



## NON-ERISA - 403(b) Withdrawal Request Form

Because 403(b) withdrawal rules are complex, please read Instructions and Special Tax Notice Regarding TSA Payments before completing this form. If you are under 59 1/2, your withdrawal may be subject to a 10% federal income tax penalty. Your withdrawal may also incur withdrawal charges.

1. GENERAL INFORMATION		
Participant or Alternate Payee Name (First, Middle & Last)	Social Security Number	Contract/Certificate Number
Street Address	Marital Status: <input type="checkbox"/> Married <input type="checkbox"/> Single Sex: <input type="checkbox"/> Male <input type="checkbox"/> Female	U.S. Citizenship <input type="checkbox"/> U.S. Citizen <input type="checkbox"/> U.S. Resident Alien <input type="checkbox"/> Nonresident Alien
City, State & ZIP Code	Daytime Phone Number	
Employer Name	Employer Group Number	

**2. REASON FOR WITHDRAWAL (Check all applicable boxes)**

A.  **Participant's Age 59½ or older.** Participant's date of birth: \_\_\_\_/\_\_\_\_/\_\_\_\_. (If you are an alternate payee, please see Instructions.)  
 Employment Status (please check one): \_\_\_\_ Active; \_\_\_\_ Separated from Service – If employer's signature is not provided below, confirmation from the employer or other proof is required.

\_\_\_\_ Severance Date      \_\_\_\_\_ Employer Signature      \_\_\_\_\_ Title

B.  **Participant's Severance from Employment.** If employer's signature is not provided below, confirmation from the employer or other proof is required.

\_\_\_\_ Severance Date      \_\_\_\_\_ Employer Signature      \_\_\_\_\_ Title

C.  **Participant's Retirement.** If employer's signature is not provided below, confirmation from the employer or other proof is required.

\_\_\_\_ Retirement Date      \_\_\_\_\_ Employer Signature      \_\_\_\_\_ Title

D.  **Participant's Disability.** Confirmation from your physician is required; see Instructions for further information.

E.  **Plan Termination - 403(b) Plan Termination Authorization Form required**

F.  **Direct Transfer to Another 403(b) Annuity, 403(b)(7) Custodial Account, or 403(b)(9) Church Plan.** Direct transfer confirmation from the accepting provider must be attached.

The IRS announced new Section 403(b) Regulations which establish requirements that your employer will need to meet, including a written plan document by January 1, 2009. Since you are initiating a contract exchange (previously known as a 90-24 transfer) after September 24, 2007, you will need to understand the impact of the regulation change. If you complete this contract exchange after September 24, 2007, you should understand that the account being established will both a) need to be part of the plan and b) have an information sharing arrangement between the issuer of the contract/account and your employer by January 1, 2009. If these items are not in place by January 1, 2009, **your contract/account will no longer retain a tax deferred status under Section 403(b).** If this occurs, you may be able to avoid unfavorable tax consequences if before January 1, 2009 your contract/account, is exchanged for a contract/account with an issuer that meets the new requirements or, if eligible, your contract/account is rolled into an IRA. **The issuer of your new contract may or may not be working with your employer to satisfy these requirements necessary to retain tax deferred status. Given the uncertainty of your tax deferred status, we recommend that you consult your tax advisor prior to completing this exchange.**

Circular 230 Disclaimer - The information contained in this communication (including attachments) concerning Federal tax issues is not intended to (and cannot) be used by anyone to avoid IRS penalties. This communication is intended to support the sale of MetLife insurance and annuity products. You should seek advice based on your particular circumstances from an independent tax advisor.

MetLife and its agents and representatives may not give legal or tax advice. Any discussion of taxes in this communication or related to this communication is for general information purposes only and does not purport to be complete or to cover every situation. Tax law is subject to interpretation and legislative change. Tax results and the appropriateness of any product for any specific taxpayer may vary depending on the facts and circumstances. You should consult with and rely on your own independent legal and tax advisers regarding your particular set of facts and circumstances.

G.  **Direct Transfer to Purchase Service Credit in a Governmental Defined Benefit Plan.** Direct transfer/rollover confirmation from the accepting plan **must** be attached, along with a copy of the quote or letter from the plan verifying the purchase amount that the governmental defined benefit plan will accept.

H.  **Direct Rollover to A Qualified Plan, or Governmental 457(b) Plan.** Direct rollover confirmation from accepting plan **must** be attached. You must also check reason A, B, C, or D above to qualify to make this direct rollover.

I.  **Direct Rollover to A Traditional IRA (including SEP or SAR-SEP).** Direct rollover confirmation from accepting IRA trustee, custodian, or issuer **must** be attached. You must also check reason A, B, C, D or E above to qualify to make this direct rollover.

J.  **Required Minimum Distribution of \$ \_\_\_\_\_ for \_\_\_\_\_ (year).** Minimum distributions are required after the later of participant's reaching age 70½ or separating from service with the employer through whom you purchased this TSA. The amount you indicate here may not be rolled over or transferred. Do not complete this form to request a minimum distribution if you have already elected to use MetLife's Minimum Distribution Service.

K.  **Removal of Excess Contributions plus earnings** (complete the sections below). A letter from the employer stating the excess amount is required.

Excess Amount: \$ \_\_\_\_\_ and Year: \_\_\_\_\_

Check one:  I authorize MetLife to calculate the earnings on the excess contribution and certify that I accept MetLife's calculated estimate.  
 I have determined the earnings attributable to excess. Distribute earnings equal to \$ \_\_\_\_\_

Contract/Certificate Number: \_\_\_\_\_

**3. AMOUNT AND SOURCE OF WITHDRAWAL**

- A.  I wish to withdraw my entire Account Balance.
  - If you currently contribute to your contract through payroll deductions, you must contact your payroll department to stop contributions to your contract. If contributions are received after a full surrender is taken, they will be sent back to the employer.
  - If you have an outstanding loan, it will automatically be closed upon request of a full surrender.
- Check here if this is a "systematic termination" request (EPPA or FFA only).
- B.  I wish to make a partial withdrawal as follows:
  - Net** Partial Withdrawal \$ \_\_\_\_\_ (Your check will be for the amount requested. Your account balance will be reduced by this amount **plus** any applicable withdrawal charges, federal/state tax.)
  - Gross** Partial Withdrawal \$ \_\_\_\_\_ (Your check will be for the amount requested **less** any applicable withdrawal charges, federal/state tax. Your account balance will be reduced by the amount requested.)

I wish to withdraw the requested amount using the following allocation or money types. (Indicate from which funding options and/or money types we should take this withdrawal. Write percentages in whole number, e.g., 33% not 33 1/3%.)

Investment Options/Money Type	Percentage or Dollar Amount
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
TOTAL (100% or \$)	_____

**4. REQUIRED MINIMUM DISTRIBUTION INSTRUCTIONS FOR ROLLOVERS/TRANSFERS**

If you checked withdrawal reason F, G, H or I in section 2 on page 1, and you have been taking minimum distributions from this account, you must take one for this tax year before the account is rolled over.

- A.  Check here if you are enrolled in MetLife's Minimum Distribution Service (a check will be automatically sent to you for the required amount).
- B.  Check here if you are NOT enrolled in MetLife's Minimum Distribution Service. Please indicate the required minimum distribution amount \$ \_\_\_\_\_ (See sections 8 and 9 for important income tax withholding instructions and election options).

**5. OUTSTANDING LOAN PAYOFF INFORMATION AND INSTRUCTIONS**

- A.  Attached is a certified check to pay off my outstanding loan balance. (Use eService or call our customer service number for loan payoff amount.)
- B.  Treat my outstanding loan (principal and interest) as a distribution. (This option only available after you reach age 59 1/2 have a severance from employment, or become disabled.) I understand that if my loan is not currently in default, this offset will be reported as a taxable distribution for the year of offset.
- C.  For partial withdrawals: I have not separated from service and the partial withdrawal amount I have requested does not exceed the amount permitted as a partial withdrawal while I have a loan outstanding. Do not treat my outstanding loan as a taxable distribution. I understand that my loan will remain in force and I must continue to repay it; my account will remain open for crediting of future loan repayments.

