

II. NOTICE OF TAX WITHHOLDING FROM YOUR MONTHLY PENSION BENEFIT PAYMENTS

(This Notice is Required by Federal Law)

The monthly pension check you receive as a Participant in the Northern California Electrical Workers Pension Plan is subject to Federal income tax laws and regulations regarding withholding of Pension Plan payments.

You must elect or reject having tax withholding apply to your monthly pension payments by completing the election notice on Page 4 of this application.

Your election to reject or accept withholding will remain in effect until you revoke it. You may revoke your election at any time by returning a signed and dated revocation to the **Northern California Electrical Workers Pension Trust at 720 Market St., Rm. 700, San Francisco, CA 94102.**

*Any election or revocation will apply no later than with the first pension check that is issued after 30 days from the date your election/revocation form is **received by the Plan Office.*** As an exception to this rule, your election will be effective upon receipt of your election form if it is received by the Plan Office by the 20th day of the month preceding the month in which your first pension check is issued. You may make and revoke elections to have or not have withholding applied as often as you wish. Additional election forms may be obtained from the Plan Office at the above address.

In computing the amount to be withheld, Federal regulations require the Trust to treat your pension payments as "wages" and to apply Federal tax tables. Federal regulations also direct the Trust to assume you are a married person claiming three withholding allowances unless you notify the Trust of a different number of withholding allowances you desire the Trust to use in making this computation

If the amount you can be expected to receive during a calendar month from the Northern California Electrical Workers Pension Plan will total more than \$1,480.00, Federal income tax ***will be withheld*** from your monthly pension payments ***unless you reject withholding.***

If you elect not to have withholding applied to your monthly pension plan payments, or if you do not have enough Federal income tax withheld from your monthly pension plan payments, you are still personally responsible for payment of any such tax. **You may incur penalties under the estimated tax rules if your withholding and tax payments are not sufficient.**