

Use this form only when requesting a distribution from your Fairholme Fund, Fairholme Focused Income Fund, or Fairholme Allocation Fund retirement account. All sections of the form must be completed in order for us to execute your request. We strongly suggest you contact your tax advisor prior to submitting this form.

This form is not intended for required minimum distributions, trustee to trustee transfers, recharacterizations or conversion requests.

For any questions, please contact [Shareholder Services](#) at 1-866-202-2263 Monday through Friday from 9am to 5pm EST.

Investor Information

Check the appropriate fund (use an additional form if you want to request distributions for a second fund).

The Fairholme Fund The Fairholme Focused Income Fund The Fairholme Allocation Fund

Name (First, Middle, Last)	Social Security #	Date of Birth (M-D-YY)	
Mailing Address	City / State or Province	Zip or Postal Code	Country
Daytime Telephone #	Account #		

Type of Account

Traditional IRA Rollover IRA SEP IRA Roth IRA (Proceed to section B or C)

Type of Distribution

A. For Traditional, Rollover or SEP IRA - Check the box that applies.

- 1. Normal distribution - You are age 59 ½ or older.
- 2. Early (premature) distribution – You are under age 59 ½, including distributions due to medical expenses, health insurance premiums, higher education expenses, first time homebuyer expenses, or other reason.
- 3. Substantially equal periodic payments within the meaning of section 72(t) of the Internal Revenue Code.
- 4. Death - If you are a beneficiary, contact Shareholder Services regarding additional document requirements.
- 5. Permanent disability - You certify that you are disabled within the meaning of section 72(m)(7) of the Internal Revenue Code.*
- 6. Transfer incident due to divorce or legal separation - Contact Shareholder Services regarding additional document requirements.
- 7. Removal of excess - You must complete the Excess Contribution Election section in its entirety.
- 8. Direct rollover to a qualified plan - You are certifying that the qualified plan custodian will accept the IRA assets issued.
- 9. Qualified Reservist Distribution

Note: For trustee to trustee transfers, please complete the appropriate receiving custodian's trustee to trustee transfer form. For revocations, refer to the IRA Disclosure Statement for instructions and information regarding your revocation rights. All required documentation must be received in good order before the distribution request can be honored. All legal documents must be certified and a Medallion Signature Guarantee may be required. Please see the Participant Authorization section for an explanation of the Medallion Signature Guarantee.

B. Qualified Distribution Request for Roth IRA - Check the box that applies.

This Roth IRA distribution satisfies the 5-year holding period requirement: Yes (If "No", proceed to section C)

The distribution is made under the following reason (check one):

- 1. You are age 59 ½ or older.
- 2. Death - If you are a beneficiary, contact Shareholder Services regarding additional document requirements.
- 3. Permanent disability - You certify that you are disabled within the meaning of section 72(m)(7) of the Internal Revenue Code.*

Note: Those distributions not meeting the 5-year required period and all other reasons for Roth IRA distributions other are considered non-qualified.

* For purposes of section 72(m)(7), an individual shall be considered to be disabled if he is unable to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment which can be expected to result in death or to be of long-continued and indefinite duration.

C. Non-Qualified Distribution Request for Roth IRA - Check the box that applies.

- 1. Normal distribution (prior to the 5-year holding requirement) - You are age 59 ½ or older.
- 2. Early (premature) distribution - You are under age 59 ½, including distributions due to medical expenses, health insurance premiums, higher education expenses, first time homebuyer expenses, or other reason.
- 3. Substantially equal periodic payments within the meaning of section 72(t) of the Internal Revenue Code.
- 4. Death - If you are a beneficiary, contact Shareholder Services regarding additional document requirements.
- 5. Permanent disability - You certify that you are disabled within the meaning of section 72(m)(7) of the Internal Revenue Code.*
- 6. Transfer incident to divorce or legal separation - contact Shareholder Services regarding additional document requirements.
- 7. Removal of excess - you must complete the Excess Contribution Election section in its entirety.
- 8. Qualified Reservist Distribution

**For purposes of section 72(m)(7), an individual shall be considered to be disabled if he is unable to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment which can be expected to result in death or to be of long-continued and indefinite duration.*

Note: For trustee to trustee transfers, please complete the appropriate receiving custodian's trustee to trustee transfer form. For revocations, refer to the IRA Disclosure Statement for instructions and information regarding your revocation rights. All required documentation must be received in good order before the distribution request can be honored. All legal documents must be certified and a Medallion Signature Guarantee may be required. Please see the Participant Authorization section for an explanation of the Medallion Signature Guarantee.