**Note: If you have an outstanding loan, it will automatically be closed upon request of a full surrender.**

**6. PAYMENT INSTRUCTIONS**

- A.  Send check to the address listed in Section 1 above.
- B.  Send check to the following address:  
 Address: \_\_\_\_\_ City: \_\_\_\_\_ State: \_\_\_\_\_ ZIP: \_\_\_\_\_  
 Special Mailing Instructions: \_\_\_\_\_
- C.  To the extent permitted under the Internal Revenue Code, I wish to have the entire amount requested in section 3 (net of any applicable charges) directly transferred or rolled over as indicated in item F, G, H, or I of section 2 to the plan or provider below. (Confirmation from accepting plan or provider must be attached to this form.)

Plan or Provider Name: \_\_\_\_\_ Phone Number: \_\_\_\_\_

Address: \_\_\_\_\_

Name on Account: \_\_\_\_\_ Account Number: \_\_\_\_\_

**7. FEDERAL INCOME TAX WITHHOLDING NOTICE – Eligible Rollover Distribution Amounts Paid to You**

If you withdraw eligible rollover distribution amounts **and have such amounts paid to you** (rather than transferring or rolling over such amounts to another plan or an IRA), the taxable portion of such amounts will be subject to **mandatory 20%** Federal income tax withholding. You may have more than 20% withheld by checking the box below and writing in a dollar amount. If you are under 59½, you may owe a 10% IRS premature distribution penalty.

In addition to the mandatory 20% Federal income tax withholding applicable to eligible rollover distribution amounts not rolled over, I want an additional \_\_\_\_\_% or \$ \_\_\_\_\_ withheld on such amounts.

**8. FEDERAL INCOME TAX WITHHOLDING INSTRUCTIONS – Amounts Not Eligible for Rollover Paid to You (Complete only if applicable)**

If you withdraw amounts that cannot be rolled over (for example, a required minimum distribution after you reach age 70½ or a payment to an alternate payee who is not the participant’s former spouse), the taxable part of such amounts will be subject to 10% Federal income tax withholding unless you elect to have no withholding apply. If you elect no withholding, or if you elect withholding and have insufficient Federal income tax withheld, 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 insufficient. Even if you elect no Federal income tax withholding, you are responsible for Federal income tax on the taxable part of this withdrawal. You may owe a 10% IRS premature distribution penalty if you are under 59½.

A.  Do not withhold Federal income tax on payment to me of amounts not eligible for rollover. *(Note: Checking this box does not waive the mandatory 20% Federal income tax withholding on eligible rollover distribution amounts paid to you.)*

B.  Withhold \_\_\_\_\_% (greater than 10%) for Federal income tax on payment to me of amounts not eligible for rollover.

**9. STATE INCOME TAX WITHHOLDING INSTRUCTIONS (Complete only if applicable.)**

Some states require MetLife to withhold state income tax if we withhold for Federal income tax. MetLife will calculate the amount of withholding for you. In some of these states, you may ask for no state income tax withholding (even though you requested or we are required to withhold for Federal income tax) or you may specify the amount you want withheld. In other states, no state income tax withholding will apply unless you indicate the amount you want withheld for state income tax.

A.  Do NOT withhold for state income tax.

B.  Withhold \_\_\_\_\_% for state income tax.

**10. PARTICIPANT/ALTERNATE PAYEE STATEMENT & SIGNATURE**

As a participant or a former spouse alternate payee, I understand I have the right to consider whether to make or not make a direct rollover election with respect to eligible rollover distribution amounts and to consent to a distribution from my annuity account or contract without regard to the 30-day waiting period. By submitting this completed form within 30 days of receiving the Special Tax Notice Regarding TSA Payments, I hereby authorize the processing of this election without regard to the 30-day waiting period. I acknowledge that I have received and read the Special Tax Notice Regarding TSA Payments.

I certify all of the information I have provided is true, accurate and complete to the best of my knowledge.

Participant/Alternate Payee Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Participant/Alternate Payee Name (please print): \_\_\_\_\_

Contract/Certificate Number: \_\_\_\_\_

**11. PLAN ADMINISTRATOR/AUTHORIZED REPRESENTATIVE SIGNATURE (Complete for Direct Transfer/Rollover Requests)**

I certify this withdrawal is permissible under the terms of the Plan, that all Plan requirements have been satisfied, and hereby approve this withdrawal request.

Plan Administrator/Authorized Representative Name (please print) \_\_\_\_\_

Plan Administrator/Authorized Representative Signature \_\_\_\_\_ Date \_\_\_\_\_

# INSTRUCTIONS

## WHO MAY USE THIS FORM

If you are a participant, use this form to request a withdrawal from your 403(b) annuity (also known as a tax-sheltered annuity or "TSA"), other than for hardship or as a systematic withdrawal. If you are receiving disability payments from the Federal Social Security Administration, terminally ill, confined to a nursing home, or requesting a withdrawal for disability, please call our customer service number indicated on the last page of these instructions for additional requirements.

If you are an alternate payee, use this form to request a distribution from a segregated TSA account set up on your behalf. Do not use this form if you are a beneficiary.

Be sure to read the attached Special Tax Notice Regarding TSA Payments information about rollovers, when they are allowed and not allowed, and the Federal income tax consequences of rollovers, direct rollovers, and payments not rolled over. Please note that a withdrawal may incur withdrawal charges. If your certificate is for a two-tiered annuity, a withdrawal will cause a loss of upper-tier interest.

These instructions summarize MetLife's understanding of tax rules that may apply to your withdrawal. Tax rules are complex and contain conditions and exceptions not included in these Instructions. MetLife does not offer these Instructions as tax advice, and you may not rely upon any statement therein as such. Consult your tax advisor and/or retirement planner before you request a withdrawal. For more specific information on the tax treatment of payments from tax-qualified retirement plans, see Internal Revenue Service ("IRS") Publication 571, *Tax-Sheltered Annuity Plans*, Publication 575, *Pension and Annuity Income*, and Publication 590, *Individual Retirement Arrangements*. These publications are available from your local IRS office or by calling 1-800-TAX-FORM (1-800-829-3676).

## TSA WITHDRAWAL INFORMATION

IRS rules restrict when you may make withdrawals from your TSA or 403(b)(7) custodial account. Your employer's plan may include provisions in addition to the IRS restrictions below that further limit your ability to make withdrawals before you have a severance from employment.

	IRS 403(b) Withdrawal Restrictions		
	Restricted	Restricted But Available for Hardship	Unrestricted
	Other than for hardship, amounts below are eligible for withdrawal only after participant's age 59½, severance from employment, death, or disability:	Subject to certain conditions, amounts below are available for hardship before participant's age 59½ or severance from employment:	Amounts below are generally eligible for withdrawal at any time:
<b>403(b) Annuity ("TSA")</b>	<ul style="list-style-type: none"> <li>• Post-1988 earnings on your voluntary pre-tax contributions from before 1989;</li> <li>• Your post-1988 voluntary pre-tax contributions and their earnings; and</li> <li>• Amounts you or your employer contributed to a 403(b)(7) custodial account and that you later directly transferred under Revenue Ruling 90-24 to your TSA.</li> </ul>	<ul style="list-style-type: none"> <li>• Your post-1988 voluntary pre-tax contributions, but not their earnings.</li> <li>• You and your employer's pre-1989 contributions and their pre-1989 earnings that you directly transferred to the TSA under Revenue Ruling 90-24 from a 403(b)(7) custodial account.</li> </ul>	<ul style="list-style-type: none"> <li>• Your voluntary pre-tax contributions from before 1989 and their pre-1989 earnings;</li> <li>• Your pre-tax contributions made as a result of an irrevocable election or as a condition of employment and their earnings;</li> <li>• Your after-tax contributions plus their earnings;</li> <li>• Your employer's contributions and their earnings.</li> <li>• Above amounts that were directly transferred to your TSA from another TSA (other than a section 403(b)(7) custodial account); and</li> <li>• Eligible rollover distribution amounts you rolled to your TSA from another TSA, a 403(b)(7) custodial account, an IRA, a Section 401(a) or 403(a) plan, a governmental Section 457(b) plan, and their earnings.</li> </ul>
<b>403(b)(7) Custodial Account</b>	<ul style="list-style-type: none"> <li>• All amounts.</li> </ul>	<ul style="list-style-type: none"> <li>• Your post-1988 voluntary pre-tax contributions, but not their earnings; and</li> <li>• You and your employer's pre-1989 contributions and their pre-1989 earnings.</li> </ul>	No amounts.

