

## WHEN TO USE THIS FORM

To receive a distribution from your qualified ETC Brokerage Services (“ETCB”) account (“Account”), complete this Distribution Request Form.

**Note: If you are taking a distribution that is premature or doesn't meet the requirements for a “qualified” distribution, you may be subject to tax consequences.**

Please consult with a Tax Advisor, as needed.

## SUBMISSION OPTIONS

### OVERNIGHT:

ETC Brokerage Services  
1 Equity Way  
Westlake, OH 44145

### REGULAR MAIL:

ETC Brokerage Services  
P. O. Box 451249  
Westlake, OH 44145

### BY FAX:

440-365-1447

## INSTRUCTIONS & GUIDELINES

When completing your Distribution Request Form, please follow these guidelines:

- Be sure to fill out the entire Distribution Request Form, sign and date ALL necessary fields
- When authorizing a Cash Distribution, be sure to specify your desired payment type
- When selecting a method of disbursement, be sure to review the fees associated with each method
- Signature(s) must be notarized or DocuSign Knowledge Based Authentication certification must be provided for Third-Party disbursements. Please complete section 6, unless making payments:
  1. From a Trust account to one of the trustees of the Trust.
  2. From an Individual account to a Joint account where one of the Joint owners is the same owner of the Individual account.
  3. From a Joint account to an Individual account where the owner is one of the owners of the Joint account.

## CONTACT INFORMATION

**For assistance, please contact:**

**TOLL FREE:**  
(877) 819-8918

**1 ACCOUNT INFORMATION**

ACCOUNT OWNER'S NAME	ACCOUNT NUMBER		
ADDRESS	CITY	STATE	ZIP CODE
EMAIL ADDRESS	LAST 4 DIGITS OF SSN		BIRTH DATE
ACCOUNT TYPE: <input type="checkbox"/> Traditional IRA <input type="checkbox"/> Roth <input type="checkbox"/> SEP <input type="checkbox"/> SIMPLE <input type="checkbox"/> Coverdell ESA <input type="checkbox"/> Health Savings Acct			

**2 TYPE OF DISTRIBUTION (Please select one option)**

<b>IRA DISTRIBUTION (Traditional, SEP, or SIMPLE)</b>		
<input type="checkbox"/> <b>Normal:</b> Age 59 ½ or older <input type="checkbox"/> <b>Premature:</b> Under 59 ½ (IRS penalties may apply) <input type="checkbox"/> <b>Premature Distribution Exception Applies</b> <input type="checkbox"/> <b>Direct Rollover (eligible IRA rollover to Employer Qualified Plan)</b>	<input type="checkbox"/> <b>Simple IRA Distribution:</b> Under 59 ½ and the distribution is taken within two years of the date of the first contribution, and no exceptions apply. The IRS may impose a penalty in the amount of 25%. Please consult with your tax advisor for further guidance.	
<b>ROTH DISTRIBUTION</b>		
<input type="checkbox"/> <b>Qualified Roth Distribution (Q):</b> Account Owner meets the 5-year holding period and: has reached age 59 ½ or the owner is disabled. <input type="checkbox"/> <b>Roth Distribution, Exception Applies (T):</b> It is not known if the 5-year exception has been met but: the owner has reached age 59 ½ or the owner is disabled	<input type="checkbox"/> <b>Early Roth Distribution (J):</b> Account owner has not met the 5-year holding period and/or is under age 59 ½ and the owner is not disabled. <input type="checkbox"/> <b>Direct Rollover (eligible Roth rollover to Employer Qualified Plan)</b>	
<b>ADDITIONAL DISTRIBUTION OPTIONS</b>		
<input type="checkbox"/> <b>Death Distribution:</b> (From Inherited IRAs and Inherited Roths only) <input type="checkbox"/> <b>Distribution due to divorce or separation.</b> (Attach a copy of the court ordered document verifying breakdown.) <input type="checkbox"/> <b>Timely refund of excess or nondeductible contribution Plus earnings.</b> For Tax Year _____	<input type="checkbox"/> <b>Refund of principal amount of excess contribution AFTER tax filing date. For Tax Year _____</b> <input type="checkbox"/> <b>Disaster Relief (Congress approved relief)</b>	
<b>REQUIRED MINIMUM DISTRIBUTION</b>		
<input type="checkbox"/> <b>Required Minimum Distribution - age 73 or older.</b>		
<b>COVERDELL EDUCATION SAVINGS ACCOUNT DISTRIBUTION OPTIONS</b>		
<input type="checkbox"/> <b>Qualified Educational Expense</b>	<input type="checkbox"/> <b>Premature Distribution</b>	
<b>FOR HSA DISTRIBUTIONS ONLY**</b> **Responsibility for ensuring that funds are used for qualified medical expenses falls solely on the Account Owner.		
<input type="checkbox"/> <b>Qualified Medical Expenses</b>	<input type="checkbox"/> <b>Non-qualified:</b> Under 65 (possible tax consequences and 10% penalty)	<input type="checkbox"/> <b>Non-qualified:</b> Over 65 (possible tax consequences)