**Excess
Contribution
Election**

Amount of excess: \$ _____ Tax year for which excess contribution was made: _____

Earnings will be removed with the excess contribution if corrected before the federal income tax-filing deadline (including extensions), pursuant to Internal Revenue Code Section 408(d)(4) and Internal Revenue Service ("IRS") Publication 590. The IRS may impose a 10% early distribution penalty on the earnings if you are under age 59½.

For the purpose of the excess contribution, we will calculate the net income attributable to that contribution (Net Income Attributable or "NIA") using the method provided by IRS Notice 2000-39. This method calculates the NIA based on the actual earnings and losses of the IRA during the time it held the excess contribution. Please note that a negative NIA is permitted and, if applicable, will be deducted from the amount of the excess contribution. You must file IRS Form 5329 to report the excise tax.

Excess contributions (plus or minus the NIA) that are distributed by your federal income tax return due date (plus extensions) will be considered corrected, thus avoiding an excess contribution penalty. You may be subject to an IRS penalty of 6% for each year the excess remains in the account.

A. The excess is being corrected before your federal income tax-filing deadline (including extensions):

- Remove excess plus/minus net income attributable. Distribute according to my instructions in the Mailing Instructions section.
- Remove excess plus/minus net income attributable. Re-deposit as a current year contribution.

B. The excess is being corrected after your federal income tax-filing deadline (including extensions):*

- Remove Excess and distribute according to my instructions in the Mailing Instructions section.
- Remove Excess and re-deposit as a current year contribution.

** **Earnings** on the excess contribution will remain in the account. If you are trying to correct an excess of non-deductible contributions after your federal income tax-filing deadline, please see IRS Publication 590 or consult a tax advisor for additional information.*

C. Redesignating an excess contribution to a later tax year. Please consult a tax advisor to review your specific situation and to determine your best course of action. If you should decide to carry over the excess contribution to a later year, DO NOT return this form to us.

Method of Distribution

- I wish to liquidate _____(%) of shares or \$_____ dollars in cash.
- I wish to receive periodic payments of \$_____.

Frequency of Systematic Withdrawals – *If you fail to designate a periodic payment frequency, distributions will be made annually in December. All distributions will take place on the 15th unless otherwise specified.*

- Monthly Quarterly Semi-Annually Annually Date to begin distributions: _____ (M-D-YY).

Mailing Instructions

- Mail to my address currently on file.**
- Mail to the following address (Medallion Signature Guarantee Required):** *Check will be made payable to the account owner.*

Attention

Mailing Address	City / State or Province	Zip or Postal Code	Country
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- Mail to the following financial institution address:** *Check will be made payable to the account owner.*

Financial Institution C/O	Account #
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Mailing Address	City / State or Province	Zip or Postal Code	Country
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- Mail the Direct Rollover to the following Qualified Plan or 403(b):** *Check will be made payable to the receiving custodian.*

Receiving Custodian

Mailing Address	City / State or Province	Zip or Postal Code	Country
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- Purchase funds into my existing non-retirement mutual fund account.**

Account #	Fund Name
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- New Account:** *Attach a completed application to purchase funds into a new non-retirement mutual fund account.*

Income Tax Withholding

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 IRA custodian.

Select one of the following:

- I would like to have federal income tax withheld from my distribution at a rate of 10%
- Withhold at a rate greater than 10%. The total withholding percentage should be _____ % for federal income tax. (Must be greater than 10%)
- Do not withhold any federal income tax.

Signatures

I certify that I am the Participant authorized to make these elections and that all information provided is true and accurate. I further certify that the IRA custodian, Fairholme Funds, Inc., 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 IRA custodian is hereby authorized and directed to distribute funds from my account in the manner requested. The IRA 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 IRA custodian, Fairholme Funds, Inc., 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.

Participant's Signature* _____ Date _____

**In the case of a death distribution only, Beneficiary's Signature*

**Medallion
Signature
Guarantee**

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**

First Class Mail:

Fairholme Funds, Inc.
P.O. Box 9692
Providence, RI 02940-9692

Courier/Overnight Mail:

Fairholme Funds, Inc.
4400 Computer Drive
Westborough, MA 01581-1722
1-866-202-2263

*** Signature guarantee required if distribution is over \$50,000, banking instructions have not been established, or if funds are being sent to a third party.*