

LEGG MASON FUNDS<sup>1</sup>

# INHERITED IRA DISTRIBUTION REQUEST FORM

*For non-reportable transfers, please complete and submit the appropriate receiving custodian's trustee to trustee transfer of assets form.*

If you have any questions, please call Shareholder Services at 1-800-822-5544 Monday through Friday, 8:00 am - 5:30 pm (ET)

Please Print

## 1 IRA OWNER AND BENEFICIARY INFORMATION

Original IRA Owner:

Name

Social Security Number

Date of Birth

Date of Death

Beneficiary, Trustee, Executor, Authorized Representative (or Responsible Individual if beneficiary is a minor) Information:

Name

Daytime Telephone

Social Security Number or EIN the inherited IRA account is registered under: \_\_\_\_\_

## 2 INHERITED IRA ACCOUNT INFORMATION

Inherited IRA Account Number: \_\_\_\_\_ or

- New Account - Inherited IRA Application (attached)
- Inherited Traditional IRA
- Inherited Roth IRA
- Inherited SIMPLE IRA (IRA owner had not met the required 2-year period)

**Important:** If the inherited IRA is (or was) transferred from another institution, please provide the prior year account value.

Prior year end account value \$ \_\_\_\_\_

<sup>1</sup> For the purposes of this form, the term "Legg Mason Funds" refers to the Legg Mason and Western Asset families of funds.

### 3 DISTRIBUTION ELECTION

**Important:** Required distributions must commence by the end of the year following the year of death. Any amount distributed from an inherited IRA account is not rollover eligible and cannot be redeposited back into the account. All distributions from inherited IRA accounts are reported as death distribution on IRS Form 1099-R under Code 4 in Box 7.

#### A. One Time Redemption:

- 1)  Liquidate Entire Account  
2)  One-Time Partial Distribution Dollar Amount \$ \_\_\_\_\_ (or) Shares \_\_\_\_\_

#### B. Systematic Redemption: (Select option 1, 2, or 3. Your options are continued on page 3.)

If no date is indicated for payment, the distribution will be processed on the 25th of each month or the next business day.

- 1)  Select this box if you are a beneficiary of an inherited IRA – payments are calculated based on the original beneficiary's continued single life expectancy payments which is reduced by one each year thereafter. "Stretch" payments are only allowed if the original beneficiary commenced single life expectancy payments in the year following the original IRA owner's death. A subsequent beneficiary may not use their own life expectancy to calculate payments *(see Exception to the rule below)*.

Provide the original beneficiary's/inherited IRA owner's date of birth \_\_\_\_/\_\_\_\_/\_\_\_\_  
MM DD YY

Schedule:  Monthly  Quarterly  Semi-Annual  Annual Installments

Start Date \_\_\_\_/\_\_\_\_/\_\_\_\_  
MM DD YY

*[Exception to the rule:* For a surviving spouse beneficiary who elected to defer their initial start date until the original IRA owner would have obtained age 70½, yet passed prior to initiating such payments, the subsequent beneficiary is allowed to use their own life expectancy unless the 5-year rule applies.]

- 2)  Periodic Distribution for a Specific Amount (see \*5-year rule) - Dollar Amount \$ \_\_\_\_\_

Schedule:  Monthly  Quarterly  Semi-Annual  Annual Installments

Start Date \_\_\_\_/\_\_\_\_/\_\_\_\_  
MM DD YY

**\*5-year rule** – The custodian assumes no responsibility for determining the amount that must be systematically distributed in order to liquidate the account within the required 5-year period. If you are invested in a mutual fund, you are accepting responsibility for determining the periodic amounts required to liquidate the account within the 5-year timeframe. In general, you are required to distribute the entire balance of the inherited IRA account by December 31st of the 5th year following the year of the IRA owner's death. You will assume all responsibility for ensuring that you liquidate the account within the required timeframe.

- 3)  Calculate Required Distributions – *(you may not use this election if the \*5-year rule applies)*

Schedule:  Monthly  Quarterly  Semi-Annual  Annual Installments

Start Date \_\_\_\_/\_\_\_\_/\_\_\_\_  
MM DD YY

#### PLEASE IDENTIFY YOUR RELATIONSHIP/BENEFICIARY STATUS:

(Refer to section titled Beneficiary Distribution Chart)

- Spouse  
 Non-Spouse Beneficiary  
 One of multiple beneficiaries named on the account and the account was established after the deadline for establishing separate accounts (December 31st of the year following the year of death). Please provide the eldest beneficiary's date of birth \_\_\_\_/\_\_\_\_/\_\_\_\_ for calculating single life expectancy payments. The factor used will be reduced by one each year thereafter.  
 Estate, Charity or other Organization  
 Non-Qualified Trust  
 Qualified Trust - which meets the provisions of a "look through" trust, as defined in IRS Publication 590. Please provide the eldest beneficiary's date of birth \_\_\_\_/\_\_\_\_/\_\_\_\_ for calculating single life expectancy payment amounts payable to the trust. The factor used will be reduced by one each year thereafter. If the IRA owner was in RMD payout, their remaining life expectancy will be used and reduced by one each year thereafter.