## Premature Withdrawal Penalty

A 10% IRS penalty tax applies to withdrawals of any amounts from TSAs and 403(b)(7) custodial accounts unless the withdrawals are made under an exception. Such exceptions include withdrawals made:

- After you reach age 59½;
- After you die;
- Because of your permanent and total disability;
- As part of a series of substantially equal period payments for your life or life expectancy or for the joint lives or joint life expectancies of you and your designated beneficiary, if payments begin after you separate from service;
- After you separate from service in or after the year you reach age 55;
- To an alternate payee under a qualified domestic relations order;
- In an amount that does not exceed your allowable medical care deduction under Internal Revenue Code ("IRC") Section 213;
- To remove certain excess amounts; or
- Because of an IRS levy.

## Revenue Ruling Regarding Transfers

You may transfer tax-free all or part of your interest in a TSA to another TSA or 403(b)(7) custodial account. Tax-free treatment only applies if the transferred amount is subject to the same or stricter distribution rules in the new account. Transfers not satisfying this rule are generally taxable as ordinary income.

The IRS announced new Section 403(b) Regulations which establish requirements that your employer will need to meet, including a written plan document by January 1, 2009. Since you are initiating a contract exchange (previously known as a 90-24 transfer) after September 24, 2007, you will need to understand the impact of the regulation change. If you complete this contract exchange after September 24, 2007, you should understand that the account being established will both a) need to be part of the plan and b) have an information sharing arrangement between the issuer of the contract/account and your employer by January 1, 2009. If these items are not in place by January 1, 2009, **your contract/account will no longer retain a tax deferred status under Section 403(b)**. If this occurs, you may be able to avoid unfavorable tax consequences if before January 1, 2009 your contract/account, is exchanged for a contract/account with an issuer that meets the new requirements or, if eligible, your contract/account is rolled into an IRA. **The issuer of your new contract may or may not be working with your employer to satisfy these requirements necessary to retain tax deferred status. Given the uncertainty of your tax deferred status, we recommend that you consult your tax advisor prior to completing this exchange.**

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MetLife and its agents and representatives may not give legal or tax advice. Any discussion of taxes in this communication or related to this communication is for general information purposes only and does not purport to be complete or to cover every situation. Tax law is subject to interpretation and legislative change. Tax results and the appropriateness of any product for any specific taxpayer may vary depending on the facts and circumstances. You should consult with and rely on your own independent legal and tax advisers regarding your particular set of facts and circumstances.

## Trustee-to-Trustee Transfers to Purchase Service Credit

A transfer from your TSA to a governmental defined benefit plan is excludable from income if made to: (1) purchase permissive service credits, or (2) repay contributions and earnings previously refunded under a forfeiture of service credit under the defined benefit plan, or under another plan maintained by a state or local government employer within the same state.

## Payments to Alternate Payees

If the TSA is part of a 403(b) plan or program that is not subject to ERISA and you are an alternate payee who has been awarded part or all of the participant's TSA pursuant to a "qualified domestic relations order" or a court order that MetLife is required to recognize under applicable state law, you may not request a distribution until the earlier of (1) or (2) below:

- (1) The first date the participant is entitled to a distribution, or
- (2) The later of
  - (a) the earliest date the participant could receive a distribution if the participant separated from service with the employer, or
  - (b) the participant's age 59½.

## Required Minimum Distributions

All, or at least a certain minimum, of post-1986 amounts in the TSA must be distributed by April 1 of the calendar year following the later of the calendar year in which you become age 70½ or the calendar year in which you retire. (For alternate payees, "you" in the preceding sentence means the participant.) A later withdrawal date may apply for amounts from before 1987. For each subsequent year, the minimum distribution must be made by the end of the year. If you do not receive the required minimum distribution, you are subject to an IRS 50% excise tax on the difference between the required minimum distribution and the amount actually distributed. See IRS Publication 575 and Treasury Regulations under 1.401(a)(9) for more information.

## HOW TO COMPLETE THE FORM

### 1 General Information

You must complete this section to ensure accurate processing.

### 2 Reason for Withdrawal

Check the appropriate box(es) to indicate the reason(s) for this withdrawal. If you check box A, you must indicate Employment Status by checking either Active or Separated from Service. If you check box A (Participant's Age 59½ or older), box B (Severance from Employment) or box C (Retirement), your employer must sign in Section 2 or you or your employer must provide other acceptable proof of such event. Attach any additional required paperwork (disability confirmation, rollover or transfer confirmation from accepting plan or provider, etc.)

If you are an alternate payee who is not the participant's former spouse, you may not elect a distribution for reasons F, G, H or I.

### 3. Amount and Source of Withdrawal

A) Regarding Metropolitan Life Insurance Company contracts: To surrender an Enhanced Preference Plus Account variable annuity or the Fixed Interest Account of a Financial Freedom Account variable annuity in a "systematic termination," also check the second box in item A. (A "systematic termination" withdrawal will be processed in five annual installments, starting at 20% upon receipt of your request, 25% one year later, 33⅓% two years later, 50% three years later, and 100% four years later. For the Enhanced Preference Plus Account variable annuity, these percentages are a percentage of your account balance. For the Financial Freedom Account, these percentages are a percentage of your balance in the Fixed Interest Account. If you have already made a partial withdrawal from your account in the certificate year the request is received, the 20% will be reduced by the amount of the prior partial withdrawal. You must pay off any outstanding loan prior to starting a systematic termination withdrawal—see Section 4. You may stop a systematic termination withdrawal at any time by making a request in writing.)

For a partial withdrawal, check the box in item B and write in the net dollar amount you want. The minimum withdrawal amount is \$500, except for VestMet contracts (\$250 minimum for withdrawals from Separate Account divisions or \$1,000 minimum for withdrawals from the Fixed Interest Account) and AAA contracts (\$1,000 minimum). We will withdraw from your account more than the net amount you request if: (1) administrative and/or surrender charges apply to the withdrawal; (2) we are required to or you ask us to withhold Federal income taxes; or (3) we must withhold state or local income taxes. (See Sections 7-9 for additional information on income tax withholding.) If you are making a partial withdrawal from a variable annuity, indicate how you want your withdrawal allocated. (The distribution will be automatically prorated against all funding options if the percentages are not completed or funds are not available in the funding options you choose.) If you have an outstanding loan and will continue making loan payments after the withdrawal, 125% of your outstanding loan balance must remain in the Fixed Interest Account as loan collateral and is not available for withdrawals.

B) Regarding MetLife Insurance Company of Connecticut contracts: For a partial withdrawal, check the box in item B and write in the net dollar amount you want. The minimum withdrawal amount is \$500. We will withdraw from your account more than the net amount you request if: (1) administrative and/or surrender charges apply to the withdrawal; (2) we are required to or you ask us to withhold Federal income taxes; or (3) we must withhold state or local income taxes. (See Sections 7 - 9 for additional information on income tax withholding.) If you are making a partial withdrawal from a variable annuity, indicate how you want your withdrawal allocated. (The distribution will be automatically prorated against all funding options if the percentages are not completed or funds are not available in the funding options you choose.) If you have an outstanding loan and will continue making loan payments after the withdrawal, 115% (for Universal Annuity, Gold Track or PrimeElite) or 117% (for T-Flex and Group Choice) of your outstanding loan balance must remain in the Fixed Interest Account as loan collateral and is not available for withdrawals.

Note: If you request a partial withdrawal and are currently receiving systematic withdrawal payments or payments under MetLife's Minimum Distribution Service, your periodic payment amount or term may change because of this transaction.

### 4. Required Minimum Distribution Instructions for Rollovers/Transfers

If all of the following apply, complete section 4: (1) you are over 70½ and separated from service, (2) you selected item 3.A. to withdraw your entire TSA balance, and (3) you selected reason F, G, H or I in this section to require a rollover or transfer to another plan or IRA. This will ensure that your required minimum distribution for the year of your rollover or transfer is completed. If these conditions apply and you do not complete section 4, we will assume you have already satisfied your required minimum distribution for this TSA for the year through an earlier distribution or a distribution from another TSA. If you are using MetLife's Minimum Distribution Service and ask for a rollover or transfer of your entire account balance to another plan or IRA, we will automatically pay you the required minimum distribution for your TSA for the year before completing the rollover or transfer.