**3 DISTRIBUTION INSTRUCTIONS**

<input type="checkbox"/> <b>Complete Distribution (Account to be closed )</b>		
<input type="checkbox"/> <b>Partial/One-Time Distribution - Specify Dollar Amount</b> * Please have requested funds available in cash		Total Gross Amount of: \$ _____
<input type="checkbox"/> <b>Partial/One-Time Asset Distribution In-Kind</b> (Fair Market Valuation Form may be required for Alternative Investments.)		
TICKER OR CUSIP	ASSET DESCRIPTION	# OF SHARES/UNITS OR AMT
TICKER OR CUSIP	ASSET DESCRIPTION	# OF SHARES/UNITS OR AMT
TICKER OR CUSIP	ASSET DESCRIPTION	# OF SHARES/UNITS OR AMT
TICKER OR CUSIP	ASSET DESCRIPTION	# OF SHARES/UNITS OR AMT

**3 DISTRIBUTION INSTRUCTIONS (continued)**
 **Recurring Distribution Schedule (Complete each of the sections below)**
**A. Instruction**
 Establish New Schedule     Cancel Existing Schedule     Change Existing Schedule

**B. Frequency**
 Weekly     Monthly     Quarterly     Semi-Annually     Annually

**C. Schedule Start Date**

(Month/Day/Year) \_\_\_\_\_

**Note: The Schedule Start Date will be the recurring withdrawal date unless it falls on a weekend or holiday in which case it will be issued on the business day prior. New ACH bank Instructions require a 3 day prenote period before any disbursements can be processed.**

**D. Distribution Amount (select one below)**

 Amount Requested (Gross) \$ \_\_\_\_\_ or  Distribute All Income Received from Assets

**Complete Section 7 for Federal and Section 8 for State Withholding Elections**

**Note: An account can have a recurring Income or RMD schedule established, but not at the same time. An Income or RMD distribution schedule can be established with either Check or ACH payment method, but if Check is selected, any additional fixed amount distribution schedule(s) must be established with an ACH payment method.**

**4 ON DEMAND AUTHORIZATION**
 **On Demand:** To authorize your Designated Representative to submit requests for one-time distributions, to establish recurring distributions, or to cancel/suspend/change scheduled distributions.

 Add New Payee (indicated in Section 5)     Cancel Previously Established Payee (indicated in Section 5)

**\*In the event you specify "on demand", please note the following terms and conditions apply:**

- (i) To be eligible for on-demand distributions, this Distribution Request Form must be completed and signed by the Account Owner prior to any on-demand distributions occurring.
- (ii) On-demand distributions can be disbursed by check, ACH or internally to an ETCB taxable account. If you select more than one method in Section 5 "Method of Disbursement", each time you contact your Designated Representative to request an on-demand distribution you must specify which method to be used. If no Method of Disbursement is selected, a check will be issued and mailed to the Account Owner's address on file.
- (iii) A new Distribution Request Form must be completed and signed by the Account Owner if there is a change to the bank information or method of disbursement..
- (iv) On-demand is not available for Account termination. This Distribution Request Form will not authorize an Account for termination.
- (v) On-demand distributions may not be paid directly from a Decedent's IRA, but beneficiaries can establish on demand distributions from their own Inherited IRA Account.
- (vi) On-demand distributions are not permitted from a Coverdell Education Savings Account.
- (vii) On-demand distributions can be established and authorized only by the Account Owner.
- (viii) Tax withholding elections are not saved for on demand. Your Designated Representative must provide the withholding elections each time they submit an on demand distribution request. If withholding elections are not provided, ETCB will default to 10% Federal Tax Withholding and required State Tax Withholding percentage or no State Withholding if not required.

**5 METHOD OF DISBURSEMENT\* (Payee Information)**

Please indicate if the "payee" below is a third party (any other recipient that differs from the Account Owner of record).

- Funds will be sent by check to the Address of Record if no Method of Disbursement is chosen below.

 **SEND FUNDS BY CHECK (DEFAULT OPTION)**
 **Yes, this is a Third Party Payee**

MAKE CHECK PAYABLE TO \_\_\_\_\_

MAIL CHECK TO \_\_\_\_\_

ADDRESS	CITY	STATE	ZIP CODE
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CHECK MEMO (Available for Third Party checks only, 20 Character limit)

**5 METHOD OF DISBURSEMENT\* (Payee Information) (continued)**

<input type="checkbox"/> <b>SEND FUNDS BY ACH</b> New ACH bank instructions require a 3-day prenote period before any disbursements can be processed		<input type="checkbox"/> <b>Yes, this is a Third Party Payee</b>	
BANK NAME		BANK PHONE NUMBER	
ABA ROUTING # (9 DIGITS)		TYPE OF ACCOUNT <input type="checkbox"/> Checking <input type="checkbox"/> Savings	
FOR CREDIT TO		ACCOUNT NUMBER	
<input type="checkbox"/> <b>SEND FUNDS BY WIRE**</b> (Additional fees may apply, see current Fee Schedule)		<input type="checkbox"/> <b>Yes, this is a Third Party Payee</b>	
BANK NAME		BANK PHONE NUMBER	
ABA ROUTING # (9 DIGITS)		TYPE OF ACCOUNT <input type="checkbox"/> Checking <input type="checkbox"/> Savings	
FOR CREDIT TO		FOR FURTHER CREDIT TO	
ACCOUNT NUMBER		FOR FURTHER CREDIT TO ACCOUNT NUMBER	
<input type="checkbox"/> <b>DEPOSIT TO ETCB TAXABLE ACCOUNT</b>			
ACCOUNT REGISTRATION		ACCOUNT NUMBER	
DESIGNATION (if applicable)			

\*\*NOTE: Wire delivery is only available for One-Time Distributions, not Recurring Distribution Schedules. Be sure to contact your bank to verify the proper routing number for ACH/EFT or Wire transfers.

**6 REQUIRED FOR THIRD-PARTY DISBURSEMENTS\***

CLIENT RELATIONSHIP TO RECIPIENT			
BUSINESS PURPOSE FOR PAYMENT			
ADDRESS	CITY	STATE	ZIP CODE

\*A Third-Party disbursement is any fund transmittal other than to the matching registration/ownership. All Third-Party disbursements require either DocuSign with Knowledge Based Authentication or a notary unless making payment: (1.) From a Trust to one of the trustees of the trust. (2.) From an Individual account to a Joint account where one of the owners is the same as the owner of the Individual account. (3.) From a Joint account to an Individual account where the owner is one of the owners of the Joint account.