- Qualified Trust in which the spouse is the sole beneficiary of the trust. The spouse elects to use their single life expectancy (with elected option - check one:  reduced by one each year thereafter, or  recalculated) to calculate payments to the trust.

**Important:** RMD amounts due for the year of death must be distributed to the beneficiary prior to establishing an inherited IRA. If the IRA owner was 70½ or older in the year of death and had commenced RMDs, as the designated beneficiary, trustee or executor, can you certify that the IRA owner’s RMD due for the year of death has been satisfied?  Yes  No

## 4 DISTRIBUTION ALLOCATION

**Amounts distributed from an inherited IRA are not rollover eligible. Amounts mistakenly distributed cannot be redeposited back into the account.**

Choose one:

- Distribute proportionately across all fund positions
- Distribute equally across all fund positions
- Distribute as indicated below:

**IMPORTANT NOTE:** If you choose this option and any fund position is subsequently liquidated or closed, you are responsible for contacting the custodian to reallocate your fund percentages to ensure your required distribution is fulfilled. Failure to do so could result in delays in the distribution of your assets. The custodian assumes no responsibility for monitoring or adjusting your allocation election in future years.

Fund Name/Share Class	Percentage (%)
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Fund Name/Share Class	Percentage (%)
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Fund Name/Share Class	Percentage (%)
	(Must equal 100%)

## 5 MAILING INSTRUCTIONS

- Mail to the address of record** - Check will be made payable to the registered inherited IRA owner, estate or charity.
  - Send via overnight mail. The fee for this service is \$15.00
- Mail to a forwarding address** - Check will be made payable to the registered inherited IRA owner, estate or charity. A Medallion Signature Guarantee is required if the address is not already on file.
  - Send via overnight mail. The fee for this service is \$15.00

Attention: \_\_\_\_\_

Street	City	State	Zip
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- Bank Deposit - Check or Electronic Bank Deposit (ACH)** - If issued as a check, the amount will be made payable to the registered inherited IRA owner for deposit to the specified account number.

A Medallion Signature Guarantee is required if the address or bank information is not already on file.

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Financial Institution

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Account Number

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Street

City

State

Zip

- Mail check, or  
 Transmit via automated clearing house ("ACH") electronic transmission

Bank Routing #: \_\_\_\_\_

- Checking       Saving

**ACH -ATTACH VOIDED CHECK HERE**

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## 6 TAX WITHHOLDING

### Federal Withholding - (including Roth Inherited IRAs)

Federal income tax will be withheld at the rate of 10% from any distribution, subject to the IRS withholding rules, unless you elect or have previously elected out of withholding. 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 excluded from gross income. This withholding procedure may result in excess withholding on the payments. If you elect to have no federal taxes withheld from your distribution, 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. If you are completing this form, your below election will remain in effect until such time as you make a different election in writing to the Custodian.

Please select one of the following:

- I elect **TO NOT** have federal income tax withheld. (This option is only available for accounts registered with an address in the United States.)
- Withhold 10% federal income tax
- Withhold \_\_\_\_\_% federal income tax (must be more than 10%)

**State Withholding**

Your state of residence will determine your state income tax withholding requirements, if any. Those states with mandatory withholding will require state income tax to be withheld from payments if federal income taxes are withheld or may mandate a fixed amount regardless of your federal tax election. Voluntary states let individuals determine whether they want state taxes withheld. Some states have no income tax on retirement payments. Please consult with a tax advisor or your state’s tax authority for additional information on your state requirements.

- I elect **TO NOT** have state income tax withheld from my retirement account distributions (only for residents of states that do not require mandatory state tax withholding).
- I elect **TO** have the following dollar amount or percentage from my retirement account distribution withheld for state income taxes (for residents of states that allow voluntary state tax withholding).  
 \$ \_\_\_\_\_ or \_\_\_\_\_ %

**7 AUTHORIZATION**

I certify that I am the individual authorized to make these elections and that all information provided is true and accurate. I further certify that the Custodian, the sponsor, or any agent of either of them has given no tax or legal advice to me, and that all decisions regarding the elections made on this form are my own. The Custodian is hereby authorized and directed to distribute funds from the account in the manner requested. The Custodian may conclusively rely on this certification and authorization without further investigation or inquiry. I expressly assume responsibility for any adverse consequences which may arise from the election(s) and agree that the Custodian, sponsor, and their agents shall in no way be responsible, and shall be indemnified and held harmless, for any tax, legal or other consequences of the election(s) made on this form.

