

Correction Officers' Benevolent Association

Annuity Fund

253 West 35th Street, 12th Floor

New York, N.Y. 10001

(212) 505-5050

APPLICATION TO CLOSE VESTED ANNUITY FUND

Print or Type all requested information.

Name _____
Last First Middle Initial

Address _____
Number Street City State Zip Code

Phone # _____ Social Security Number _____ Date of Birth _____

Date of Employment _____ Last Day on Payroll _____ Reason for Leaving _____

I hereby request the following disposition of my Accumulated Share Value in the Annuity Fund.

- A. Pay to me as a Total Lump Sum Distribution. (Subject to mandatory 20% Federal Income Tax Withholding - See paragraph 3 on reverse side)

OR THE FOLLOWING EXCLUSION FROM GROSS INCOME OPTION

- B. Continue Participation in the Plan as an Affiliated Participant.
- C. Transfer total distribution to a qualified IRA Trustee. (Specific directions and Trustee to Trustee form must accompany this option selection)
- D. Transfer total distribution to another Qualified Plan. (Specific directions and Trustee to Trustee form must accompany this option selection)

I HAVE READ THE FEDERAL INCOME TAX NOTICE ON THE BACK OF THIS FORM

Participant Signature

If you have any questions or problems, please contact the Fund Office at the above listed phone number. (Press option #1, then option #2)

I hereby apply for any benefits which I might be entitled to receive under the Rules and Regulations of the Correction Officers' Benevolent Association Annuity Fund, to be paid to me as indicated.

I hereby certify and represent that the information I have entered on this Form is true, correct, and complete.

Dated: _____

Signature of Participant

Date _____

State of _____

County of _____

On this _____ day of _____ 20__ before me came _____ to me known and known to me to be the person described in and who executed the foregoing statement and (s)he duly acknowledged to me that (s)he executed the same.

Notary Public

IMPORTANT FEDERAL INCOME TAX NOTICE
OF 20% WITHHOLDING ON DISTRIBUTIONS FROM THE ANNUITY FUND

Effective January 1, 1993, all "eligible rollover distributions" from Qualified Plans such as the Annuity Fund, are subject to a mandatory 20% Federal Income Tax Withholding unless you roll over the total distribution to a qualified IRA Trustee, or elect one of the permissible income exclusions listed on the front of this form.

IF YOU CHOOSE A DIRECT ROLLOVER, your payment will not be taxed in the current year, and no tax will be withheld. Payment may be made to your IRA or, if you choose, to another employer plan. Your payment will be taxable income at a later date when you withdraw it from your IRA or the employer plan.

IF YOU CHOOSE TO HAVE THE PLAN BENEFITS PAID TO YOU, you will get only 80% of the Share. The Administrator **MUST** withhold 20% and send it to the IRS as credit for your taxes. You will be taxed in the current year for the total distribution, unless you roll over the 80% within 60 days of receiving it. The 20% which was withheld is still taxable income for this year. If you want to roll over 100% of the distribution, you must find other money to replace the 20% that was withheld. File for a refund of the 20% next year. If you are not 59 1/2 years old you may also have to pay an additional 10% penalty.

If you withdraw your share after you are 59 1/2, you may be able to make a one-time election to figure the tax by using "5-year averaging". Likewise, if you were born before January 1, 1936, you may figure your tax by using "10-year averaging", and you may also elect to treat that part of the payment attributable to pre-1974 participation as long term capital gain at a flat 20% tax rate.

This notice, the elections on the front of this form, and the accompanying letter summarize only the federal (not state or local) tax rules that might apply to your payment. The rules herein described are complex and contain many conditions and exceptions that are not included in this notice. Therefore, you may want to consult with a professional tax advisor before you take a payment of your benefits from the Plan. Also, you can find more specific information on the tax treatment of these payments in the IRS Publication 575, Pension and Annuity Income, and IRS Publication 590, Individual Retirement Arrangements. These publications are available from your local IRS office or by calling 1-800-TAX-FORMS.

FOR OFFICE USE ONLY

I certify that the above Participant is entitled to this Accumulated Share of the Annuity Trust Fund.

Status: Active Inactive Date Checked Status: _____ Initial:

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Payment issued as of _____ NYC Contribution Report Initial: