DISTRIBUTION
REQUEST FORM

Previously, there was little oversight regarding the withdrawal of money from 403(b) plans. The recent law changes now apply sanctions on Plans that do not carefully monitor and adhere to IRS regulations limiting payments to qualified distributable events. The Internal Revenue Service defines a distributable event as: attainment of age 59 1/2, retirement, death, disability or termination of employment. Your Plan also permits withdrawal for a qualifying hardship or participant loan. There are separate applications for these withdrawals.

If the AACS RightPath Retirement Plan is only part of your employer sponsored 403(b) program, you may transfer funds between the AACS RightPath account and other approved vendors as outlined in your Employer's current Plan Document. The employer or Plan Administrator must certify the transfer is a legitimate transaction and must complete the AACS RightPath Transfer Form which is attached to this form.

Please note, if you do not quality for one of the above events, your distribution request will be denied.

Return completed forms to:
Current or Former AACS ministry

After approved by Employer, forms should be returned to:
PenServ Plan Services
Attn: AACS RightPath
PO Box 7248
Columbia, SC 29202-7248

Phone: 803.791.4923
Fax: 803.791.5925

Email: rightpath@penserv.com

NOTICE TO PARTICIPANT OF DISTRIBUTION ELECTION

Please read the attached information carefully

We have enclosed a distribution package with this notice. This notice explains your election rights under the Plan. The following information is important to understand these election rights.

NOTE: You must provide separate rollover instructions for your ROTH Elective Deferral Account in the section Information for Direct Rollover. A ROTH Distribution will be reported on a separate Form 1099-R.

Forms Included with this Notice

Distribution Request Form	Use this form to elect payment of your benefits. See the explanation of your benefit options available in the Benefits Options section below.
Special Tax Notice Regarding Plan Payments	This notice explains your right to elect a direct rollover of your Vested Account Balance to another plan or IRA. This notice also explains the income tax withholding rules if you elect to receive payment from the Plan.
Election to Postpone Distribution of Benefits	If you do not wish to receive payment or elect a direct rollover at this time, complete this form instead of the Distribution Request Form. You cannot use this form if you have reached the latest time under the Plan for commencing distribution. See Postponement of Distribution below.
Beneficiary Designation	If, in the Distribution Request Form, you elect installment payments, or you complete the Election to Postpone Distribution of Benefits, you must complete a Beneficiary Designation Form. A married participant's spouse must consent to the Beneficiary Designation unless the spouse is the only designated beneficiary.

Benefit Options

The Plan may permit you to elect distribution in the following forms:

- A Direct rollover.
- A Lump sum payment.
- Installments over a specified period of time.
- Joint & Survivor Annuity

Refer to your Plan's Summary Plan Description to determine which Benefit Options are available.

You also may elect one form of payment for part of your Vested Account Balance and another form of payment for another part of your Vested Account Balance. For example, you may elect a direct rollover for part of your Vested Account Balance and a lump sum payment or installments for the other part. See Special Tax Notice Regarding Plan Payments for rules on splitting your distribution.

If you are less than 100% vested in your Account Balance, and you elect a distribution before you have incurred five consecutive breaks in service, you must elect a lump sum payment, direct rollover or an annuity contract providing the Qualified Annuity Benefit, known under the Plan as a "cash-out distribution." A cash-out distribution results in the forfeiture of the non-vested portion of your Account Balance. Your election of a cash-out distribution is consent to this forfeiture. If you return to employment with the Employer before your fifth consecutive break in service, the Plan provides you a 5-year period during which you may repay the entire amount of your cash-out distribution and restore your forfeited non-vested Account Balance.

Note: Your DISTRIBUTION DATE is 60 days following issuance of this notice. If your balance is less than a certain dollar amount (typically this will range from $1,000 to $5,000 and will be specified in your Employer's Summary Plan Description) and you have not completed and returned this form by the distribution date, the Plan will pay your Vested Account Balance, less 20% federal withholding tax, in a lump sum. If you complete and return this form before the distribution date, the Plan will make distribution as soon as administratively possible after receipt of your final salary deferral.

Postponement of Distribution

You do not have to commence distribution if your account balance exceeds a certain dollar amount (typically this will range from $1,000 to $5,000.00). Check with your Plan Administrator or in your Summary Plan Description to see if there are "cash-out" rules that apply in your Plan, including a description of applicable fees that may apply. If you do not wish to commence distribution at this time, you must complete the Election to Postpone Distribution of Benefits. This form allows you to elect a delayed distribution date. You will receive a notice from the Plan shortly before that delayed distribution date explaining your distribution rights. Under a postponement election, your Vested Account Balance will be subject to adjustment for investment earnings, gains or losses. Because of the investment performance of the trust fund, the amount the Trustee ultimately pays you at your postponed distribution date could be more or less than the value of your Vested Account Balance described in this notice.

Financial Effect of Distribution Options

A direct rollover means the Plan pays the distribution amount directly to another plan or to an IRA. See Special Tax Notice Regarding Your Plan Payments, included with your package. A lump sum payment means you receive a single payment of the distribution amount. Under an installment distribution, the Plan makes periodic payments of your Vested Account Balance over a specified period of time. You may elect to take the installment distributions directly from the trust or you may elect to have the Plan buy a nontransferable annuity contract, which will provide the installment distributions. If you elect installment payments directly from the Plan, your Vested Account Balance will be subject to gain or loss in the same manner as other trust fund assets, unless the Plan Administrator directs the Trustee to segregate your Vested Account Balance in fixed income investments. If the Trustee invests your account in the same manner as other trust fund assets, because of the investment performance of the trust fund, the total amount the Trustee ultimately pays you could be more or less than the value of your Vested Account Balance as of the proposed distribution date or as of the date of the termination of your employment with the Employer.

If you elect installment payments directly from the Plan, the Plan will calculate each annual installment payment by dividing your latest Vested Account Balance by the remaining installment period. After commencing an installment distribution, you may accelerate the payment of all or any portion, of your unpaid Vested Account Balance at any time. Under a nontransferable annuity contract, the Plan will apply your entire Vested Account Balance to the purchase of the contract and the contract will provide payments over the elected installment term. The level of payments provided under the contract will depend on the terms of the contract you choose.

403(b) Transfer Authorization to Approved Vendor

This page is needed only if the AACS RightPath Retirement Plan is only part of your employer sponsored 403(b) program and you are transferring funds between the AACS RightPath account and other approved vendors as outlined in your Employer's current Plan Document. The employer or Plan Administrator must certify the transfer is a legitimate transaction and must complete this form.

Date

PenServ Plan Services
Plan Administrator for the AACS RightPath Retirement Plan
PO Box 7248
Columbia, SC 29202-7248

Re: ____
Plan Name

I hereby certify that I have an approved plan under IRC Section 403(b) effective January 1, 2009, and that the following investment providers are qualified vendors under the Employer's Plan:

____

____

____

I further certify that I have executed a Plan Document pursuant to these regulations and that I authorize the transfer for ____

____ (Participant(s) name).

By accepting this transfer the AACS RightPath Retirement Plan and PenServ Plan Services, Inc. are relieved of any liability pertaining to the taxable consequences under Code Section 403(b). I understand that this transfer is in compliance with the above regulations and that such transfer will not result in a taxable distribution to the participant.