### 5. Outstanding Loan Payoff Information and Instructions

Check the appropriate box to indicate how to handle any outstanding loan balance. If you want to attach a certified check to pay off an outstanding loan balance, please call the customer service number indicated on your most recent statement for the loan payoff amount. If you want to continue making loan payments and have requested a partial withdrawal, 115% - 125% of your outstanding loan balance must remain in the Fixed Interest Account as loan collateral. Please refer to your contract/certificate to determine the applicable percentage.

### 6. Payment Instructions

If you want to make a direct rollover or direct transfer, check box B, insert a dollar or percent, and provide mailing instructions and acceptance paperwork for the receiving plan or provider. Note: You may roll over to another eligible retirement plan under the Internal Revenue Code any eligible rollover distribution amounts that are sent to you as long as you do so within 60 days after you receive the payment. You may also be able to include additional amounts in such a rollover, including the 20% Federal income tax withheld and the amount of any loan offset. See the Special Notice Regarding TSA Payments for more information.

**HOW TO COMPLETE THE FORM (Continued)**

**7. Federal Income Tax Withholding Instructions – Eligible Rollover Distribution Amounts Not Rolled Over or Transferred**

This section applies if your withdrawal includes eligible rollover distribution amounts and you ask to have such amounts paid to you. (No Federal income tax withholding applies to eligible rollover distributions directly rolled over to an IRA, 403(b) plan, governmental 457(b) plan, or qualified plan, or directly transferred to a governmental defined benefit plan to purchase service credit. No Federal income tax withholding applies to amounts directly transferred to another TSA, 403(b)(7) custodial account, or 403(b)(9) church plan.)

Check the box in this section and write in a dollar amount only if you want an amount in addition to the mandatory 20% Federal income tax withholding to apply to the payment to you of eligible rollover distribution amounts.

**8. Federal Income Tax Withholding Instructions – Amounts Not Eligible for Rollover Paid to You**

This section only applies to distributions to you of amounts not eligible for rollover treatment (e.g., a required minimum distribution after reaching age 70½, payments to an alternate payee who is not the participant’s former spouse). If you are an alternate payee who is not the participant’s former spouse, the distribution will be taxed to the participant pursuant to IRS Notice 89-25. If you are a U.S. citizen or resident alien and you provide a delivery address outside the U.S. or its possessions, you may not waive the 10% federal income tax withholding. If you are a nonresident alien, you must provide a completed IRS Form W-8BEN to certify your foreign status. To claim reduced withholding under a tax treaty, you must also provide an IRS Individual Taxpayer Identification Number (“ITIN”). If there is no applicable tax treaty or you do not provide an ITIN, we will automatically withhold 30% of the taxable amount for federal income tax. If you do not provide an ITIN, you must provide an updated W-8BEN every three years. If you are a nonresident alien requesting payment through a “qualified intermediary,” the qualified intermediary must complete IRS Form W-8IMY.

**9. State Income Tax Withholding Instructions**

In the following states, state income tax must be withheld when Federal income tax is withheld: Delaware, Iowa, Kansas, Massachusetts, Maine, Maryland, North Carolina, Oklahoma, Virginia, and Vermont. In California and Oregon, we will withhold for state income tax unless you tell us not to. MetLife will calculate the amount of withholding for you if you live in one of these states.

We will withhold the amount you tell us to withhold in the following states: Alabama, Arkansas, Colorado, Connecticut, District of Columbia, Georgia, Idaho, Indiana, Kentucky, Louisiana, Michigan, Minnesota, Missouri, Montana, North Dakota, Nebraska, New Jersey, New Mexico, New York, Ohio, Pennsylvania, Rhode Island, South Carolina, Utah, Wisconsin, and West Virginia.

In Mississippi, we will withhold for state income tax unless your payment is made after you reach age 59½, is made as the result of your death or disability or under a QDRO, if you have separated from service and are at least age 55, or you are receiving payments based on your life expectancy or the joint life expectancies of you and a beneficiary.

**10. Participant Statement and Signature**

Read the **Special Tax Notice Regarding TSA Payments** carefully before you sign at the bottom of this section. If you are signing on behalf of the TSA participant as his or her legal guardian or conservator, provide a copy of your appointment that has been certified by the Clerk of Court in the last 60 days. If you are signing as the TSA participant’s Attorney-in-Fact, provide a Power of Attorney Document and a Certification of Attorney in Fact.

**11. Plan Administrator/Authorized Representative Signature**

If a direct transfer/rollover is being requested, the Plan Administrator/Authorized Representative must sign this section.

**MAILING AND FACSIMILE INSTRUCTIONS**

**Mail this form to:**

MetLife  
P.O. Box 10356  
Des Moines, IA 50306-0356

**Overnight mail only:**

Metlife  
4700 Westown Parkway, Ste 200  
Des Moines, IA 50266

**Fax:**

877-549-5834

Note: If you fax the completed form, please do not mail it unless you are requested to do so.

## Please Retain for Your Records

Important Tax Information - Please Review carefully and discuss with your tax advisor or financial planner before proceeding with your distribution.

# SPECIAL TAX NOTICE REGARDING PLAN PAYMENTS

*This notice explains how you can continue to defer federal income tax on your retirement savings under your employer's qualified retirement plan (the "Plan") and contains important information you will need before you decide how to receive your benefits. The notice is based, in part, on an Internal Revenue Service (the "IRS") model notice. As a result, certain sections of the notice may not be applicable to your Plan or your account under the Plan. Information in the notice concerning designated Roth distributions is based on proposed IRS regulations, which are subject to change.*

This notice is provided to you by [MetLife] at the request of the administrator of the Plan (the "Plan Administrator") because all or part of the payment that you will soon receive from the Plan may be eligible for rollover by you or the Plan Administrator to a traditional IRA or Roth IRA, or to an eligible employer plan. A rollover is a payment by you or the Plan Administrator of all or part of your benefit to another plan or IRA that allows you to continue to postpone taxation of that benefit until it is paid to you.

Your payment cannot be rolled over to a SIMPLE IRA or a Coverdell Education Savings Account (formerly known as an education IRA). If you have made designated Roth contributions to the Plan, the Roth portion of your payment is subject to special rollover rules. The Roth portion of your payment may be rolled over to a Roth IRA; however, the portion of your payment that is not a Roth distribution cannot be rolled over to a Roth IRA, and the Roth portion of your payment cannot be rolled over to a traditional IRA.

An "eligible employer plan" includes a plan qualified under section 401(a) of the Internal Revenue Code (the "Code"), including a 401(k) plan, profit-sharing plan, defined benefit plan, stock bonus plan, and money purchase plan; a section 403(a) annuity plan; a section 403(b) tax-sheltered annuity; and an eligible section 457(b) plan maintained by a governmental employer (a "governmental 457 plan").

An eligible employer plan is not legally required to accept a rollover. Before you decide to roll over your payment to another employer plan, you should find out whether the plan accepts rollovers and, if so, the types of distributions it accepts as a rollover. You should also find out about any documents that are required to be completed before the receiving plan will accept a rollover. Even if a plan accepts rollovers, it might not accept rollovers of certain types of distributions, such as Roth amounts and non-Roth after-tax amounts (that is, after-tax contributions and earnings that are not designated Roth contributions and earnings). If this is the case, and your distribution includes Roth amounts and

non-Roth after-tax amounts, you may wish instead to roll your distribution over to a Roth IRA or traditional IRA, as applicable, or split your rollover amount between the employer plan in which you will participate and a Roth IRA or traditional IRA. If an employer plan accepts your rollover, the plan may restrict subsequent distributions of the rollover amount or may require your spouse's consent for any subsequent distribution. A subsequent distribution from the plan that accepts your rollover may also be subject to different tax treatment than distributions from this Plan. Check with the administrator of the plan that is to receive your rollover prior to making the rollover.

If you have additional questions after reading this notice, you can contact your Plan Administrator.

