



# Individual Retirement Account Required Minimum Distribution Form Instructions

## Before You Begin

These instructions are not intended as tax or legal advice. Information regarding required minimum distributions from your individual retirement account can be found in IRS Publication 590 which is available from your local IRS form distribution center, or online at [www.irs.gov](http://www.irs.gov). Because your personal financial circumstances are unique, and because of the possibility of tax penalty for failure to comply with IRS regulations on IRA distributions, we recommend that you consult with your professional tax advisor prior to requesting the distribution.

## REQUIRED MINIMUM DISTRIBUTION

### Lifetime RMDs

You must begin taking RMDs in the year in which you attain age 70½. Though you may defer your first RMD until April 1 of the year following the year in which you attain age 70½, doing so will require you to take two RMDs in the year in which you attain age 71½.

The RMD is based on your life expectancy factor and the year end account value of your IRA according to the following formula:

$$\text{RMD} = \frac{\text{(December 31 portfolio value)}}{\text{(Life expectancy factor)}}$$

Under new IRS rules, your life expectancy factor is taken from the Uniform Life Expectancy Table, which assumes that you have a beneficiary 10 years younger (whether or not you do) and then calculates your joint life expectancy. The only exception is if your spouse is your sole beneficiary and more than 10 years younger. In this instance, you may use the actual joint life expectancy table to calculate your RMD.

### Tax-reporting Information

Any distribution from an IRA, including RMDs, is reported to the IRS as a distribution taken in the year in which the shares are redeemed. The distribution is reported on IRS form 1099-R.

### Tax-withholding Information

Distributions from an IRA account are subject to federal income tax withholding unless you elect not to have taxes withheld. Clipper Fund is required by the Internal Revenue Code to withhold 10% from all IRA distributions unless we are instructed otherwise by you at the time you request a distribution. You will receive your copy of form 1099-R by the end of January of the following year.

If you do not want Clipper Fund to withhold taxes on your distributions, please be sure to complete the withholding section of the IRA Required Minimum Distribution Form. You will then be responsible for paying estimated taxes to the IRS. You may incur penalties under the estimated tax rules, if your estimated tax payment is insufficient.

We will pay the IRS the amount withheld on your behalf. We cannot refund any amount properly withheld, even if the amount was withheld because of your failure to file the necessary election notice.

## INSTRUCTIONS FOR COMPLETING THE DISTRIBUTION FORM

### Section A "IRA Holder Information"

Please complete this section in its entirety. Please be sure to include a daytime phone number.

### Section B "IRA Asset Transferred to Clipper Fund"

Please complete this section if you have had any assets transfer into your Clipper IRA account.

### Section C "Distribution Instructions"

Please complete A or B.

**A. Systematic Distribution:** Please make sure to indicate the frequency with which you want the distribution. If you do not indicate a month and day to begin your systematic withdrawal payments, they will begin on or about the 25th day of the current month. If you do not indicate a frequency, they will be made annually.

**B.** Please indicate the fund from which all distributions will come and the dollar amount if Clipper Fund is not doing the calculation. If you do not select a fund from which the distributions will come we will default to a proportional distribution among all funds in your retirement plan account.

### Section D "Delivery Instructions"

Indicate where and how you want Clipper Fund to send your distribution. Distributions are sent out on the next business day after your request is processed.

### Section E "Banking Instructions"

Please complete this section if you are requesting your distribution via ACH or electronic wire and do not already have banking instructions on file. Please note that if you are completing this section you must get a medallion signature guarantee.

### Section F "W-4P withholding election"

Please complete this section. If you do not make an election Clipper Fund is required to withhold 10% of your distribution for federal income tax.

### Section G "Signature"

You must sign the distribution form in this section. Clipper Fund will not process an unsigned distribution request. Please read the instructions on the form to determine if you must have your signature medallion guaranteed.



# IRA Required Minimum Distribution Form

800-432-2504

Please return this application to Clipper Fund, P.O. Box 55468, Boston, MA 02205-5468. For overnight mail: Clipper Fund, 30 Dan Road, Canton, MA 02021-2809. For assistance, please call Investor Services at 800-432-2504. This form can also be downloaded from our website, clipperfund.com.

**Complete this form for RMD distribution from your Traditional or SEP IRA  
TO ENSURE PROPER PROCESSING, PLEASE PRINT CLEARLY IN CAPITAL LETTERS AND USE BLACK INK.**

## A. IRA HOLDER INFORMATION

Name

Address  Suite/Apartment

City  State  Zip Code  + 4

Social Security Number  (  )  -  Daytime Telephone Number

Check here if you are changing the address of record for the IRA accounts listed under the social security number. **You must have your signature medallion guaranteed to redeem money to this new address.**

## B. IRA ASSETS TRANSFERRED TO CLIPPER FUND

During the year for which you are requesting your RMD, did you transfer or roll over retirement assets into your Clipper Fund IRA? (Check one)

- No** (Go to Section C)
- Yes** Was your RMD for that year taken prior to your transfer or rollover? (check one)
  - Yes** (Go to Section C)
  - No** Please provide us with the December 31 value of the IRA for the prior year so that we can calculate your RMD. \$ \_\_\_\_\_  
If no amount is provided, we must use the amount we have as transferred to us from another institution.

## C. DISTRIBUTION INSTRUCTIONS

Please instruct us concerning the timing and frequency of your distributions.