Signed

____
Plan Administrator

We hereby approve the above referenced transfer to ____

(Vendor Name) for the benefit of ____ (Plan Name f/b/o the Participant Name).

____
PenServ Plan Services, Inc. as Plan Administrator for
the AACS RightPath Retirement Plan

Participant Information (All information must be completed)

Current or Former AACS Ministry Name *	Plan Name **AACS RightPath Retirement Plan**			
Participant Name			Soc Sec No.	
Address	City	State	Zip	
E-mail Address	Daytime Phone			
Date of Birth	Date of Employment	Date of Termination	Marital Status ☐ Married ☐Single ☐ Widow(er) ☐ Divorced ☐ Legally Separated ☐ Other ______________________	

***Please note: If incomplete forms are returned, processing will be delayed. This includes a missing Ministry Name, Employer's signature, etc.).**

Employer Authorization

Employer Signature and printed name * (Not participant's)		Date
Email address of Employer	☐ I am the participant and the Ministry head	Phone Number Of Employer

Beneficiary Information– only needed for a Death Benefit Payment

All information must be completed and a copy of the Death Certificate must be attached to the form being returned.

Beneficiary Name		Soc. Sec. No.	
Address	City	State	Zip
Beneficiary's Date of Birth	Daytime Phone	Participant's Date of Death	

Payment and Withholding Election

I agree that I have read the Special Tax Notice Regarding Plan Payments attached to this Form. I understand this election will have certain tax consequences and a tax advisor should be consulted prior to making this election. By selecting items A through G, I have waived my right to an annuity election. (If the participant: (1) is married, (2) has a vested account balance that exceeds $5,000, and (3) options A through G are selected, the Spousal Consent section must be completed.) I therefore make the following distribution election: (*Choose A, B, C, D, E, F G or H below*)

☐	A. Direct rollover of my entire Vested Account Balance to the IRA or to the plan designated in the section below.
☐	B. Direct rollover of my entire Vested Account Balance to a Roth IRA.
☐	C. Direct rollover of my Designated Roth Account to another Designated Roth Account or to a Roth IRA
☐	D. Direct rollover of $_________________ to the IRA or Plan designated in the section below and the balance (less required income tax withholding) to be paid in a lump-sum payment. *NOTE: This option is not available if the amount of the direct rollover is less than $500.*
☐	E. Lump sum payment of my entire Vested Account Balance, less income tax withholding.
☐	F. Lump sum payment of the following portion of my Vested Account Balance $_________________, less income tax withholding.
☐	G. Installment Payments. I direct payment of equal periodic payments, which cannot exceed my life expectancy or the life expectancy of my spouse and me. Payment Frequency Requested: ☐ Monthly ☐ Quarterly ☐ Annually Start Date: _____ / ______ / _____ Amount of Installment Payment $__________________. I understand this distribution will be reported to the Internal Revenue Service and the State, if applicable, and the distribution will be subject to income taxes if I do not complete a direct rollover of my account into an IRA or another eligible Plan. I further understand that if I receive this distribution before attaining age 59 ½, the distribution may be subject to a 10% early withdrawal penalty unless an exception applies, and that if any portion of the payment I receive is an eligible rollover distribution, the Plan is required by law to withhold and pay to the Internal Revenue Service, 20% of that amount. Voluntary Withholding for payments spread over a period of at least 10 years or over your life or life expectancy (or the lives or joint life expectancy of you and your beneficiary): ☐ My distribution is not eligible for direct rollover and I do not want to have Federal income tax withheld from my payment(s), and I acknowledge receipt of the Notice of Withholding. (A completed IRS Form W4-P must be included with this Application. The Form W4-P is available on the IRS website.); or ☐ I want to have Federal income tax withheld from my payments based on: ☐ For non-periodic distributions __________ % Federal Income Tax Withholding (not less than 10%) and ☐ ___________% State Income Tax Withholding. ☐ For periodic distributions, Federal income tax withholding shall be based on _______ (number of exemptions) and (check one) ☐ married or ☐ single. Note: Even if you elect not to have federal income tax withheld, you are liable for payment of federal income tax on the taxable portion of your distribution or withdrawal. You may also be subject to tax penalties under the estimated tax payment rules if your payments of estimated tax and withholding, if any, are not adequate.
☐	H. Qualified Joint & Survivor Annuity. This option will provide payments over the life of the participant and the participant's beneficiary.

Additional Tax Withholding (For Options D, E, F or G)

☐ I want to have additional tax withheld from my payment(s). (This election is in addition to the automatic 20% Federal income tax withheld.)
__________ % Federal Income Tax Withholding ____________% State Income Tax Withholding (Subject to Agreement with State's Department of Taxation)

Information for Direct Rollover. (Complete only if you checked A, B, C or D above.)

I represent the IRA or Plan designated below is a proper recipient plan for a direct rollover. (Please print all information.) As indicated in the Special Tax Notice, by indicating a direct rollover below and executing this Distribution Request Form, I waive the 30 day notice period for processing this request. I understand that if any portion of this distribution is a required minimum distribution, such portion must be distributed to me and not included in the Direct Rollover,

NOTE: If you are a nonspouse beneficiary, you must establish an Inherited IRA to receive this Direct Rollover. If you are a spouse beneficiary and elect a direct rollover to an IRA, you must establish an IRA as your own IRA, or if permitted by the IRA Trustee or Custodian, an Inherited IRA. Please enter the exact styling of the account receiving this Direct Rollover in the space below.

Required Information		Enter Complete Information Here
If this is a transfer, your request cannot be completed until we receive our 403(b) Transfer Authorization Form.		
Traditional Retirement Account	Name of IRA / Designated Plan	
	Trustee, Custodian or Insurer	
	Account Number	
	Address to Send Direct Rollover	
ROTH Elective Deferral Account	Name of IRA / Designated Plan	
	Trustee, Custodian or Insurer	
	Account Number	
	Address to Send Direct Rollover	

Plan Provisions Applicable to a Beneficiary Electing a Direct Rollover to an Inherited IRA

IRS Notice 2007-7 governs the required distribution period applicable to an Inherited IRA that receives a rollover from an employer's plan. Depending upon when the participant died and when the beneficiary completes the direct rollover, the Inherited IRA may be subject to a required 5-year distribution period. You may receive more information on these rules from the Trustee or Custodian of your Inherited IRA or from IRS Publication 590. You should consult your own tax advisor or the IRS to determine if the following Plan provisions will affect the required distribution period applicable to your Inherited IRA.

The following provision applies to this Plan:

☐ Participant died before the required beginning date and the 5-year rule applied.
☐ Participant died before the required beginning date and the life expectancy rule applied.
☐ Participant died after the required beginning date and the deceased participant's remaining life expectancy applied.
☐ Participant died after the required beginning date and the beneficiary's life expectancy applied.

Distribution Charges

I understand certain fees may be applied by the Plan for the reasonable expenses associated with processing my distribution. I understand if I request a distribution and additional funds are paid into my account, I will be charged for the additional distribution. The charge for each distribution transaction may range from $25 to $200 depending on the transaction type. *(Note: An election above to distribute to two payees is considered one payment.)*

Special Delivery Request (If item1, 2 , 3 or 4 is not indicated, the check will be sent standard US Mail)

☐ 1. I understand my distribution will be sent standard U S Mail.
☐ 2. I request payment to be sent by check by overnight delivery (requires a physical address). An additional fee of $35.00 will apply for special handling.
☐ 3. I request payment of funds to be transferred via ACH to the following bank Account. An additional fee of $35.00 will apply for special handling.

Please print this information carefully to ensure proper credit to your account.

Bank Name		☐ Checking Acct. ☐ Savings Acct.
Bank Routing Number *		
Your Account Number		

*The Routing information should be provided by your Bank.

Participant or Beneficiary Signature (REQUIRED)

I agree that I have read and understand this form and the payment options available from my account. I certify that I received, read and understand the NOTICE OF PARTICIPANT DISTRIBUTION ELECTION and if applicable, the QUALIFIED JOINT AND SURVIVOR ANNUITY NOTICE that was included with this DISTRIBUTION REQUEST FORM. I agree that I have received these forms 7 days prior to executing the Distribution Request Form as required by Code Section 417. I certify that I am the proper party to receive payment(s) from this plan account and that all information provided by me is true and accurate. I further certify that no tax advice has been given to me by the Custodian, Trustee, Employer or Third Party Administrator and that all decisions regarding this withdrawal are my own. I expressly assume the responsibility for any adverse consequences which may arise from this withdrawal and I agree that the Custodian, Trustee, Employer or Third Party Administrator shall in no way be responsible for those consequences. I understand there are significant tax implications in these elections and that I may incur penalties if a distribution is made from my retirement plan before attainment of age 59 ½ unless I elect to directly rollover the funds to another Employer's Plan, IRA, governmental 457(b) or a 403(b).

Participant or Beneficiary Signature	Date

Qualified Joint & Survivor (QJSA) Annuity Election

The Retirement Equity Act of 1984 requires that the form of benefits under certain plans satisfy specific rules. If you are married, your benefits under the Plan are required to be paid in the form of a joint and survivor annuity, unless you elect otherwise. This notice explains the terms and conditions of the joint and survivor annuity if you desire.

WHAT IS A QUALIFIED JOINT AND SURVIVOR ANNUITY (QJSA)?	Federal law requires your Employer's Plan to pay retirement benefits in a special form of payment unless your spouse chooses a different benefit payment and you agree to that choice. This special form of payment is often called a "qualified joint and survivor annuity" or "QJSA" form of benefit. The QJSA payment form gives your spouse a monthly retirement payment for the rest of his or her life. This is known as an "annuity". If your spouse dies, the QJSA will continue to pay you a "survivor annuity" equal to 50% of the monthly benefit received by your spouse. You will receive this survivor annuity for the remainder of your life. Regulations require that plans provide additional options for survivor annuity payments greater than 50%, including 75% or 100%. Check with your Plan Administrator to see which percentage applies to your survivor benefit under the Plan. An estimate of your actual benefit payments will be determined by the annuity company (selected by the Plan Administrator) who will make the annuity payments and provide such estimates. ***EXAMPLE.*** Mary and her spouse Jeff elected to receive payments from Mary's plan under the QJSA payment form. After Mary retired, she received a QJSA payment of $600 each month. Following Mary's death, the benefit will continue to pay Jeff $300 each month or 50% of Mary's benefit.
CAN YOUR SPOUSE CHANGE THE WAY BENEFITS ARE PAID?	You and your spouse will receive benefits in the form of a QJSA payment unless your spouse chooses a different form of payment and you agree to the choice. If you agree to the change, your spouse can waive the right to receive the special QJSA option.
ARE YOU REQUIRED TO WAIVE YOUR RIGHT TO THE QJSA BENEFIT?	Your choice is voluntary. It is your personal decision whether you want to waive your right to the special QJSA benefit. When you complete the attached election, you will be making that choice.
WHAT OTHER OPTIONS CAN MY SPOUSE SELECT?	If you agree, your spouse can choose a different form of benefit. Other benefit options may provide your spouse a larger benefit during his or her lifetime, but provide no benefits after your spouse's death. ***EXAMPLE.*** Mary and Jeff decide not to receive the special QJSA benefit and decide that Mary will receive a single-sum payment equal to the current value of Mary's account. In this case, no further payments will be made to Mary and Jeff.
CAN YOUR SPOUSE CHOOSE OTHER BENEFICIARIES TO RECEIVE THE PLAN BENEFITS?	If you agree, your spouse can name someone other than you to receive all or a part of the survivor benefits from the Plan after your spouse dies. The person your spouse selects to receive all or part of the survivor benefits is called the "beneficiary". If you agree to let your spouse name another beneficiary you will not be entitled to receive any benefits after the death of your spouse. If you approve an alternate beneficiary for a portion of plan benefit, your survivor benefits will be less than you would have received under the special QJSA benefit. ***EXAMPLE***. Mary and Jeff select a payment that includes a survivor benefit of $200 per month to be paid to Jeff following Mary's death. Jeff and Mary agree that ½ of the benefit will be paid to their son Chris. When Mary dies, the annuity contract will pay $100 to Jeff and $100 to Chris. Each will receive their benefit for the remainder of their lives.

CAN YOUR SPOUSE MAKE A FUTURE CHANGE IF YOU AGREE TO AN ALTERNATE BENEFICIARY?	To agree to an alternate beneficiary, you will need to sign the approval on a "Beneficiary Designation". Once the Form has been signed by you and your spouse, no change can be made without your consent. A new Beneficiary Designation must be used to modify the original consent form. However, your spouse can elect the QJSA without receiving your consent.
CAN YOU CHANGE YOUR MIND AFTER YOU AGREE TO AN ALTERNATE BENEFICIARY?	You can change the beneficiary until the date payments are to begin. After that date, you cannot change the agreement. If you change your mind, you must advise the plan administrator by submitting a new Beneficiary Designation.
WHAT HAPPENS IF MY SPOUSE AND I SEPARATE OR DIVORCE?	Legal separation or divorce may end your right to survivor benefits from the plan, even if you do not sign the Beneficiary Designation. However, if you become legally separated or divorced, you may receive a special court order (known as a Qualified Domestic Relations Order or "QDRO"). That would give you rights to receive retirement benefits even if you sign this Agreement. If you are considering separation or divorce, you should seek expert legal advice regarding your rights to benefits under the Plan.
WHAT SHOULD YOU KNOW BEFORE SIGNING THIS AGREEMENT?	This is a very important decision. You should think very carefully about whether you want to sign this agreement. Before signing, you should be certain that you understand the benefits you are waiving under the Plan. You should contact your Plan Administrator if you have any questions concerning your rights as a participant under the Plan. Your spouse should receive information on the types of retirement benefits available under the Plan. If you have not received this information, you should request and read the information before signing this agreement. For additional information, you should contact your Plan Administrator. The name and contact information for your Plan Administrator is identified in the Summary Plan Description received from your employer.

ROLLOVER EXPLANATION FOR QUALIFIED PLANS, 403(b) PLANS, and GOVERNMENTAL 457(b) PLANS

PART I: SPECIAL TAX NOTICE REGARDING PLAN PAYMENTS For Payments *Not* From a Designated Roth Account

YOUR ROLLOVER OPTIONS

You are receiving this notice because all or a portion of a payment you are receiving from your Employer's Plan (the "Plan") is eligible to be rolled over to an IRA or an employer plan. This notice is intended to help you decide whether to do such a rollover.

Part I of this notice describes the rollover rules that apply to payments from the Plan that are not from a designated Roth account (a type of account with special tax rules in some employer plans). If you also receive a payment from a designated Roth account in the Plan, please refer to Part II of this Rollover Explanation which serves as a supplemental notice for that payment, and the Plan administrator or the payor will tell you the amount that is being paid from each account.

Rules that apply to most payments from a plan are described in the "General Information About Rollovers" section. Special rules that only apply in certain circumstances are described in the "Special Rules and Options" section.

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.

GENERAL INFORMATION ABOUT ROLLOVERS

How can a rollover affect my taxes?

You will be taxed on a payment from the Plan if you do not roll it over. If you are under age 59½ and do not do a rollover, you will also have to pay a 10% additional income tax on early distributions (unless an exception applies). However, if you do a rollover, you will not have to pay tax until you receive payments later and the 10% additional income tax will not apply if those payments are made after you are age 59½ (or if an exception applies).

Where may I roll over the payment?

You may roll over the payment to either an IRA (an individual retirement account or individual retirement annuity) or an employer plan (a tax-qualified plan, section 403(b) plan, or governmental section 457(b) plan) that will accept the rollover. The rules of the IRA or employer plan that holds the rollover will determine your investment options, fees, and rights to payment from the IRA or employer plan (for example, no spousal consent rules apply to IRAs and IRAs may not provide loans). Further, the amount rolled over will become subject to the tax rules that apply to the IRA or employer plan.

Even if a plan accepts rollovers, it might not accept rollovers of certain types of distributions, such as after-tax amounts. If this is the case, and your distribution includes after-tax amounts, you may wish instead to roll your distribution over to a traditional IRA or split your rollover amount between the employer plan in which you will participate and a 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.

How do I do a rollover?

There are two ways to do a rollover. You can do either a direct rollover or a 60-day rollover.

If you do a direct rollover, the Plan will make the payment directly to your IRA or an employer plan. You should contact the IRA sponsor or the administrator of the employer plan for information on how to do a direct rollover.
If you do not do a direct rollover, you may still do a rollover by making a deposit into an IRA or eligible employer plan that will accept it. You will have 60 days after you receive the payment to make the deposit. If you do not do a direct rollover, the Plan is required to withhold 20% of the payment for federal income taxes (up to the amount of cash and property received other than employer stock). This means that, in order to roll over the entire payment in a 60-day rollover, you must use other funds to make up for the 20% withheld. If you do not roll over the entire amount of the payment, the portion not rolled over will be taxed and will be subject to the 10% additional income tax on early distributions if you are under age 59½ (unless an exception applies).

How much may I roll over?

If you wish to do a rollover, you may roll over all or part of the amount eligible for rollover. Any payment from the Plan is eligible for rollover, except:

- Certain payments spread over a period of at least 10 years or over your life or life expectancy (or the lives or joint life expectancy of you and your beneficiary)
- Required minimum distributions after age 70½ (or after death)
- Hardship distributions
- ESOP dividends
- Corrective distributions of contributions that exceed tax law limitations
- Loans treated as deemed distributions (for example, loans in default due to missed payments before your employment ends)
- Cost of life insurance paid by the Plan
- Contributions made under special automatic enrollment rules that are withdrawn pursuant to your request within 90 days of enrollment
- Amounts treated as distributed because of a prohibited allocation of S corporation stock under an ESOP (also, there will generally be adverse tax consequences if you roll over a distribution of S corporation stock to an IRA).

The Plan administrator or the payor can tell you what portion of a payment is eligible for rollover.

If I don't do a rollover, will I have to pay the 10% additional income tax on early distributions?

If you are under age 59½, you will have to pay the 10% additional income tax on early distributions for any payment from the Plan (including amounts withheld for income tax) that you do not roll over, unless one of the exceptions listed below applies. This tax is in addition to the regular income tax on the payment not rolled over.

The 10% additional income tax does not apply to the following payments from the Plan:

- Payments made after you separate from service if you will be at least age 55 in the year of the separation
- Payments that start after you separate from service if paid at least annually in equal or close to equal amounts over your life or life expectancy (or the lives or joint life expectancy of you and your beneficiary)
- Payments from a governmental defined benefit pension plan made after you separate from service if you are a public safety employee and you are at least age 50 in the year of the separation
- Payments made due to disability

- Payments after your death
- Payments of ESOP dividends
- Corrective distributions of contributions that exceed tax law limitations
- Cost of life insurance paid by the Plan
- Contributions made under special automatic enrollment rules that are withdrawn pursuant to your request within 90 days of enrollment
- Payments made directly to the government to satisfy a federal tax levy
- Payments made under a qualified domestic relations order (QDRO)
- Payments up to the amount of your deductible medical expenses
- Certain payments made while you are on active duty if you were a member of a reserve component called to duty after September 11, 2001 for more than 179 days

If I do a rollover to an IRA, will the 10% additional income tax apply to early distributions from the IRA?
If you receive a payment from an IRA when you are under age 59½, you will have to pay the 10% additional income tax on early distributions from the IRA, unless an exception applies. In general, the exceptions to the 10% additional income tax for early distributions from an IRA are the same as the exceptions listed above for early distributions from a plan. However, there are a few differences for payments from an IRA, including:

- There is no exception for payments after separation from service that are made after age 55.
- The exception for qualified domestic relations orders (QDROs) does not apply (although a special rule applies under which, as part of a divorce or separation agreement, a tax-free transfer may be made directly to an IRA of a spouse or former spouse).
- The exception for payments made at least annually in equal or close to equal amounts over a specified period applies without regard to whether you have had a separation from service.
- There are additional exceptions for (1) payments for qualified higher education expenses, (2) payments up to $10,000 used in a qualified first-time home purchase, and (3) payments after you have received unemployment compensation for 12 consecutive weeks (or would have been eligible to receive unemployment compensation but for self-employed status).

Does Federal income tax withholding apply to my distribution?

- *Mandatory Withholding.* If any portion of your payment can be rolled over 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, 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, you can still decide to roll over all or part of it to an IRA or to an eligible employer plan that accepts rollovers. If you decide to roll over, *you must contribute the amount of the payment you received to an 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.

You can roll over up to 100% of your payment that is an eligible rollover distribution, 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 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 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 an 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.)

Will I owe State income taxes?
This notice does not describe any State or local income tax rules (including State/local withholding rules).

SPECIAL RULES AND OPTIONS

If your payment includes after-tax contributions
After-tax contributions included in a payment are not taxed. If a payment is only part of your benefit, an allocable portion of your after-tax contributions is generally included in the payment. If you have pre-1987 after-tax contributions maintained in a separate account, a special rule may apply to determine whether the after-tax contributions are included in a payment.

You may roll over to an IRA a payment that includes after-tax contributions through either a direct rollover or a 60-day rollover. You must keep track of the aggregate amount of the after-tax contributions in all of your IRAs (in order to determine your taxable income for later payments from the IRAs). If you do a direct rollover of only a portion of the amount paid from the Plan and a portion is paid to you, each of the payments will include an allocable portion of the after-tax contributions. If you do a 60-day rollover to an IRA of only a portion of the payment made to you, the after-tax contributions are treated as rolled over last. For example, assume you are receiving a complete distribution of your benefit which totals $12,000, of which $2,000 is after-tax contributions. In this case, if you roll over $10,000 to an IRA in a 60-day rollover, no amount is taxable because the $2,000 amount not rolled over is treated as being after-tax contributions.

