

Form W-4P (substitute)
Notice of Withholding of Federal Income Tax from Periodic Pension Payments

Internal Revenue Code Section 3405(a) requires Federal income tax withholding from your periodic pension payment unless you elect not to have withholding apply. Withholding will only apply to the portion of your pension payment that is included in your income subject to Federal income tax and will follow the rules for the withholding of tax from wages. Therefore, there will be no withholding on the return of your own nondeductible contributions to the plan.

In the event that we are unable to determine the portion of your payment that is includible in gross income, tax will be withheld on the gross amount of the payment, even though you may be receiving amounts that are not subject to withholding (because they are excludable from gross income). This withholding procedure may result in excess withholding on the payment. You may, however, provide us with the information necessary to calculate the taxable portion of each payment, or you may adjust your allowances claimed on the election notice if you want a lesser amount withheld from each payment.

The amount of Federal income tax withheld will change if the periodic amount of your pension changes or if the tax rates change.

You may elect not to have withholding apply to your pension payments by checking the box on Line 1 on the election form on the reverse side of this notice unless you are a U.S. citizen or resident alien and your payment is to be delivered outside of the United States or its possessions, or if you do not provide us with a Social Security Number.

If you provide an incorrect Social Security Number, we are required to withhold as if you were a single person with zero withholding allowances.

If you elect to have withholding, please check the box on Line 2 on the election form and supply the additional information indicated below the box. Withholding will be calculated on the basis of whether you are married or single and the number of withholding allowances that you claim.

You may also elect to have an additional flat amount withheld from each periodic payment; please write in the amount on Line C of the election form.

After completing the election form, please sign, date and return it to Prudential at the address on the reverse side of this notice. Your election choice will become effective no later than with the payment that is due at least one month after our receipt of the election. Your election will remain in effect until you change or revoke it. You may make and revoke elections not to have withholding apply as often as you wish. Additional election forms may be obtained by calling the "800" number on the front of this notice.

If you do not return a signed and completed election form, or if your election is not received prior to the processing of your initial retirement check, we will be required by law to withhold Federal income tax from your pension payments as if you were a married person and entitled to three withholding allowances.

Caution: If you elect not to have withholding apply to your pension payments, or if you do not have enough Federal income tax withheld from your pension payments, 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.



Form W-4P (substitute) Withholding Election Form and Notice to Payee of Withholding of Federal Income Tax from Periodic Pension Payments

Name of Payee (please print)

Address

Social Security Number

Contract Number

Please read the enclosed notice before making your election. Check the appropriate box(es) below. Then sign and date this form and return it as soon as possible.

1. If you elect not to have tax withheld, check this box. Do not complete the information under Line 2. Sign and date the form at the bottom of the page.
2. If you elect to have tax withheld, check this box, **and** complete the information on Lines A and B. If you also want to have an additional flat amount withheld from your payments, complete the information on Line C.

A. Marital Status (Check only one): Single Married Married, but withhold at the higher single rate

B. Number of Allowances: _____

C. Additional flat amount: \$ _____ **Note: You cannot enter an additional amount here without first entering a marital status on Line A and the number (Including zero) of allowances on Line B.**

You may claim one allowance for yourself. You also may be able to claim an allowance for your spouse and for each dependent. Your most recent tax return may help you in deciding the number of allowances to claim.

You are not required to claim all of the allowances to which you are entitled. If you expect to itemize deductions, and if they exceed the standard deduction, you may claim additional withholding exemptions for certain tax credits to which you may be entitled. You should consult your tax advisor with any questions on allowances, deductions, or tax credits that may apply.

Signature

Date

Please return the completed form to:

The Prudential Insurance Company of America
2801 Townsgate Road, Ste 300, Thousand Oaks, CA 91361

Fax to: (800) 307-0009

Email to: WCTpension@Prudential.com

If you have any questions, feel free to contact us at:

(800) 336-3387