**7 FEDERAL TAX WITHHOLDING - ELECTION AND INFORMATION**

**FEDERAL WITHHOLDING ELECTION NOTICE.** Distributions from your non-Roth IRA are subject to federal and, where applicable, state income tax withholding unless you elect not to have withholding apply below (if you are a U.S. Citizen or other U.S. Person). For nonperiodic payments, the default withholding rate is 10%. You can choose to have a different rate by entering a rate between 0% and 100% below. Generally, you cannot choose less than 10% for payments to be delivered outside the United States and its possessions. If this election is not completed, ETCB may withhold federal income tax at the rate of 10%.

If you made nondeductible contributions to your IRA, this may result in excess withholding from your distributions. If you elect not to have withholdings apply to your distributions 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.

Please review the Federal Tax Withholding Additional Information and IRS Form W-4R, which can be found at the end of this Distribution Request Form.

**7 FEDERAL TAX WITHHOLDING - ELECTION AND INFORMATION (continued)**

 Please select only ONE option below.

Please withhold taxes from my distribution at the default rate of 10%

Please withhold taxes from my distribution at a rate of: \_\_\_\_\_ \* (Enter rate as a whole number between 0%-100%, no decimals)

Please withhold taxes in the amount of \$\_\_\_\_\_ (Dollar amount must be greater than 10% of the total distribution value)

\*Complete this line if you would like a rate of withholding that is different than the default withholding rate. Please review the Federal Tax Withholding Additional Information and IRS FORM W-4R for more information.

**8 STATE WITHHOLDING ELECTION**

STATE INCOME TAX. Requirements vary by state. See State Tax Withholding Information at the end of this Distribution Request Form.

State of Residence: \_\_\_\_\_

If you do not provide state above, we will use the state on your Account's record at the time this is processed.

 Please select only ONE option below.

Do NOT withhold State Income Tax

Withhold State Income Tax\*

at a rate of \_\_\_\_\_ % ( percentage in whole numbers)

in the amount of \$\_\_\_\_\_

State income tax withholding from your distribution may be required. In some cases, you may elect not to have withholding apply, or you may elect to increase the rate of withholding. In other cases, state income tax withholding may not be available. Refer to the State Tax Withholding Information sheet for specific information concerning your state's withholding rates. While we make every effort to obtain information about state tax laws from sources believed to be reliable, we cannot guarantee the accuracy or timeliness of state tax withholding information because state tax laws are subject to constant change and interpretation. We recommend that you contact your tax advisor regarding your tax withholding elections and to answer any questions that you may have.

\*Note, if you do not make an election, ETCB will apply withholding (if required) at the minimum rate based on the laws for your state of residency as determined by the legal address of record on your Account.

(Note: For Income Distribution Schedules from section 3D, withholding elections must be a percentage, not a dollar amount.)

**9 SIGN and DATE**

By signing this form, I understand and agree that I authorize and direct ETCB to distribute funds from my Account referenced above in accordance with instructions completed on this Distribution Request form and this authorization will remain valid until a written revocation is received by ETCB. Also, I understand my federal or state income tax withholding election is applicable to any subsequent distribution until it is revoked by me under the procedure established by ETCB.

By signing this Distribution Request Form, I certify that I am the proper party to receive payment(s) from this Account and that all information provided is true and accurate and that my address associated with this Account is current and up to date. I expressly assume the responsibility for any tax implications and any adverse consequences which may arise from this distribution, and I agree that ETCB, or any of its affiliates, shall in no way be held responsible. I have not received any tax or legal advice in connection with this distribution from ETCB or any of its affiliates. I understand the tax implications of this distribution and understand that it is my responsibility to determine the taxable amount of this distribution and that I have read and understand the IRS Instructions for Form W-4R.

ACCOUNT OWNER'S SIGNATURE

DATE

**Notary is required for Third-party disbursements unless DocuSign's Knowledge Based Authentication certification is provided. (Refer to Section 6 to determine if this is required).**

**9 SIGN and DATE (continued)**
**Certificate of Acknowledgment of Notary Public\***

State of \_\_\_\_\_, in the County of \_\_\_\_\_, On (mm/dd/yyyy) \_\_\_\_\_,

the above-named individual(s) personally appeared before me and proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument, the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument. I certify under PENALTY OF PERJURY that the foregoing paragraph is true and correct.