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

You may roll over to an employer plan all of a payment that includes after-tax contributions, but only through a direct rollover (and only if the receiving plan separately accounts for after-tax contributions and is not a governmental section 457(b) plan). You can do a 60-day rollover to an employer plan of part of a payment that includes after-tax contributions, but only up to the amount of the payment that would be taxable if not rolled over.

If you miss the 60-day rollover deadline
Generally, the 60-day rollover deadline cannot be extended. However, the IRS has the limited authority to waive the deadline under certain extraordinary circumstances, such as when external events prevented you from completing the rollover by the 60-day rollover deadline. To apply for a waiver, you must file a private letter ruling request with the IRS. Private letter ruling requests require

the payment of a nonrefundable user fee. For more information, see IRS Publication 590, Individual Retirement Arrangements (IRAs).

If your payment includes employer stock that you do not roll over
If you do not do a rollover, you can apply a special rule to payments of employer stock (or other employer securities) that are either attributable to after-tax contributions or paid in a lump sum after separation from service (or after age 59½, disability, or the participant's death). Under the special rule, the net unrealized appreciation on the stock will not be taxed when distributed from the Plan and will be taxed at capital gain rates when you sell the stock. Net unrealized appreciation is generally the increase in the value of employer stock after it was acquired by the Plan. If you do a rollover for a payment that includes employer stock (for example, by selling the stock and rolling over the proceeds within 60 days of the payment), the special rule relating to the distributed employer stock will not apply to any subsequent payments from the IRA or employer plan. The Plan administrator can tell you the amount of any net unrealized appreciation.

If you have an outstanding loan that is being offset
If you have an outstanding loan from the Plan, your Plan benefit may be offset by the amount of the loan, typically when your employment ends. The loan offset amount is treated as a distribution to you at the time of the offset and will be taxed (including the 10% additional income tax on early distributions, unless an exception applies) unless you do a 60-day rollover in the amount of the loan offset to an IRA or employer plan.

If you were born on or before January 1, 1936
If you were born on or before January 1, 1936 and receive a lump sum distribution that you do not roll over, special rules for calculating the amount of the tax on the payment might apply to you. For more information, see IRS Publication 575, Pension and Annuity Income.

If your payment is from a governmental section 457(b) plan
If the Plan is a governmental section 457(b) plan, the same rules described elsewhere in this notice generally apply, allowing you to roll over the payment to an IRA or an employer plan that accepts rollovers. One difference is that, if you do not do a rollover, you will not have to pay the 10% additional income tax on early distributions from the Plan even if you are under age 59½ (unless the payment is from a separate account holding rollover contributions that were made to the Plan from a tax-qualified plan, a section 403(b) plan, or an IRA). However, if you do a rollover to an IRA or to an employer plan that is not a governmental section 457(b) plan, a later distribution made before age 59½ will be subject to the 10% additional income tax on early distributions (unless an exception applies). Other differences are that you cannot do a rollover if the payment is due to an "unforeseeable emergency" and the special rules under "If your payment includes employer stock that you do not roll over" and "If you were born on or before January 1, 1936" do not apply.

If you are an eligible retired public safety officer and your pension payment is used to pay for health coverage or qualified long-term care insurance
If the Plan is a governmental plan, you retired as a public safety officer, and your retirement was by reason of disability or was after normal retirement age, you can exclude from your taxable income plan payments paid directly as premiums to an accident or health plan (or a qualified long-term care insurance contract) that your employer maintains for you, your spouse, or your dependents, up to a maximum of $3,000 annually. For this purpose, a public safety officer is a law enforcement officer, firefighter, chaplain, or member of a rescue squad or ambulance crew.

If you roll over your payment to a Roth IRA
You can roll over a payment from the Plan made before January 1, 2010 to a Roth IRA only if your modified adjusted gross income is not more than $100,000 for the year the payment is made to you and, if married, you file a joint return. These limitations do not apply to payments made to you from the Plan after 2009. If you wish to roll over the payment to a Roth IRA, but you are not eligible to do a rollover to a Roth IRA until after 2009, you can do a rollover to a traditional IRA and then, after 2009, elect to convert the traditional IRA into a Roth IRA.

If you roll over the payment to a Roth IRA, a special rule applies under which the amount of the payment rolled over (reduced by any after-tax amounts) will be taxed. However, the 10% additional income tax on early distributions will not apply (unless you take the amount rolled over out of the Roth IRA within 5 years, counting from January 1 of the year of the rollover). For payments from the Plan during 2010 that are rolled over to a Roth IRA, the taxable amount can be spread over a 2-year period starting in 2011.

If you roll over the payment to a Roth IRA, later payments from the Roth IRA that are qualified distributions will not be taxed (including earnings after the rollover). A qualified distribution from a Roth IRA is a payment made after you are age 59½ (or after your death or disability, or as a qualified first-time homebuyer distribution of up to $10,000) and after you have had a Roth IRA for at least 5 years. In applying this 5-year rule, you count from January 1 of the year for which your first contribution was made to a Roth IRA. Payments from the Roth IRA that are not qualified distributions will be taxed to the extent of earnings after the rollover, including the 10% additional income tax on early distributions (unless an exception applies). You do not have to take required minimum distributions from a Roth IRA during your lifetime. For more information, see IRS Publication 590, Individual Retirement Arrangements (IRAs).

You cannot roll over a payment from the Plan to a designated Roth account in an employer plan.

If you are not a plan participant
Payments after death of the participant. If you receive a distribution after the participant's death that you do not roll over, the distribution will generally be taxed in the same manner described elsewhere in this notice. However, the 10% additional income tax on early distributions and the special rules for public safety officers do not apply, and the special rule described under the section "If you were born on or before January 1, 1936" applies only if the participant was born on or before January 1, 1936.

If you are a surviving spouse. If you receive a payment from the Plan as the surviving spouse of a deceased participant, you have the same rollover options that the participant would have had, as described elsewhere in this notice. In addition, if you choose to do a rollover to an IRA, you may treat the IRA as your own or as an inherited IRA.

An IRA you treat as your own is treated like any other IRA of yours, so that payments made to you before you are age 59½ will be subject to the 10% additional income tax on early distributions (unless an exception applies) and required minimum distributions from your IRA do not have to start until after you are age 70½.

If you treat the IRA as an inherited IRA, payments from the IRA will not be subject to the 10% additional income tax on early distributions. However, if the participant had started taking required minimum distributions, you will have to receive required minimum distributions from the inherited IRA. If the participant had not started taking required minimum distributions from the Plan, you will not have to start receiving required minimum distributions from the inherited IRA until the year the participant would have been age 70½.

If you are a surviving beneficiary other than a spouse. If you receive a payment from the Plan because of the participant's death and you are a designated beneficiary other than a surviving spouse, the only rollover option you have is to do a direct rollover to an inherited IRA. Payments from the inherited IRA will not be subject to the 10% additional income tax on early distributions. You will have to receive required minimum distributions from the inherited IRA.

Payments under a qualified domestic relations order. If you are the spouse or former spouse of the participant who receives a payment from the Plan under a qualified domestic relations order (QDRO), you generally have the same options the participant would have (for example, you may roll over the payment to your own IRA or an eligible employer plan that will accept it). Payments under the QDRO will not be subject to the 10% additional income tax on early distributions.