### SUMMARY

There are two ways you may be able to receive a Plan payment that is eligible for rollover:

- (1) Certain payments can be made directly to a traditional IRA or Roth IRA, as applicable, that you establish, or to an eligible employer plan that will accept the payment and hold it for your benefit (a "direct rollover");
- (2) The payment can be paid to you.

#### If you choose a direct rollover:

- Your payment will not be taxed in the current year and no income tax will be withheld.
- You choose whether your payment will be made directly to your traditional IRA or Roth IRA, as applicable, or to an eligible employer plan that accepts your rollover. Your payment **cannot** be rolled over to a SIMPLE IRA or a Coverdell Education Savings Account. Only the Roth portion of your payment (if any) may be rolled over to a Roth IRA. The Roth portion of your payment **cannot** be rolled over to a traditional IRA.
- Your direct rollover of the nontaxable Roth portion of your payment to an eligible employer plan must be to the same type of plan as the Plan. That is, if the Plan is a 401(k) plan, the receiving plan must be a 401(k) plan.
- Your period of participation in the Plan's designated Roth account will carry over to the receiving plan in a direct rollover to an eligible employer plan; however, it will **not** carry over in a direct rollover to a Roth IRA.
- The taxable portion of your payment will be taxed later when you take it out of the traditional IRA or Roth IRA, as applicable, or the eligible employer plan. Depending on the type of plan, the later distribution may be subject to different tax treatment than it would be if you received a taxable distribution from this Plan.

#### If you choose to have a Plan payment that is eligible for rollover paid to you:

- You will receive only 80% of the taxable

amount of the payment, because the Plan Administrator is required to withhold 20% of that amount and send it to the IRS as income tax withholding to be credited against your taxes.

- The taxable amount of your payment will be taxed in the current year unless you roll it over. Under limited circumstances, you may be able to use special tax rules that could reduce the tax you owe. However, if you receive the payment before age 59½, you may have to pay an additional 10% tax.
- For the portion of your payment that is **not** a Roth distribution, you can roll over all or part of the payment by paying it to your traditional IRA or to an eligible employer plan that accepts your rollover within 60 days after you receive the payment. The amount rolled over will not be taxed until you take it out of the traditional IRA or the eligible employer plan.
- For the portion of your payment that is a Roth distribution, you can roll over all or a part of the taxable and nontaxable Roth portion of your payment to your Roth IRA within 60 days after you receive the payment, but you can roll over **only** the taxable portion of your Roth distribution to an eligible employer plan that accepts your Roth rollover.
- Your period of participation in the Plan's designated Roth account will not carry over in a rollover of the Roth portion of your payment to a Roth IRA or an eligible employer plan that accepts your Roth rollover.
- If you want to roll over 100% of the payment to a traditional IRA or Roth IRA, as applicable, or to an eligible employer plan, you must find other money to replace the 20% of the taxable portion that was withheld. If you roll over only the portion that you received, you will be taxed on the 20% of the taxable portion that was withheld and that is not rolled over.

**Your Right to Waive the 30-Day Notice Period.** Generally, neither a direct rollover nor a payment can be made from the Plan until at least 30 days after your receipt of this notice. Thus, after receiving this notice, you have at least 30 days to consider whether or not to have your withdrawal directly rolled over. If you do not wish to wait until this 30-day notice period ends before your election is processed, you may waive the notice period by making an affirmative election indicating whether or not you wish to make a direct rollover. Your withdrawal will then be processed in accordance with your election as soon as practical after it is received by the Plan Administrator.

**Involuntary Distribution and Automatic Rollover of Payments Less than \$5,000.** If your vested benefit is less than \$5,000 and you do not elect a distribution within

a reasonable period of time after receiving this notice, the Plan may provide for the involuntary distribution of your benefit, which may be in the form of an automatic rollover to a traditional IRA or Roth IRA, as applicable, selected by the Plan. Please contact the Plan Administrator for further information concerning the Plan's involuntary distribution and automatic rollover provisions. If the Plan provides for automatic rollovers, the Plan Administrator will give you information concerning the traditional IRA and Roth IRA that the Plan has selected for such rollovers and the administrative fees that will be deducted from such IRA.

### MORE INFORMATION

- I. Payments That Can and Cannot Be Rolled Over
- II. Direct Rollover
- III. Payment Paid to You
- IV. Surviving Spouses, Alternate Payees and Other Beneficiaries

#### I. Payments That Can and Cannot Be Rolled Over

Payments from the Plan may be "eligible rollover distributions." This means that they can be rolled over to a traditional IRA or Roth IRA, as applicable, or to an eligible employer plan that accepts rollovers. Payments from the Plan **cannot** be rolled over to a SIMPLE IRA or a Coverdell Education Savings Account. Only the Roth portion of a payment from the Plan may be rolled over to a Roth IRA. The Roth portion of a payment from the Plan (if any) **cannot** be rolled over to a traditional IRA. The Plan Administrator should be able to tell you what portion of your payment is an eligible rollover distribution.

**Payments Spread over Long Periods.** You **cannot** roll over a payment if it is part of a series of equal (or almost equal) payments that are made at least once a year and that will last for:

- your lifetime (or a period measured by your life expectancy), or
- your lifetime and your beneficiary's lifetime (or a period measured by your joint life expectancies), or
- a period of 10 years or more.

**Required Minimum Payments.** Beginning when you reach age 70½ or retire, whichever is later, a certain portion of your payment cannot be rolled over because it is a "required minimum payment" that must be paid to you. Special rules apply if you own more than 5% of your employer.

**Hardship Distributions.** A hardship distribution cannot be rolled over.

**ESOP Dividends.** Cash dividends paid to you on employer stock held in an employee stock ownership plan cannot be rolled over.

**Corrective Distributions.** A distribution that is made to correct a failed nondiscrimination test or because legal



limits on certain contributions were exceeded cannot be rolled over.

**Loans Treated as Distributions.** The amount of a Plan loan that becomes a taxable deemed distribution because of a default cannot be rolled over. However, a loan offset amount is eligible for rollover, as discussed in Section III. Ask the Plan Administrator if distribution of your loan qualifies for rollover treatment.

**Non-Roth After-tax Contributions.** If the Plan allows non-Roth after-tax contributions, and you made non-Roth after-tax contributions to the Plan, these contributions may be rolled into either a traditional IRA or to certain employer plans that accept rollovers of the after-tax contributions. The following rules apply:

a. **Rollover into a Traditional IRA.** You can roll over your non-Roth after-tax contributions to a traditional IRA either directly or indirectly. Your Plan Administrator should be able to tell you how much of your payment is the taxable portion and how much is the non-Roth after-tax portion.

If you roll over non-Roth after-tax contributions to a traditional IRA, it is your responsibility to keep track of, and report to the IRS on the applicable forms, the amount of these non-Roth after-tax contributions. This will enable the nontaxable amount of any future distributions from the traditional IRA to be determined.

Once you roll over your non-Roth after-tax contributions to a traditional IRA, those amounts cannot later be rolled over to an employer plan.

b. **Rollover into an Employer Plan.** You can roll over non-Roth after-tax contributions from an employer plan that is qualified under Code section 401(a) or a section 403(a) annuity plan to another such plan using a direct rollover if the other plan provides separate accounting for amounts rolled over, including separate accounting for the non-Roth after-tax employee contributions and earnings on those contributions. You can also roll over non-Roth after-tax contributions from a Code section 403(b) tax-sheltered annuity to another section 403(b) tax-sheltered annuity using a direct rollover if the other tax-sheltered annuity provides separate accounting for amounts rolled over, including separate accounting for the non-Roth after-tax employee contributions and earnings on those contributions. You cannot roll over non-Roth after-tax contributions to a governmental 457 plan. If you want to roll over your non-Roth after-tax contributions to an employer plan that accepts these rollovers, you cannot have the non-Roth after-tax contributions paid to you first. You must instruct the Plan Administrator to make a direct rollover on your behalf. Also, you cannot first roll over non-Roth after-tax contributions to a traditional IRA and then roll over that amount into an employer plan.

The Plan Administrator should be able to

tell you if your payment includes amounts which cannot be rolled over.