**A. Set up a Systematic Withdrawal Plan for my CURRENT and FUTURE year RMDs according to the following schedule:**

I would like to receive my systematic withdrawal payments (check one box):

Frequency:  Monthly  Quarterly  Annually

Frequency other than monthly, circle the months of distribution:

Jan Feb Mar Apr May Jun July Aug Sept Oct Nov Dec

Payments should begin on the  day of the  month.

**If you do not indicate a month and day to begin your systematic withdrawal payments, they will begin on or about the 25th day of the current month. If you do not indicate a frequency, they will be made annually.**

**C. DISTRIBUTION INSTRUCTIONS – Continued**

**B. Distribute my current year RMD only upon receipt of this form. I understand that by selecting this option it is my responsibility to contact Clipper Fund each year to request future RMDs.**

Please calculate and distribute my RMD.

I have made my own calculations; please distribute \$ \_\_\_\_\_. (Please see instructions Section C)

Fund Number: <b>1 2 6</b>	Account Number	Amount \$	.	or	%
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**D. DELIVERY INSTRUCTIONS**

**Mail the Check** to the IRA holder at the address on record.

**Overnight Mail:** A \$25.00 fee will be taken from redemption proceeds. Unless otherwise indicated below, the check will be sent to your address of record.

**Mail the distribution check to a third party payee at the address listed below. You must obtain a medallion signature guarantee.**

\_\_\_\_\_  
 Name of Payee

\_\_\_\_\_  
 Residential or Business Address

\_\_\_\_\_  
 City

\_\_\_\_\_  
 State

\_\_\_\_\_  
 Zip Code

\_\_\_\_\_  
 Suite/Apartment

\_\_\_\_\_  
 + 4

**ACH (Automatic Clearing House):** Transfer to the banking instructions on record. If you are establishing or changing your banking instructions, please complete section E, and you must obtain a **medallion signature guarantee**.

**Electronic "Wire":** Transfer to the banking instructions on record. A \$5.00 wire fee applies. One-time distributions only, not available for systematic withdrawals. Proceeds usually wired the next business day. If you are establishing or changing your banking instructions, please complete section E and you must obtain a **medallion signature guarantee**.

**Transfer the distribution shares** into a Clipper non-retirement account(s) in the same class of shares. If this is a new account, please attach a completed Clipper Account Application to this IRA RMD Distribution form. New account must meet fund minimum of \$2,500.00. If this is an existing account, please indicate the Fund and Account numbers below. If you are transferring shares to a Clipper account registered to someone other than, or in addition to, the IRA owner, you must obtain a **medallion signature guarantee**.

Fund Number: 126	Account Number
Fund Number: 126	Account Number

## E. BANKING INSTRUCTIONS

If you would like to receive your distribution by electronic wire or ACH and have not previously established banking instructions on your account, please complete this section.

<input type="text"/>	( <input type="text"/> ) <input type="text"/>
Bank Name	Bank Phone Number
<input type="text"/>	<input type="text"/>
Bank Account Number	Routing/ABA Number of Bank*

*Please tape a voided check here*

*\* ACH Routing Number IMPORTANT NOTE:  
Many financial institutions use a different account number than the one that appears on your check. Please contact your local office to obtain the proper account numbers for processing an Electronic Funds Transfer (EFT) transaction. You may need to explain that you are asking for the routing number in order to have funds drafted from your account electronically.*

## F. W-4P WITHHOLDING ELECTION

Your distribution will be subject to federal income tax withholding at a rate of 10% **unless** you indicate otherwise here.

- Do not withhold taxes.** I understand that I am still responsible for payment of any federal or state taxes on my distribution(s).
- Please withhold** \_\_\_\_\_ % (minimum 10%) from my distribution(s). We do not withhold state tax.

For systematic distributions, your withholding election indicated here will remain effective until you revoke or change your withholding election at any time.

If you are receiving a distribution outside the United States or its possessions, the withholding requirement cannot be waived.

## G. SIGNATURE

By signing this form I authorize State Street Bank & Trust Co. and its service agents to redeem shares from my Clipper Fund IRA. I understand that Clipper Fund does not provide IRA distribution tax advice and that I am responsible for the payment of taxes.

The undersigned individual authorizes the withdrawal and withholding election herein specified. The undersigned acknowledges that the information contained on this form is accurate and that it is the undersigned's responsibility to determine correctly the amount of tax that may be due based on all IRA accounts the undersigned may own (including those unknown by or not under the control of the Custodian). The undersigned agrees to indemnify and hold harmless the Custodian and its agents and service providers, including Clipper Fund from any losses or expenses incurred if such information is not correct. The undersigned acknowledges that it is his/her responsibility to properly calculate, report and pay all taxes due with respect to the withdrawal herein specified.

### Your Signature must be Medallion Guaranteed if you are requesting any of the following:

- A distribution greater than \$100,000.
- Adding or changing banking instructions.
- Distribution to an address other than the address of record, or one changed within the last 30 days.
- A distribution to someone other than the IRA holder.

Place Medallion Signature Guarantee below\*

\_\_\_\_\_  
Signature of IRA Owner

\_\_\_\_\_  
Date

\*Eligible guarantors as defined by the Securities Exchange Act of 1934 include federally insured financial institutions, registered broker-dealers, or participants in a recognized medallion signature guarantee program. Please verify with the institution that it is an eligible guarantor prior to signing. Authorization of signatures by a notary public cannot be accepted in lieu of a Medallion Guarantee.