If you are a nonresident alien
If you are a nonresident alien and you do not do a direct rollover to a U.S. IRA or U.S. employer plan, instead of withholding 20%, the Plan is generally required to withhold 30% of the payment for federal income taxes. If the amount withheld exceeds the amount of tax you owe (as may happen if you do a 60-day rollover), you may request an income tax refund by filing Form

1040NR and attaching your Form 1042-S. See Form W-8BEN for claiming that you are entitled to a reduced rate of withholding under an income tax treaty. For more information, see also IRS Publication 519, U.S. Tax Guide for Aliens, and IRS Publication 515, Withholding of Tax on Nonresident Aliens and Foreign Entities.

Other special rules
If a payment is one in a series of payments for less than 10 years, your choice whether to make a direct rollover will apply to all later payments in the series (unless you make a different choice for later payments).

If your payments for the year are less than $200 (not including payments from a designated Roth account in the Plan), the Plan is not required to allow you to do a direct rollover and is not required to withhold for federal income taxes. However, you may do a 60-day rollover.

Unless you elect otherwise, a mandatory cashout of more than $1,000 (not including payments from a designated Roth account in the Plan) will be directly rolled over to an IRA chosen by the Plan administrator or the payor. A mandatory cashout is a payment from a plan to a participant made before age 62 (or normal retirement age, if later) and without consent, where the participant's benefit does not exceed $5,000 (not including any amounts held under the plan as a result of a prior rollover made to the plan).

You may have special rollover rights if you recently served in the U.S. Armed Forces. For more information, see IRS Publication 3, Armed Forces' Tax Guide.

FOR MORE INFORMATION

You may wish to consult with the Plan administrator or payor, or a professional tax advisor, before taking a payment from the Plan. Also, you can find more detailed information on the federal tax treatment of payments from employer plans in: IRS Publication 575, Pension and Annuity Income; IRS Publication 590, Individual Retirement Arrangements (IRAs); and IRS Publication 571, Tax-Sheltered Annuity Plans (403(b) Plans). These publications are available from a local IRS office, on the web at www.irs.gov, or by calling 1-800-TAX-FORM.

PART II: SUPPLEMENTAL SPECIAL TAX NOTICE REGARDING PLAN PAYMENTS For Payments *From* a Designated Roth Account

If the payment you are receiving is NOT from a designated Roth account under your Employer's Plan, this Part II of the Rollover Explanation does not apply to you and you can disregard the following section.

YOUR ROLLOVER OPTIONS

You are receiving this notice because all or a portion of a payment you are receiving from your Employer's Plan (the "Plan") is eligible to be rolled over to a Roth IRA or designated Roth account in an employer plan. This notice is intended to help you decide whether to do a rollover.

This notice describes the rollover rules that apply to payments from the Plan that are from a designated Roth account. If you also receive a payment from the Plan that is not from a designated Roth account, you will be provided a different notice for that payment, and the Plan administrator or the payor will tell you the amount that is being paid from each account.

Rules that apply to most payments from a designated Roth account are described in the "General Information About Rollovers" section. Special rules that only apply in certain circumstances are described in the "Special Rules and Options" section.

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.

GENERAL INFORMATION ABOUT ROLLOVERS

How can a rollover affect my taxes?
After-tax contributions included in a payment from a designated Roth account are not taxed, but earnings might be taxed. The tax treatment of earnings included in the payment depends on whether the payment is a qualified distribution. If a payment is only part of your designated Roth account, the payment will include an allocable portion of the earnings in your designated Roth account.

If the payment from the Plan is not a qualified distribution and you do not do a rollover to a Roth IRA or a designated Roth account in an employer plan, you will be taxed on the earnings in the payment. If you are under age 59½, a 10% additional income tax on early distributions will also apply to the earnings (unless an exception applies). However, if you do a rollover, you will not have to pay taxes currently on the earnings and you will not have to pay taxes later on payments that are qualified distributions.

If the payment from the Plan is a qualified distribution, you will not be taxed on any part of the payment even if you do not do a rollover. If you do a rollover, you will not be taxed on the amount you roll over and any earnings on the amount you roll over will not be taxed if paid later in a qualified distribution.

A qualified distribution from a designated Roth account in the Plan is a payment made after you are age 59½ (or after your death or disability) and after you have had a designated Roth account in the Plan for at least 5 years. In applying the 5-year rule, you count from January 1 of the year your first contribution was made to the designated Roth account. However, if you did a direct rollover to a designated Roth account in the Plan from a designated Roth account in another employer plan, your participation will count from January 1 of the year your first contribution was made to the designated Roth account in the Plan or, if earlier, to the designated Roth account in the other employer plan.

Where may I roll over the payment?
You may roll over the payment to either a Roth IRA (a Roth individual retirement account or Roth individual retirement annuity) or a designated Roth account in an employer plan (a tax-qualified plan or section 403(b) plan) that will accept the rollover. The rules of the Roth IRA or employer plan that holds the rollover will determine your investment options, fees, and rights to payment from the Roth IRA or employer plan (for example, no spousal consent rules apply to Roth IRAs and Roth IRAs may not provide loans). Further, the amount rolled over will become subject to the tax rules that apply to the Roth IRA or the designated Roth account in the employer plan. In general, these tax rules are similar to those described elsewhere in this notice, but differences include:

- If you do a rollover to a Roth IRA, all of your Roth IRAs will be considered for purposes of determining whether you have satisfied the 5-year rule (counting from January 1 of the year for which your first contribution was made to any of your Roth IRAs).

- If you do a rollover to a Roth IRA, you will not be required to take a distribution from the Roth IRA during your lifetime and you must keep track of the aggregate amount of the after-tax contributions in all of your Roth IRAs (in order to determine your taxable income for later Roth IRA payments that are not qualified distributions).

- Eligible rollover distributions from a Roth IRA can only be rolled over to another Roth IRA.

How do I do a rollover?
There are two ways to do a rollover. You can either do a direct rollover or a 60-day rollover.

If you do a direct rollover, the Plan will make the payment directly to your Roth IRA or designated Roth account in an employer plan. You should contact the Roth IRA sponsor or the administrator of the employer plan for information on how to do a direct rollover.

If you do not do a direct rollover, you may still do a rollover by making a deposit within 60 days into a Roth IRA, whether the payment is a qualified or nonqualified distribution. In addition, you can do a rollover by making a deposit within 60 days into a designated Roth account in an employer plan if the payment is a nonqualified distribution and the rollover does not exceed the amount of the earnings in the payment. You cannot do a 60-day rollover to an employer plan of any part of a qualified distribution. If you receive a distribution that is a nonqualified distribution and you do not roll over an amount at least equal to the earnings allocable to the distribution, you will be taxed on the amount of those earnings not rolled over, including the 10% additional income tax on early distributions if you are under age 59½ (unless an exception applies).

If you do a direct rollover of only a portion of the amount paid from the Plan and a portion is paid to you, each of the payments will include an allocable portion of the earnings in your designated Roth account.

If you do not do a direct rollover and the payment is not a qualified distribution, the Plan is required to withhold 20% of the earnings for federal income taxes (up to the amount of cash and property received other than employer stock). This means that, in order to roll over the entire payment in a 60-day rollover to a Roth IRA, you must use other funds to make up for the 20% withheld.