Authorized Signature

Date

**(Beneficiary, Trustee, Executor, Responsible Individual, or Personal/Legal Representative)**

Medallion Signature Guarantee Stamp and Signature (If required by your current custodian or transfer agent): An eligible guarantor is a domestic bank or trust company, securities broker/dealer, clearing agency or savings association that participates in a medallion program recognized by the Securities Transfer Agents Association. The three recognized medallion programs are the Securities Transfer Agents Medallion Program (known as STAMP), Stock Exchanges Medallion Program (SEMP), and the Medallion Signature Program (MSP). A notarization from a notary public is NOT an acceptable substitute for a signature guarantee.

**MEDALLION SIGNATURE GUARANTEE STAMP**

## 8 BENEFICIARY DISTRIBUTION CHART

The deadline for establishing separate accounts is December 31st of the year following the year of death. Failure to establish a separate account could subject the inherited assets to the 5-year rule or immediate liquidation. The beneficiary is responsible for qualifying their status as it applies to the separate account rules.

**Refer to this section if the original IRA Owner was under age 70½ and had not yet reached their required beginning date (April 1st of the year following the year they obtain 70½) for required minimum distributions. This section also applies to Roth IRAs.**

**5-YEAR RULE** – the account is fully liquidated by the end of the fifth calendar year after the year of the IRA owner's death.

(or)

**SPOUSE** (who has established a beneficiary/inherited IRA) – the spouse's single life expectancy factor recalculated each year.

**NON-SPOUSE** – beneficiary's remaining life expectancy (determined in the year following the year of the IRA owner's death) reduced by one for each subsequent year.

**MULTIPLE BENEFICIARIES** – (the account was established past separate account deadline) – the eldest beneficiary's single life expectancy determined in the year following the year of the IRA owner's death reduced by one for each subsequent year.

**ESTATE, CHARITY OR OTHER ORGANIZATION** – 5-year rule

**TRUST**

- 1) Does not qualify as a look-through trust – 5-year rule
- 2) Qualifies as a "look-through" trust
  - a. 5-year rule, or
  - b. eldest beneficiary's single life expectancy determined in the year following the year of the IRA owner's death reduced by one for each subsequent year, or
  - c. spouse is the sole beneficiary of the look through trust – spouse's single life (determined in the year following the year of the IRA owner's death) reduced by one for each subsequent year thereafter, or recalculated.

**Refer to this section if the IRA Owner was 70½ or older in the year of death and had commenced required minimum distributions ("RMDs"). This section does not apply to Roth Inherited IRAs.**

**SPOUSE** (who established a beneficiary/inherited IRA) – the spouse beneficiary's single life expectancy factor is used and is recalculated each year.

**NON-SPOUSE** –

- 1) If the beneficiary is **younger** than the IRA owner, the required distribution period is based on the beneficiary's single life expectancy (determined in the year following the year of the IRA owner's death) reduced by one for each subsequent year.
- 2) If the beneficiary is **older** than the IRA owner the required distribution period is based on the original IRA owner's remaining single life expectancy (determined in the year of the IRA owner's death) reduced by one each year thereafter.

**MULTIPLE BENEFICIARIES** – (account was established past separate account deadline) – the eldest beneficiary's single life expectancy (determined in the year following the year of the IRA owner's death) reduced by one for each subsequent year.

**ESTATE, CHARITY OR OTHER ORGANIZATION** – the original IRA owner's remaining single life expectancy (determined in the year of the IRA owner's death) reduced by one for each subsequent year.

**TRUST**

- 1) Does not qualify as a look-through trust – the original IRA owner's remaining single life expectancy (determined in the year of the IRA owner's death) reduced by one for each subsequent year.
- 2) Qualifies as a "look-through" trust
  - a) Original IRA owner's remaining single life expectancy (determined in the year of the IRA owner's death) reduced by one for each subsequent year.
  - b) Spouse is the sole beneficiary of the look through trust – spouse's single life expectancy (determined in the year following the year of the IRA owner's death) reduced by one for each subsequent year.

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**CONTACT INFORMATION (INCLUDING CUSTOMER COMPLAINTS)**

<b>Mail:</b>	<b>Postal address</b> Legg Mason Funds P.O. Box 9699 Providence, RI 02940-9699	<b>Overnight carrier address</b> Legg Mason Funds 4400 Computer Drive Westborough, MA 01581
<b>Phone:</b>	To speak with an investment professional regarding any of our funds, please call toll-free: 1-800-822-5544, Monday through Friday, 8:00 am – 5:30 pm (ET)	
<b>Fax:</b>	1-508-599-4186	
<b>TeleFund:</b>	To access our telephone account management service, please call toll-free: 1-877-6LMFUNDS (1-877-656-3863)	
<b>Internet:</b>	<a href="http://www.leggmasonfunds.com">www.leggmasonfunds.com</a>	

An investor should consider a Fund's investment objectives, risks, charges and expenses carefully before investing. For a free prospectus, which contains this and other information on any Legg Mason Fund, visit [www.leggmasonfunds.com](http://www.leggmasonfunds.com). An investor should read the prospectus carefully before investing.