**NOTARY SEAL**

Signature: Notary	Today's Date (mm/dd/yyyy)
Print Notary Name	My Commission Expires (mm/dd/yyyy)

\* If your state law permits, notaries may attach the appropriate notarizing declaration in lieu of this notarization.

**FEDERAL TAX WITHHOLDING**
**ADDITIONAL INFORMATION**

IRS regulations require us to withhold federal income tax at the rate of 10% from your IRA distribution(s) unless you elect not to have withholding apply by indicating this on your distribution request. This election will remain in effect on periodic distributions taken from your IRA until revoked by you. You can revoke this election at any time by sending a written request to the following address: ETC Brokerage Services, LLC, 1 Equity Way, Westlake, Ohio 44145. Withholding may apply to the gross amount of each distribution, even though you may have made nondeductible contributions.

If you elect to have withholding apply when you request a distribution, federal income tax will be withheld from your IRA distribution(s) (excluding Roth IRA distributions) at a rate of 10% (unless you have elected a different percentage withheld between 1% and 100%, in which case federal income tax will be withheld at the rate you have chosen). Withholding will also apply if you make no withholding election. Even if you choose to have federal income tax withheld, you are still responsible for the full payment of federal income tax, any state or local taxes, and any penalties that may apply to your distribution(s). Federal income tax will not be withheld from distributions from a Roth IRA unless you elect to have such tax withheld. Whether or not you elect to have withholding apply, you may be responsible for payment of estimated taxes. You may also incur penalties under the IRS estimated tax rules if your estimated tax payments are not sufficient.

If you are a nonresident alien, you must submit IRS Form W-8BEN, Certificate of Foreign Status of Beneficial Owner for United States Tax Withholding, with your distribution request to claim tax treaty benefits, if applicable. To obtain Form W-8BEN, consult your tax advisor or go to the IRS Web site at <http://www.irs.gov>. Note: Similar tax withholding rules may apply to other types of retirement accounts. Contact your investment professional or tax advisor for more details.

**Helpful to Know**

- Federal and state tax withholding rules can change, and the information cited below may not reflect the current withholding from a federal or state perspective. Consult your tax advisor, the IRS, and/or your state taxing authority to obtain the most up to date information pertaining to your situation.
- The IRS requires us to provide you with the Margin Rate Tables and the Tax Withholding Instructions from the IRS Form W-4R.

**Withholding Certificate for Nonperiodic Payments and  
Eligible Rollover Distributions****2025**

Give Form W-4R to the payer of your retirement payments.

1a First name and middle initial

Last name

1b Social security number

Address

City or town, state, and ZIP code

Your withholding rate is determined by the type of payment you will receive.

- For nonperiodic payments, the default withholding rate is 10%. You can choose to have a different rate by entering a rate between 0% and 100% on line 2. Generally, you can't choose less than 10% for payments to be delivered outside the United States and its territories.
- For an eligible rollover distribution, the default withholding rate is 20%. You can choose a rate greater than 20% by entering the rate on line 2. You may not choose a rate less than 20%.

See page 2 for more information.

**2** Complete this line if you would like a rate of withholding that is different from the default withholding rate. See the instructions on page 2 and the Marginal Rate Tables below for additional information. Enter the rate as a whole number (no decimals) **2** **%**

**Sign  
Here**

Your signature (This form is not valid unless you sign it.)

Date

**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](http://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 or eligible rollover distribution from an employer retirement plan, annuity (including a commercial annuity), or individual retirement arrangement (IRA). See page 2 for the rules and options that are available for each type of payment. Don't use Form W-4R for periodic payments (payments made in installments at regular

intervals over a period of more than 1 year) from these plans or arrangements. Instead, use Form W-4P, Withholding Certificate for Periodic Pension or Annuity Payments. For more information on withholding, see Pub. 505, Tax Withholding and Estimated Tax.