## II. Direct Rollover

A direct rollover is a direct payment of the amount of your Plan benefits to a traditional IRA or Roth IRA, as applicable, or an eligible employer plan that will accept it. For the portion of your payment that is not a Roth distribution, you can choose a direct rollover of all or any portion of your payment that is an eligible rollover distribution, as described in Section I. A direct rollover of the Roth portion of your payment is subject to special rules, which are described below. You are not taxed on any taxable portion of your payment for which you choose a direct rollover until you later take it out of the traditional IRA or Roth IRA, as applicable, or eligible employer plan. In addition, no income tax withholding is required for any taxable portion of your Plan benefits for which you choose a direct rollover. This Plan might not let you choose a direct rollover if your distributions for the year are less than \$200.

**Direct Rollover to a Traditional IRA.** For the portion of your payment that is not a Roth distribution, you can open a traditional IRA to receive the direct rollover. If you choose to have your payment made directly to a traditional IRA, contact an IRA sponsor (usually a financial institution) to find out how to have your payment made in a direct rollover to a traditional IRA at that institution. If you are unsure of how to invest your money, you can temporarily establish a traditional IRA to receive the payment. However, in choosing a traditional IRA, you may wish to make sure that the traditional IRA you choose will allow you to move all or a part of your payment to another traditional IRA at a later date, without penalties or other limitations. See IRS Publication 590, Individual Retirement Arrangements, for more information on traditional IRAs (including limits on how often you can roll over between IRAs).

**Direct Rollover to a Roth IRA.** For the Roth portion of your payment, you can open a Roth IRA to receive a direct rollover. You can make a direct rollover to a Roth IRA of both the taxable and nontaxable amounts in your Roth distribution. The income limits that generally apply to eligibility to make Roth IRA contributions do not apply to Roth rollover contributions to a Roth IRA. Your period of participation in the Plan's Roth account will not carry over in a direct rollover to a Roth IRA. Under the Roth rules, you must have at least five taxable years of participation in a Roth account in order to have a "qualified distribution" (other requirements also apply).

**Direct Rollover to a Plan.** If you are employed by a new employer that has an eligible employer plan, and you want a direct rollover to that plan, ask the plan administrator of that plan whether it will accept your rollover. If you want a direct rollover of your Roth account, you should ask the plan administrator if the plan will accept a Roth rollover. An eligible employer plan is not legally required to accept a

rollover. Even if your new employer's plan does not accept a rollover, you can choose a direct rollover to a traditional IRA or Roth IRA, as applicable. If the employer plan accepts your rollover, the plan may provide restrictions on the circumstances under which you may later receive a distribution of the rollover amount or may require spousal consent to any subsequent distribution. Check with the plan administrator of that plan before making your decision.

Special rules apply to a direct rollover of the Roth portion of your payment. In order to roll over the nontaxable portion of your Roth distribution to an eligible employer plan, the rollover must be a direct rollover of the entire Roth distribution to an eligible employer plan that will apply your rollover to an account that meets the Roth requirements. Also, the eligible employer plan must be the same type of plan as the distributing plan. That is, you can make a direct rollover of the nontaxable portion of your Roth distribution from a 401(k) plan to another 401(k) plan, but not to a 403(b) plan, and vice versa. In a direct Roth rollover to an eligible employer plan, your period of participation in the Plan's Roth account will carry over to the recipient plan for purposes of the "five taxable year" requirement for a qualified Roth distribution.

**Direct Rollover of a Series of Payments.** If you receive a payment that can be rolled over to a traditional IRA or Roth IRA, as applicable, or an eligible employer plan that will accept it, and it is paid in a series of payments for less than 10 years, your choice to make or not make a direct rollover for a payment will apply to all later payments in the series until you change your election. You are free to change your election for any later payment in the series.

**Change in Tax Treatment Resulting from a Direct Rollover.** The tax treatment of any payment from the eligible employer plan or traditional IRA or Roth IRA, as applicable, receiving your direct rollover might be different than if you received your benefit in a taxable distribution directly from the Plan. For example, if you were born before January 1, 1936, you might be entitled to ten-year averaging or capital gain treatment, as explained in Section III. However, if you have your benefit rolled over to a section 403(b) tax-sheltered annuity, a governmental 457 plan, or a traditional IRA or Roth IRA, as applicable, in a direct rollover, your benefit will no longer be eligible for that special treatment (see "Additional 10% Tax if You Are under Age 59½" and "Special Tax Treatment if You Were Born before January 1, 1936" in Section III).

## III. Payment Paid to You

If your payment can be rolled over (see Section I) and the payment is made to you in cash, it is subject to 20% federal income tax withholding on the taxable portion (state tax withholding may also apply). The payment is taxed in the year you receive it unless, within 60 days, you roll it over to a traditional IRA or Roth IRA,

as applicable, or an eligible employer plan that accepts rollovers. If you do not roll it over, special tax rules may apply.

**Mandatory Withholding for Payments Eligible for Rollover.** If any portion of your payment can be rolled over under Section I and you do not elect to make a direct rollover, the Plan is required by law to withhold 20% of the taxable amount. This amount is sent to the IRS as federal income tax withholding. For example, if you can roll over a taxable payment of \$10,000, only \$8,000 will be paid to you because the Plan must withhold \$2,000 as income tax. However, when you prepare your income tax return for the year, unless you make a rollover within 60 days (see "Sixty-Day Rollover Option" below), you must report the full \$10,000 as a taxable payment from the Plan. You must report the \$2,000 as tax withheld, and it will be credited against any income tax you owe for the year. There will be no income tax withholding if your payments for the year are less than \$200.

**Voluntary Withholding.** If any portion of your payment is taxable but cannot be rolled over under Section I, the mandatory withholding rules described above do not apply. In this case, you may elect not to have withholding apply to that portion. If you do nothing, an amount will be taken out of this portion of your payment for federal income tax withholding. To elect out of withholding, ask the Plan Administrator for the election form and related information.

**Sixty-Day Rollover Option.** If you receive a payment that can be rolled over under Section I, you can still decide to roll over all or part of it to a traditional IRA or Roth IRA, as applicable, or to an eligible employer plan that accepts rollovers. If you decide to roll over the portion of your payment that is not a Roth distribution, you must contribute the amount of the payment you received to a traditional IRA or eligible employer plan within 60 days after you receive the payment. The portion of your payment that is rolled over will not be taxed until you take it out of the traditional IRA or the eligible employer plan.

For the portion of your payment that is not a Roth distribution, you can roll over up to 100% of your payment that can be rolled over under Section I, including an amount equal to the 20% of the taxable portion that was withheld. If you choose to roll over 100%, you must find other money within the 60-day period to contribute to the traditional IRA or the eligible employer plan, to replace the 20% that was withheld. On the other hand, if you roll over only the 80% of the taxable portion that you received, you will be taxed on the 20% that was withheld.

**Example:** The taxable portion of your payment that can be rolled over under Section I is \$10,000, and you choose to have it paid to you. You will receive \$8,000, and \$2,000 will be sent to the IRS as income tax withholding. Within 60 days after receiving the \$8,000, you may roll over the entire \$10,000 to a traditional IRA or an eligible employer

plan. To do this, you roll over the \$8,000 you received from the Plan, and you will have to find \$2,000 from other sources (your savings, a loan, etc.). In this case, the entire \$10,000 is not taxed until you take it out of the traditional IRA or an eligible employer plan. If you roll over the entire \$10,000, when you file your income tax return you may get a refund of part or all of the \$2,000 withheld.

If, on the other hand, you roll over only \$8,000, the \$2,000 you did not roll over is taxed in the year it was withheld. When you file your income tax return, you may get a refund of part of the \$2,000 withheld. (However, any refund is likely to be larger if you roll over the entire \$10,000.)

Special rules apply to a rollover of the Roth portion of your payment. You can roll over all or a part of the taxable and nontaxable Roth portion of your payment to your Roth IRA within 60 days after you receive the payment, but you can roll over only the taxable portion of your Roth distribution to an eligible employer plan that accepts your Roth rollover. Your period of participation in the Plan's Roth account will not carry over in a rollover of the Roth portion of your payment to a Roth IRA or an eligible employer plan that accepts your Roth rollover. If your Roth distribution is not a "qualified distribution" and you do not roll over the entire amount, the portion that is rolled over will be deemed to consist first of the taxable portion of your Roth distribution.