How much may I roll over?
If you wish to do a rollover, you may roll over all or part of the amount eligible for rollover. Any payment from the Plan is eligible for rollover, except:

- Certain payments spread over a period of at least 10 years or over your life or life expectancy (or the lives or joint life expectancy of you and your beneficiary)
- Required minimum distributions after age 70½ (or after death)
- Hardship distributions
- ESOP dividends
- Corrective distributions of contributions that exceed tax law limitations
- Loans treated as deemed distributions (for example, loans in default due to missed payments before your employment ends)
- Cost of life insurance paid by the Plan
- Contributions made under special automatic enrollment rules that are withdrawn pursuant to your request within 90 days of enrollment
- Amounts treated as distributed because of a prohibited allocation of S corporation stock under an ESOP (also, there will generally be adverse tax consequences if S corporation stock is held by an IRA).

The Plan administrator or the payor can tell you what portion of a payment is eligible for rollover.

If I don't do a rollover, will I have to pay the 10% additional income tax on early distributions?
If a payment is not a qualified distribution and you are under age 59½, you will have to pay the 10% additional income tax on early distributions with respect to the earnings allocated to the payment that you do not roll over (including amounts withheld for income tax), unless one of the exceptions listed below applies. This tax is in addition to the regular income tax on the earnings not rolled over.

The 10% additional income tax does not apply to the following payments from the Plan:

- Payments made after you separate from service if you will be at least age 55 in the year of the separation
- Payments that start after you separate from service if paid at least annually in equal or close to equal amounts over your life or life expectancy (or the lives or joint life expectancy of you and your beneficiary)
- Payments made due to disability
- Payments after your death
- Payments of ESOP dividends
- Corrective distributions of contributions that exceed tax law limitations
- Cost of life insurance paid by the Plan
- Contributions made under special automatic enrollment rules that are withdrawn pursuant to your request within 90 days of enrollment
- Payments made directly to the government to satisfy a federal tax levy
- Payments made under a qualified domestic relations order (QDRO)
- Payments up to the amount of your deductible medical expenses
- Certain payments made while you are on active duty if you were a member of a reserve component called to duty after September 11, 2001 for more than 179 days

If I do a rollover to a Roth IRA, will the 10% additional income tax apply to early distributions from the IRA?
If you receive a payment from a Roth IRA when you are under age 59½, you will have to pay the 10% additional income tax on early distributions on the earnings paid from the Roth IRA, unless an exception applies or the payment is a qualified distribution. In general, the exceptions to the 10% additional income tax for early distributions from a Roth IRA listed above are the same as the exceptions for early distributions from a plan. However, there are a few differences for payments from a Roth IRA, including:

- There is no special exception for payments after separation from service.
- The exception for qualified domestic relations orders (QDROs) does not apply (although a special rule applies under which, as part of a divorce or separation agreement, a tax-free transfer may be made directly to a Roth IRA of a spouse or former spouse).
- The exception for payments made at least annually in equal or close to equal amounts over a specified period applies without regard to whether you have had a separation from service.
- There are additional exceptions for (1) payments for qualified higher education expenses, (2) payments up to $10,000 used in a qualified first-time home purchase, and (3) payments after you have received unemployment compensation for 12 consecutive weeks (or would have been eligible to receive unemployment compensation but for self-employed status).

Will I owe State income taxes?
This notice does not describe any State or local income tax rules (including State/local withholding rules).

SPECIAL RULES AND OPTIONS

If you miss the 60-day rollover deadline
Generally, the 60-day rollover deadline cannot be extended. However, the IRS has the limited authority to waive the deadline under certain extraordinary circumstances, such as when external events prevented you from completing the rollover by the 60-day rollover deadline. To apply for a waiver, you must file a private letter ruling request with the IRS. Private letter ruling requests require the payment of a nonrefundable user fee. For more information, see IRS Publication 590, Individual Retirement Arrangements (IRAs).

If your payment includes employer stock that you do not roll over
If you receive a payment that is not a qualified distribution and you do not roll it over, you can apply a special rule to payments of employer stock (or other employer securities) that are paid in a lump sum after separation from service (or after age 59½, disability, or the participant's death). Under the special rule, the net unrealized appreciation on the stock included in the earnings in the payment will not be taxed when distributed to you from the Plan and will be taxed at capital gain rates when you sell the stock. If you do a rollover to a

Roth IRA for a nonqualified distribution that includes employer stock (for example, by selling the stock and rolling over the proceeds within 60 days of the distribution), you will not have any taxable income and the special rule relating to the distributed employer stock will not apply to any subsequent payments from the Roth IRA or employer plan. Net unrealized appreciation is generally the increase in the value of the employer stock after it was acquired by the Plan. The Plan administrator can tell you the amount of any net unrealized appreciation.

If you receive a payment that is a qualified distribution that includes employer stock and you do not roll it over, your basis in the stock (used to determine gain or loss when you later sell the stock) will equal the fair market value of the stock at the time of the payment from the Plan.

If you have an outstanding loan that is being offset
If you have an outstanding loan from the Plan, your Plan benefit may be offset by the amount of the loan, typically when your employment ends. The loan offset amount is treated as a distribution to you at the time of the offset and, if the distribution is a nonqualified distribution, the earnings in the loan offset will be taxed (including the 10% additional income tax on early distributions, unless an exception applies) unless you do a 60-day rollover in the amount of the earnings in the loan offset to a Roth IRA or designated Roth account in an employer plan.

If you receive a nonqualified distribution and you were born on or before January 1, 1936
If you were born on or before January 1, 1936, and receive a lump sum distribution that is not a qualified distribution and that you do not roll over, special rules for calculating the amount of the tax on the earnings in the payment might apply to you. For more information, see IRS Publication 575, Pension and Annuity Income.

If you receive a nonqualified distribution, are an eligible retired public safety officer, and your pension payment is used to pay for health coverage or qualified long-term care insurance
If the Plan is a governmental plan, you retired as a public safety officer, and your retirement was by reason of disability or was after normal retirement age, you can exclude from your taxable income nonqualified distributions paid directly as premiums to an accident or health plan (or a qualified long-term care insurance contract) that your employer maintains for you, your spouse, or your dependents, up to a maximum of $3,000 annually. For this purpose, a public safety officer is a law enforcement officer, firefighter, chaplain, or member of a rescue squad or ambulance crew.

If you are not a plan participant
Payments after death of the participant. If you receive a distribution after the participant's death that you do not roll over, the distribution will generally be taxed in the same manner described elsewhere in this notice. However, whether the payment is a qualified distribution generally depends on when the participant first made a contribution to the designated Roth account in the Plan. Also, the 10% additional income tax on early distributions and the special rules for public safety officers do not apply, and the special rule described under the section "If you receive a nonqualified distribution and you were born on or before January 1, 1936" applies only if the participant was born on or before January 1, 1936.

If you are a surviving spouse. If you receive a payment from the Plan as the surviving spouse of a deceased participant, you have the same rollover options that the participant would have had, as described elsewhere in this notice. In addition, if you choose to do a rollover to a Roth IRA, you may treat the Roth IRA as your own or as an inherited Roth IRA.