**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.

**2025 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 page 2 for more information on how to use this table.

<b>Single or Married filing separately</b>		<b>Married filing jointly or Qualifying surviving spouse</b>		<b>Head of household</b>	
<b>Total income over—</b>	<b>Tax rate for every dollar more</b>	<b>Total income over—</b>	<b>Tax rate for every dollar more</b>	<b>Total income over—</b>	<b>Tax rate for every dollar more</b>
\$0	0%	\$0	0%	\$0	0%
15,000	10%	30,000	10%	22,500	10%
26,925	12%	53,850	12%	39,500	12%
63,475	22%	126,950	22%	87,350	22%
118,350	24%	236,700	24%	125,850	24%
212,300	32%	424,600	32%	219,800	32%
265,525	35%	531,050	35%	273,000	35%
641,350*	37%	781,600	37%	648,850	37%

\* If married filing separately, use \$390,800 instead for this 37% rate.

## General Instructions (continued)

**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 2025, your current withholding election (or your default rate) remains in effect unless you submit a Form W-4R.

**Eligible rollover distributions—20% withholding.** Distributions you receive from qualified retirement plans (for example, 401(k) plans and section 457(b) plans maintained by a governmental employer) or tax-sheltered annuities that are eligible to be rolled over to an IRA or qualified plan are subject to a 20% default rate of withholding on the taxable amount of the distribution. You can't choose withholding at a rate of less than 20% (including “-0-”). Note that the default rate of withholding may be too low for your tax situation. You may choose to enter a rate higher than 20% on line 2. Don't give Form W-4R to your payer unless you want more than 20% withheld.

Note that the following payments are **not** eligible rollover distributions for purposes of these withholding rules:

- Qualifying “hardship” distributions;
- Distributions required by federal law, such as required minimum distributions;
- Distributions from a pension-linked emergency savings account;
- Eligible distributions to a domestic abuse victim;
- Qualified disaster recovery distributions;
- Qualified birth or adoption distributions; and
- Emergency personal expense distributions.

See Pub. 505 for details. See also *Nonperiodic payments—10% withholding* above.

**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 1b

For an estate, enter the estate's employer identification number (EIN) in the area reserved for “Social security number.”

### 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 on page 1 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 \$65,000 without the payment. Step 1: Because your total income without the payment, \$65,000, is greater than \$63,475 but less than \$118,350, the corresponding rate is 22%. Step 2: Because your total income with the payment, \$85,000, is greater than \$63,475 but less than \$118,350, 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 \$61,000 without the payment. Step 1: Because your total income without the payment, \$61,000, is greater than \$26,925 but less than \$63,475, the corresponding rate is 12%. Step 2: Because your total income with the payment, \$81,000, is

greater than \$63,475 but less than \$118,350, the corresponding rate is 22%. The two rates differ. \$2,475 of the \$20,000 payment is in the lower bracket (\$63,475 less your total income of \$61,000 without the payment), and \$17,525 is in the higher bracket (\$20,000 less the \$2,475 that is in the lower bracket). Multiply \$2,475 by 12% to get \$297. Multiply \$17,525 by 22% to get \$3,856. The sum of these two amounts is \$4,153. This is the estimated tax on your payment. This amount corresponds to 21% of the \$20,000 payment (\$4,153 divided by \$20,000). Enter "21" on line 2.

**Privacy Act and Paperwork Reduction Act Notice.** We ask for the information on this form to carry out the Internal Revenue laws of the United States. You are required to provide this information only if you want to (a) request additional federal income tax withholding from your nonperiodic payment(s) or eligible rollover distribution(s); (b) choose not to have federal income tax withheld from your nonperiodic payment(s), when permitted; or (c) change a previous Form W-4R (or a previous Form W-4P that you completed with respect to your nonperiodic payments or eligible rollover distributions). To do any of the aforementioned, you are required by sections 3405(e) and 6109 and their regulations to provide the information requested on this form. Failure to provide this information may result in inaccurate withholding on your payment(s).