**Additional 10% Tax If You Are under Age 59½.** If you receive a payment before you reach age 59½ and you do not roll it over, then, in addition to the regular income tax, you may have to pay an extra tax equal to 10% of the taxable portion of the payment. The additional 10% tax generally does not apply to (1) payments that are paid after you separate from service with your employer during or after the year you reach age 55, (2) payments that are paid because you retire due to disability, (3) payments that are paid as equal (or almost equal) payments over your life or life expectancy (or your and your beneficiary's lives or life expectancies), (4) dividends paid with respect to stock by an employee stock ownership plan (an "ESOP"), as described in Code section 404(k), (5) payments that are paid directly to the government to satisfy a federal tax levy, (6) payments that are paid to an alternate payee under a qualified domestic relations order (a "QDRO"), or (7) payments that do not exceed the amount of your deductible medical expenses. See IRS Form 5329 for more information on the additional 10% tax.

The additional 10% tax will not apply to distributions from a governmental 457 plan, except to the extent the distribution is attributable to an amount you rolled over to that plan (adjusted for investment returns) from another type of eligible employer plan or IRA. Any amount rolled over from a governmental 457 plan to another type of eligible employer plan or to a traditional IRA will become subject to the additional 10% tax if it is distributed to you before you

reach age 59½, unless one of the exceptions applies.

**Special Tax Treatment If You Were Born before January 1, 1936.** If you receive a payment from a plan qualified under Code section 401(a) or a Code section 403(a) annuity plan that can be rolled over under Section I and you do not roll it over to a traditional IRA or Roth IRA, as applicable, or an eligible employer plan, the taxable portion of the payment will be taxed in the year you receive it. However, if the payment qualifies as a "lump sum distribution," it may be eligible for special tax treatment (see also "Employer Stock or Securities" below). A lump sum distribution is a payment, within one year, of your entire balance under the Plan (and certain other similar plans of the employer) that is payable to you after you have reached age 59½ or because you have separated from service with your employer (or, in the case of a self-employed individual, after you have reached age 59½ or have become disabled). For a payment to be treated as a lump sum distribution, you must have been a participant in the plan for at least five years before the year in which you received the distribution. The special tax treatment for lump sum distributions that may be available to you is as follows:

- **Ten-Year Averaging.** If you receive a lump sum distribution and you were born before January 1, 1936, you can make a one-time election to figure the tax on the payment by using "10-year averaging" (using 1986 tax rates). Ten-year averaging often reduces the tax you owe.
- **Capital Gain Treatment.** If you receive a lump sum distribution and you were born before January 1, 1936, and you were a participant in the Plan before 1974, you may elect to have the part of your payment that is attributable to your pre-1974 participation in the Plan taxed as long-term capital gain at a rate of 20%.

There are other limits on the special tax treatment for lump sum distributions. For example, you can generally elect this special tax treatment only once in your lifetime, and the election applies to all lump sum distributions that you receive in that same year. You may not elect this special tax treatment if you rolled amounts into this Plan from a 403(b) tax-sheltered annuity contract, a governmental 457 plan or from an IRA not originally attributable to a qualified employer plan. If you have previously rolled over a distribution from this Plan (or certain other similar plans of your employer), you cannot use this special averaging treatment for later payments from the Plan. If you roll over your payment to a traditional IRA or Roth IRA, as applicable, governmental 457 plan, or 403(b) tax-sheltered annuity, you will not be able to use special tax treatment for later payments from that IRA, plan, or annuity. Also, if you roll over only a portion of your payment to a traditional IRA or Roth IRA, as applicable, governmental 457 plan, or 403(b) tax-sheltered annuity, this special tax treatment is not available for the rest of the payment. See IRS Form 4972 for additional information on lump sum distributions and how you elect the special tax treatment.

**Employer Stock or Securities.** There is a special rule for a payment from a plan that includes employer stock (or other employer securities). To use this special rule (1) the payment must qualify as a lump sum distribution, as described above, except that you do not need five years of plan participation, or (2) the employer stock included in the payment must be attributable to non-Roth after-tax employee contributions, if any. Under this special rule, you may have the option of not paying tax on the "net unrealized appreciation" of the stock until you sell the stock. Net unrealized appreciation generally is the increase in the value of the employer stock while it was held by the plan. For example, if employer stock was contributed to your Plan account when the stock was worth \$1,000 but the stock was worth \$1,200 when you received it, you would not have to pay tax on the \$200 increase in value until you later sold the stock.

You may instead elect not to have the special rule apply to the net unrealized appreciation. In this case, your net unrealized appreciation will be taxed in the year you receive the stock, unless you roll over the stock. The stock can be rolled over to a traditional IRA or Roth IRA, as applicable, or another eligible employer plan, either in a direct rollover or a rollover that you make yourself. Generally, you will no longer be able to use the special rule for net unrealized appreciation if you roll the stock over to a traditional IRA, Roth IRA or another eligible employer plan.

If you receive only employer stock in a payment that can be rolled over, no amount will be withheld from the payment. If you receive cash or property other than employer stock, as well as employer stock, in a payment that can be rolled over, the 20% withholding amount will be based on the entire taxable amount paid to you (including the value of the employer stock determined by excluding the net unrealized appreciation). However, the amount withheld will be limited to the cash or property (excluding employer stock) paid to you.

If you receive employer stock in a payment that qualifies as a lump sum distribution, the special tax treatment for lump sum distributions described above (such as 10-year averaging) also may apply. See IRS Form 4972 for additional information on these rules.

**Repayment of Plan Loans.** If your employment ends and you have an outstanding loan from the Plan, your employer may reduce (or "offset") your balance in the Plan by the amount of the loan you have not repaid. The amount of your loan offset is treated as a distribution to you at the time of the offset and will be taxed unless you roll over an amount equal to the amount of your loan offset to another qualified employer plan or a traditional IRA or Roth IRA, as applicable, within 60 days after the offset.

If the amount of your loan offset is the only amount you receive or are treated as having received, no amount will be withheld from it. If you receive other

payments of cash or property from the Plan, the 20% withholding amount will be based on the entire amount paid to you, including the amount of the loan payment. The amount withheld will be limited to the amount of other cash or property paid to you (other than employer securities). The amount of a defaulted Plan loan that is a taxable deemed distribution cannot be rolled over.

#### IV. Surviving Spouses, Alternate Payees, and Other Beneficiaries

In general, the rules summarized above that apply to payments to employees also apply to payments to surviving spouses of employees and to spouses or former spouses who are "alternate payees." You are an alternate payee if your interest in the Plan results from a "qualified domestic relations order" (a "QDRO"), which is an order issued by a court, usually in connection with a divorce or legal separation.

If you are a surviving spouse or an alternate payee, you may choose to have a payment that can be rolled over, as described in Section I, paid in a direct rollover to a traditional IRA or Roth IRA, as applicable, or to an eligible employer plan or paid to you. If you have the payment paid to you, you can keep it or roll it over yourself to a traditional IRA or Roth IRA, as applicable, or to an eligible employer plan. Thus, you have the same choices as the employee.

If you are a beneficiary other than a surviving spouse or an alternate payee, you cannot choose a direct rollover, and you cannot roll over the payment yourself.

If you are a surviving spouse, an alternate payee, or another beneficiary, your payment is generally not subject to the additional 10% tax described in Section III, even if you are younger than age 59½.

If you are a surviving spouse, an alternate payee, or another beneficiary, you may be able to use the special tax treatment for lump sum distributions and the special rule for payments that include employer stock, as described in Section III. If you receive a payment because of the employee's death, you may be able to treat the payment as a lump sum distribution if the employee met the appropriate age requirements, whether or not the employee had five years of participation in the Plan.

#### How to Obtain Additional Information

This notice summarizes only the federal (not state or local) tax rules that might apply to your payment. The rules are complex and contain many conditions and exceptions that are not included in this notice. Therefore, you may want to consult with a professional tax advisor before you take a payment of your benefits from the Plan. Also, you can find more specific information on the tax treatment of payments from qualified employer plans in IRS Publication 575, [Pension and Annuity Income](#), and IRS Publication 590, [Individual Retirement Arrangements](#). These publications are available from your local IRS office, on the IRS's Internet Web Site at [www.irs.gov](http://www.irs.gov), or by calling 1-800-TAX-FORMS.