A Roth IRA you treat as your own is treated like any other Roth IRA of yours, so that you will not have to receive any required minimum distributions during your lifetime and earnings paid to you in a nonqualified distribution before you are age 59½ will be subject to the 10% additional income tax on early distributions (unless an exception applies).

If you treat the Roth IRA as an inherited Roth IRA, payments from the Roth IRA will not be subject to the 10% additional income tax on early distributions. An inherited Roth IRA is subject to required minimum distributions. If the participant had started taking required minimum distributions from the Plan, you will have to receive required minimum distributions from the inherited Roth IRA. If the participant had not started taking required minimum distributions, you will not have to start receiving required minimum distributions from the inherited Roth IRA until the year the participant would have been age 70½.

If you are a surviving beneficiary other than a spouse. If you receive a payment from the Plan because of the participant's death and you are a designated beneficiary other than a surviving spouse, the only rollover option you have is to do a direct rollover to an inherited Roth IRA. Payments from the inherited Roth IRA, even if made in a nonqualified distribution, will not be subject to the 10% additional income tax on early distributions. You will have to receive required minimum distributions from the inherited Roth IRA.

Payments under a qualified domestic relations order. If you are the spouse or a former spouse of the participant who receives a payment from the Plan under a qualified domestic relations order (QDRO), you generally have the same options the participant would have (for example, you may roll over the payment as described in this notice).

If you are a nonresident alien
If you are a nonresident alien and you do not do a direct rollover to a U.S. IRA or U.S. employer plan, instead of withholding 20%, the Plan is generally required to withhold 30% of the payment for federal income taxes. If the amount withheld exceeds the amount of tax you owe (as may happen if you do a 60-day rollover), you may request an income tax refund by filing Form 1040NR and attaching your Form 1042-S. See Form W-8BEN for claiming that you are entitled to a reduced rate of withholding under an income tax treaty. For more information, see also IRS Publication 519, U.S. Tax Guide for Aliens, and IRS Publication 515, Withholding of Tax on Nonresident Aliens and Foreign Entities.

Other special rules
If a payment is one in a series of payments for less than 10 years, your choice whether to make a direct rollover will apply to all later payments in the series (unless you make a different choice for later payments).

If your payments for the year (only including payments from the designated Roth account in the Plan) are less than $200, the Plan is not required to allow you to do a direct rollover and is not required to withhold for federal income taxes. However, you can do a 60-day rollover.

Unless you elect otherwise, a mandatory cashout from the designated Roth account in the Plan of more than $1,000 will be directly rolled over to a Roth IRA chosen by the Plan administrator or the payor. A mandatory cashout is a payment from a plan to a participant made before age 62 (or normal retirement age, if later) and without consent, where the participant's benefit does not exceed $5,000 (not including any amounts held under the plan as a result of a prior rollover made to the plan).

You may have special rollover rights if you recently served in the U.S. Armed Forces. For more information, see IRS Publication 3, Armed Forces' Tax Guide.

FOR MORE INFORMATION

You may wish to consult with the Plan administrator or payor, or a professional tax advisor, before taking a payment from the Plan. Also, you can find more detailed information on the federal tax treatment of payments from employer plans in: IRS Publication 575, Pension and Annuity Income; IRS Publication 590, Individual Retirement Arrangements (IRAs); and IRS Publication 571, Tax-Sheltered Annuity Plans (403(b) Plans). These publications are available from a local IRS office, on the web at www.irs.gov, or by calling 1-800-TAX-FORM.

ELECTION TO POSTPONE DISTRIBUTION OF BENEFITS

Plan Name	
Participant Name	Social Security No.

If the balance in your account exceeds a certain dollar amount (typically $1,000 - $5,000), you have the right to postpone payment of your distribution. Please check with your Plan Administrator to see what dollar amount is mentioned in your Plan under the "cash-out" rule. To elect that option, complete the following items.

In accordance with the provisions of the Plan, I elect to postpone distribution of benefits. I agree that I have read and understand the explanation of my distribution election rights under the Plan, the financial effect of my election and my right to postpone distribution from the Plan. After considering these options, I have elected to postpone distribution until the following distribution date:

1. (Enter Date):______________________

2. (Enter Date):_________________________ following the close of the Plan Year in which:

- ☐ I attain normal retirement age under the Plan.
- ☐ April 1 following the close of the calendar year in which I attain age 70 ½.

I understand I may reconsider this election by submitting a new Election to Postpone Distribution of Benefits form to the Plan Administrator. Not earlier than 180 days before or later than 30 days before my postponed distribution date, the Plan Administrator will furnish me the necessary notice and election forms to choose the type of distribution I wish to receive from the Plan.

Participant Signature	Date
Authorized Signature	Date
Print Name	Date

Plan Name				
Participant Name	Social Security No.		Date of Birth	
Address	City	State	Zip	Marital Status

I revoke all previous Beneficiary Designations made by me with respect to this Plan, and direct that all benefits to which I may be entitled to receive under this Plan shall be paid upon my death as follows:

Primary Beneficiary

Name	Social Security No.		Relationship	Date of Birth
Address	City	State	Zip	Percent
Name	Social Security No.		Relationship	Date of Birth
Address	City	State	Zip	Percent
Name	Social Security No.		Relationship	Date of Birth
Address	City	State	Zip	Percent

Contingent Beneficiary

Name	Social Security No.		Relationship	Date of Birth
Address	City	State	Zip	Percent
Name	Social Security No.		Relationship	Date of Birth
Address	City	State	Zip	Percent

By Executing this Designation of Beneficiary, I hereby acknowledge that:

1. Benefits payable shall be paid according to the directions noted above. If any Primary Beneficiary should predecease me, the share of each remaining Primary Beneficiary shall be increased proportionately. If no Primary Beneficiary survives me, then payment shall be made in equal shares (or as otherwise indicated above) to the Contingent Beneficiary(ies). If any Contingent Beneficiary predeceases me, the share of the remaining Contingent Beneficiary(ies) shall be increased proportionately.

2. This Designation of Beneficiary shall be effective only if received by the Plan's Trustee prior to my death.

3. This Designation of Beneficiary is subject to any applicable requirements of the qualified joint and survivor annuity or qualified pre-retirement survivor annuity provisions of ERISA and the Internal Revenue Code. I understand that this Designation of Beneficiary will be null and void if I have named a beneficiary other than my spouse, unless my spouse has consented below to the specific designation.

4. I have the right to change my beneficiary by filing a new Designation of Beneficiary subject to my spouse's consent, if required.

Signature of Participant	Date		Signature of Witness	Date

(Complete the following Consent of Spouse if you are married and your spouse is not your ONLY Primary Beneficiary)

I, ____ the undersigned spouse of the above-named Participant, have read this Designation of Beneficiary Form and hereby consent to such beneficiary designation, including all Primary and Contingent Beneficiaries. I understand that by consenting to this Designation, I may be waiving my right to receive a benefit under the Plan in the event of my spouse's death. I have signed this consent freely and voluntarily. I understand that I may not revoke this consent, except by consenting to another Beneficiary Designation executed by the Participant.

NOTARY PUBLIC

State of: _________________________________) I hereby certify the above-named spouse appeared before me

County of: ____) on this ______ day of ____________________, 20 ______.

IN WITNESS HEREOF, I have signed my name and affixed my official notary seal on this ______day of ________________, 20 ______. (SEAL)

Notary Signature	Name and Title (Print)	My Commission Expires