund that I meet the criteria for a COVID-19 Distribution indicated above. I understand that the Fund will be relying on this certification in processing my COVID-19 Distribution.

4. I understand that this COVID-19 distribution is subject to the CARES Act signed into law by President Trump on March 27, 2020. I agree to co-operate in good faith with requirements and restrictions that may come about later in connection with regulations to be issued under this new law.

5. I understand that I may elect to pay taxes on this COVID-19 Distribution over 3 years, and have 3 years to elect a "repayment contribution" (or rollover). The Fund will withhold 10% for federal taxes, unless I voluntarily waive this. Accordingly I request that the Fund withhold the following amount from my COVID-19 Distribution: *[check one – if no box is checked, the Fund will withhold 10%]*

\_\_\_\_\_ 10% federal withholding

\_\_\_\_\_ other amount of federal withholding (indicate amount or %): \_\_\_\_\_

\_\_\_\_\_ 0 federal withholding.

Dated: \_\_\_\_\_, 2020

Print Name: \_\_\_\_\_

## YOUR ROLLOVER OPTIONS

You are receiving this notice because all or a portion of a payment you are receiving from the Annuity Fund (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
- Contributions made under special automatic enrollment rules that are withdrawn pursuant to your request within 90 days of enrollment
- 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
- Contributions made under special automatic enrollment rules that are withdrawn pursuant to your request within 90 days of enrollment
- 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.

### **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 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).

### **If you miss the 60-day rollover deadline**

Generally, the 60-day rollover deadline cannot be extended. However, the IRS has the limited authority to waive the deadline under certain extraordinary circumstances, such as when external events prevented you from completing the rollover by the 60-day rollover deadline. To apply for a waiver, you must file a private letter ruling request with the IRS. Private letter ruling requests require the payment of a nonrefundable user fee. For more information, see IRS Publication 590, Individual Retirement Arrangements (IRAs).

### **If you 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.

### **If you were born on or before January 1, 1936**

If you were born on or before January 1, 1936 and receive a lump sum distribution that you do not roll over, special rules for calculating the amount of the tax on the payment might apply to you. For more information, see IRS Publication 575, Pension and Annuity Income.

### **If you roll over your payment to a Roth IRA**

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

If you roll over the payment to a Roth IRA, a special rule applies under which the amount of the payment rolled over (reduced by any after-tax amounts) will be taxed. However, the 10% additional income tax on early distributions will not apply (unless you take the amount rolled over out of the Roth IRA within 5 years, counting from January 1 of the year of the rollover). For payments from the Plan during 2010 that are rolled over to a Roth IRA, the taxable amount can be spread over a 2-year period starting in 2011.

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

You cannot roll over a payment from the Plan to a designated Roth account in an employer plan.

### **If you are not a plan participant**

Payments after death of the participant. If you receive a distribution after the participant's death that you do not roll over, the distribution will generally be taxed in the same manner described elsewhere in this notice. However, the 10% additional income tax on early distributions and the special rules for public safety officers do not apply, and the special rule described under the section "If you were born on or before January 1, 1936" applies only if the participant was born on or before January 1, 1936.

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

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

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

**If you are a surviving beneficiary other than a spouse.** If you receive a payment from the Plan because of the participant's death and you are a designated beneficiary other than a surviving spouse, the only rollover option you have is to do a direct rollover to an inherited IRA. Payments from the inherited IRA will not be subject to the 10% additional income tax on early distributions. You will have to receive 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, Individual Retirement Arrangements (IRAs); and IRS Publication 571, Tax-Sheltered Annuity Plans (403(b) Plans). These publications are available from a local IRS office, on the web at [www.irs.gov](http://www.irs.gov), or by calling 1-800-TAX-FORM.

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