# SUPPLEMENTAL SPECIAL TAX NOTICE

## FOR DISTRIBUTIONS AFTER DECEMBER 31, 2006

### I. PAYMENTS THAT CAN AND CANNOT BE ROLLED OVER INTO AN EMPLOYER PLAN:

(Effective starting 01/01/2007).

You can also roll over after-tax contributions and/or designated Roth contributions from an employer plan that is qualified under Code section 401(a), to another 401(a) plan (whether a defined contribution or defined benefit plan) or to a section 403(b) tax sheltered annuity using a direct rollover, but only if the other section 401(a) plan or 403(b) tax sheltered annuity provides separate accounting for amounts rolled over, including separate accounting for after-tax employee contributions (plus earnings) and the designated Roth contributions (plus earnings).

You CANNOT roll over after-tax or designated Roth contributions to a governmental 457 plan.

If you want to roll over your after-tax and/or designated Roth contributions to an employer plan that accepts these rollovers, you cannot have the after-tax contributions paid to you first. You must instruct the Plan Administrator of this Plan to make a direct rollover on your behalf. Also, you cannot first roll over after-tax contributions to a traditional IRA or designated Roth contributions to a Roth IRA and then roll over that amount into an employer plan.

### II. SURVIVING SPOUSES, ALTERNATE PAYEES, AND OTHER BENEFICIARIES.

(Effective Starting 01/01/2007).

If you are a beneficiary other than a surviving spouse or an alternate payee, you may choose a direct rollover of non-Roth amounts to an inherited traditional IRA. You cannot roll over the payment yourself. Distributions from the inherited IRA must commence in accordance with the required minimum distribution rules applicable to beneficiaries no later than the December 31 of the year immediately following the year of the participant's death.

If you are a surviving spouse, an alternate payee, or another beneficiary, your payment is generally not subject to the additional 10% tax described in the Special Tax Notice even if you are younger than age 59½.

If the participant named a trust as her plan beneficiary and you are the beneficiary of that trust, you may be eligible to take advantage of this treatment if certain Federal tax law conditions are met. The trustee of the trust should contact the plan administrator for more information.

### III. ROLLOVER OF AFTER-TAX AMOUNTS FROM A 401(A) PLAN

(Effective January 1, 2007).

You can rollover after-tax contributions from a qualified retirement plan to an IRA or to a defined contribution plan, defined benefit plan or TSA (403(b)) annuity, but the rollover must be a direct trustee-to-trustee rollover and the transferee plan must separately account for after-tax contributions and earnings thereon.

### IV. ADDITIONAL INFORMATION FOR DESIGNATED ROTH CONTRIBUTIONS

(Effective Starting January 1, 2006).

If you have made designated Roth contributions to the Plan, the Roth portion of your payment is subject to special rollover rules. The Roth portion of your payment may be

rolled over to a Roth IRA. The Roth portion of your payment cannot be rolled over to a traditional IRA.

Note, even if a plan accepts rollovers, it might not accept rollovers of certain types of distributions, such as Roth amounts and non-Roth after-tax amounts (that is, after-tax contributions and earnings) that are not designated Roth contributions and earnings). If this is the case, and your distribution includes Roth amounts and/or non-Roth after-tax amounts, you may wish instead to roll your distribution over to a Roth IRA or traditional IRA, as applicable, or split your rollover amount between the employer plan in which you will participate and a Roth IRA or traditional IRA.

- Your direct rollover of the nontaxable Roth portion of your payment to an eligible employer plan must be to the same type of plan as the Plan. That is, if the Plan is a 401(k) plan, the receiving plan must be a 401(k) plan.
- Your period of participation in the Plan's designated Roth account will carry over to the receiving plan in a direct rollover to an eligible employer plan; however, it will not carry over in a direct rollover to a Roth IRA.
- The taxable portion of your payment will be taxed later when you take it out of the Roth IRA, as applicable, or the eligible employer plan. Depending on the type of plan, the later distribution may be subject to different tax treatment than it would be if you received a taxable distribution from this Plan.

For the portion of your payment that is a Roth distribution, you can roll over all or a part of the taxable and nontaxable Roth portion of your payment to your Roth IRA within 60 days after you receive the payment, but you can roll over only the taxable portion of your Roth distribution to an eligible employer plan that accepts your Roth rollover.

If you want to roll over 100% of the payment to a traditional IRA or Roth IRA, as applicable, or to an eligible employer plan, you must find other money to replace the 20% of the taxable portion that was withheld. If you roll over only the portion that you received, you will be taxed on the 20% of the taxable portion that was withheld and that is not rolled over.

**Direct Rollover to a Roth IRA.** For the Roth portion of your payment, you can open a Roth IRA to receive a direct rollover. You can make a direct rollover to a Roth IRA of both the taxable and nontaxable amounts in your Roth distribution. The income limits that generally apply to eligibility to make Roth IRA contributions do not apply to Roth rollover contributions to a Roth IRA. Your period of participation in the Plan's Roth account will not carry over in a direct rollover to a Roth IRA. Under the Roth rules, you must have at least five taxable years of participation in a Roth account in order to have a "qualified distribution" (other requirements also apply).

**Direct Rollover to a Plan.** Special rules apply to a direct rollover of the Roth portion of your payment. In order to roll over the nontaxable portion of your Roth distribution to an eligible employer plan, the rollover must be a direct rollover of the entire Roth distribution to an eligible employer plan that will apply your rollover to an account that meets the Roth requirements. For 2006, the eligible employer plan must be the same type of plan as the distributing plan. Effective January 1, 2007, you can make a direct rollover

of the nontaxable portion of your Roth distribution from a 401(k) plan to another 401(k) plan or from a 403(b) plan to another 403(b) plan, or from a 401(k) plan to a 403(b) plan (but not vice versa). In a direct Roth rollover to an eligible employer plan, your period of participation in the Plan's Roth account will carry over to the recipient plan for purposes of the "five taxable year" requirement for a qualified Roth distribution.

If you want a direct rollover of your Roth account, you should ask the plan administrator if the plan will accept a Roth rollover because an eligible employer plan is not legally required to accept a rollover. Even if your new employer's plan does not accept a rollover, you can choose a direct rollover to a traditional IRA or Roth IRA, as applicable. If the employer plan accepts your rollover, the plan may provide restrictions on the circumstances under which you may later receive a distribution of the rollover amount or may require spousal consent to any subsequent distribution. Check with the plan administrator of that plan before making your decision.

**Direct Rollover of a Series of Payments.** If you receive a payment that can be rolled over to a traditional IRA or Roth IRA, as applicable, or an eligible employer plan that will accept it, and it is paid in a series of payments for less than 10 years, your choice to make or not make a direct rollover for a payment will apply to all later payments in the series until you change your election. You are free to change your election for any later payment in the series.

Special rules apply to a rollover of the Roth portion of your payment. You can roll over all or a part of the taxable and nontaxable Roth portion of your payment to your Roth IRA within 60 days after you receive the payment, but you can roll over only the taxable portion of your Roth distribution to an eligible employer plan that accepts your Roth rollover. Your period of participation in the Plan's Roth account will not carry over in a rollover of the Roth portion of your payment to a Roth IRA or an eligible employer plan that accepts your Roth rollover. If your Roth distribution is not a "qualified distribution" and you do not roll over the entire amount, the portion that is rolled over will be deemed to consist first of the taxable portion of your Roth distribution.

### V. INVOLUNTARY DISTRIBUTION AND AUTOMATIC ROLLOVER OF PAYMENTS LESS THAN \$5,000

(Generally effective for distributions on or after March 28, 2005) (However, governmental plans had until the close of the first regular legislative session of the legislative body with the authority to amend the plan that begins on or after January 1, 2006 to apply these rules).

If your vested benefit is less than \$5,000 and you do not elect a distribution within a reasonable period of time after receiving this notice, the Plan may provide for the involuntary distribution of your benefit, which may be in the form of an automatic rollover to a traditional IRA or Roth IRA, as applicable, selected by the Plan. Please contact the Plan Administrator for further information concerning the Plan's involuntary distribution and automatic rollover provisions. If the Plan provides for automatic rollovers, the Plan Administrator will give you information concerning the traditional IRA and Roth IRA that the Plan has selected for such rollovers and the administrative fees that will be deducted from such IRA.