Failure to provide a properly completed form will result in your payment(s) being subject to the default rate; providing fraudulent information may subject you to penalties.

Routine uses of this information include giving it to the Department of Justice for civil and criminal litigation, and to cities, states, the District of Columbia, and U.S. commonwealths and territories for use in administering their tax laws. We may also disclose this information to other countries under a tax treaty, to federal and state agencies to enforce federal nontax criminal laws, or to federal law enforcement and intelligence agencies to combat terrorism.

You are not required to provide the information requested on a form that is subject to the Paperwork Reduction Act unless the form displays a valid OMB control number. Books or records relating to a form or its instructions must be retained as long as their contents may become material in the administration of any Internal Revenue law. Generally, tax returns and return information are confidential, as required by section 6103.

The average time and expenses required to complete and file this form will vary depending on individual circumstances. For estimated averages, see the instructions for your income tax return.

If you have suggestions for making this form simpler, we would be happy to hear from you. See the instructions for your income tax return.

**STATE TAX WITHHOLDING INFORMATION**

Your state of residence determines your state income tax withholding requirements. The information below is provided only as a guideline to help you understand state income tax withholding requirements and is not tax or legal advice regarding withholding. ETCB makes every effort to obtain information about state tax laws from reliable sources, however ETCB cannot guarantee the accuracy or timeliness of state tax withholding information as state tax laws are subject to constant change and interpretation. The information below applies to residents of each respective state and there may be exceptions based on your circumstances. Special rules apply if you live in a foreign country, are not a U.S. Citizen, or are a non-resident alien. You will be responsible for any under-withholding when you file your tax return. Please contact your tax advisor before making an election regarding state tax withholding.

**STATE INCOME TAX WITHHOLDING OPTIONS**

AK, FL, NH, NV, SD, TN, TX, WA, WY	<b>STATE INCOME TAX WITHHOLDING MAY NOT BE ELECTED</b> State income tax withholding is not available. Do not complete the State Income Tax Withholding section.
AL, AZ, CO, DC, DE, GA, HI, ID, IL, IN, KY, LA, MD, MO, MS, MT, ND, NJ, NM, NY, OH, PA, RI, SC, UT, WV, WI	<b>STATE INCOME TAX WITHHOLDING IS VOLUNTARY</b> We will withhold state income tax only if you instruct us to do so. You must indicate the amount to withhold. There is no mandatory tax rate as these states are voluntary withholding states.
KS, MA, ME, NE, VT	<b>STATE INCOME TAX WITHHOLDING IS MANDATORY IF FEDERAL WITHHOLDING HAS BEEN ELECTED</b> If you have federal income tax withheld: KS: 5.00% of distribution amount MA: 5.00% of distribution amount ME: 5.00% of distribution amount NE: 5.00% of distribution amount VT: 30% of federal withholding amount
AR, CA, CT, IA, MI, MN, NC, OK, OR, VA	<b>STATE INCOME TAX WITHHOLDING IS MANDATORY WHEN FEDERAL WITHHOLDING APPLIES, UNLESS YOU SPECIFICALLY ELECT NOT TO WITHHOLD</b> AR: 3% of distribution amount CA: 10% of federal withholding amount CT: 6.99% (only if distribution is over \$5000 or more than 50% of total account value) IA: 5% of distribution amount MI: 4.25% of distribution amount (unless you opt out or adjust withholding by submitting Form MI-W4P) MN: 6.25% of distribution amount (unless you complete form W-4MN to elect no state tax with federal tax withholding) NC: 4% of distribution amount (unless you opt out or adjust withholding by submitting Form NC-4P) OK: 4.75% of distribution amount (unless you opt out or adjust withholding by submitting Form OK-W-4-R) OR: 8% of distribution amount (unless you complete Form W-4P) VA: 4% of the distribution amount