

Savings Banks Employees Retirement Association

401(k) PLAN APPLICATION FOR DEATH PROCEEDS

Participant Name: (Please Print) _____ Certificate No. _____

Employer's Name: _____ SS No. _____

PLEASE NOTE: If the Participant was married on the date of Death, the Participant's spouse is entitled to any death proceeds unless he/she has consented not to be the Beneficiary or Joint Annuitant.

A separate application must be submitted for each person making a claim.

AN ORIGINAL CERTIFIED COPY OF THE PARTICIPANT'S DEATH CERTIFICATE MUST BE SUBMITTED WITH THIS CLAIM

SECTION 1. CLAIMANT'S STATEMENT

1. Name of Beneficiary: _____

2. Name of Claimant, if not beneficiary: _____

3. Phone Number of Beneficiary/Claimant: _____

4. Date of Participant's death: _____

5. Last residence of Participant: _____

6. (A) Claimant's relationship to Participant, if any: _____

(B) Claimant's date of birth: _____ (C) Claimant's Soc. Sec. No. _____

(D) Claimant's Address: _____

7. If the Claimant is NOT the Beneficiary, by what right is he/she claiming benefits from SBERA?
The claimant is: (check one)

Administrator or executor of the estate of the Participant (Attach a certified copy of appointment)

Guardian of a minor Beneficiary (Attach a certified copy of appointment)

Other - explain: _____
(Attach any relevant documentation)

8. If any named Beneficiary is deceased, list the Beneficiary(ies) and date(s) of death. A certified copy of the deceased Beneficiary's Death Certificate is required.

<input type="checkbox"/> No named Beneficiary is now deceased, or	Name of Beneficiary	Date of Death
	_____	_____
	_____	_____
	_____	_____

9. Was the Participant married at the time of death?

No

Yes - Spouse's Name: _____

- CONTINUED -

SECTION 2. DISBURSEMENT ELECTION

Internal Revenue Service (IRS) regulations and the SBERA Plan require that the entire interest in the Plan of a deceased Participant be distributed within 5 years after the date of death. This regulation does not apply if the proceeds are payable to a designated Beneficiary or the spouse of the deceased Participant. A designated Beneficiary other than the spouse must begin to receive distribution within one year of the Participant’s death and such distribution may be made over a period of time that does not exceed the life expectancy of the Beneficiary. Death proceeds payable to a spouse must be distributed over a period of time not to exceed the life expectancy of the spouse and must commence no later than the date on which the Participant would have attained age 70 1/2.

With full knowledge of the foregoing restrictions, I elect the distribution option selected below: **(CHECK ONE)**

Option 1: SINGLE SUM PAYMENT: All funds remaining to the credit of the deceased Participant will be paid in one sum to the Claimant. I direct that distribution be made to me. I understand that Federal Income taxes equal to 20% of the taxable amount must be withheld and that Massachusetts income taxes will be withheld on the entire amount unless I am not a resident of Massachusetts.

Address where check is to be sent: _____

Option 2: ANNUITY OPTIONS:
SELECT ONE ANNUITY OPTION:

- SINGLE LIFE ANNUITY:** An annuity will be paid for the claimant's lifetime and ceasing upon his/her death. Monthly installments are to begin _____ 20____.
- PAYMENT OVER 5 YEARS:** Proceeds will be paid in 60 equal monthly installments beginning on _____ 20____. If the Claimant dies before receiving all proceeds to the credit of the deceased Participant, the balance will be paid to the beneficiary designated below

The surviving beneficiary(ies) in the lowest numbered class will share equally in the balance of any remaining proceeds on the death of the Claimant. If no listed beneficiary survives the Claimant; proceeds will be paid to the Claimant’s estate.

ALL BENEFICIARIES must read the Special Tax Notice Regarding Plan Payments.

Class	Name of Beneficiary	Relationship	Social Security No.	Birth date
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____

Address where Proceeds are to be sent:

If you are NOT the surviving spouse, or an alternate payee of the Participant, you may choose a direct rollover to an IRA but not to an employer-sponsored plan.

Option 3: Direct Transfer to a Qualified Plan or IRA: I direct that all or part of the taxable portion of my distribution be directly transferred to the Qualified Plan or IRA listed below. I understand that any amount not directly transferred will be subject to 20% Federal income tax withholding and Massachusetts income tax withholding. I certify to SBERA that the transferee is a Qualified Plan or IRA and that the transferee has agreed to accept the rollover. I understand that any after-tax contributions made by me cannot be rolled over and will be paid directly to me, less applicable Massachusetts income tax withholding. **I understand if I am NOT the surviving spouse, or an alternate payee of the participant that I may roll over these proceed only into an IRA and NOT another qualified plan.**

CHECK ONE:

\$ _____ (fill in amount) shall be directly transferred to the Qualified Plan or IRA listed below.

ALL taxable funds shall be directly transferred to the Qualified Plan or IRA listed below.

Account Name: _____

Account # (if known): _____

Name of Plan or Financial Institution: _____

*Address of Spouse or Alternate Payee: _____

The check will be mailed to the spouse/alternate payee for forwarding to the appropriate institution.

SECTION 3. WITHHOLDING ELECTION FOR NON-MASSACHUSETTS RESIDENT

I understand that any taxable funds that are paid to me will have Federal income tax withholding of 20%.

- If Option 1 is elected in section 2 above, and I am a resident of Massachusetts, the entire taxable distribution is also subject to Massachusetts income tax withholding.
- If Option 2 is elected, any taxable funds not directly transferred to a Qualified Plan or IRA are subject to Federal income tax withholding of 20% and is also subject to Massachusetts income tax withholding if I am a resident of Massachusetts.
- All employee after-tax contributions, if any, will be distributed to me without withholding for Federal income tax, but may be subject to Massachusetts income tax withholding if I am a resident of Massachusetts.

I hereby certify that I am NOT a resident of Massachusetts _____ (Initial Here).

SECTION 4. SIGNATURE OF CLAIMANT

Date: _____ Signature of Claimant: _____

Information provided in this withdrawal request overrides any subsequent information received from outside institutions.

Please be sure of the type of distribution you elect to receive, and that all information you provide is accurate. SBERA will assess a \$100.00 processing fee for checks re-issued due to participant errors.

Forward this claim form and all supporting documents to:

**SBERA
P.O. Box 2069
Woburn MA 01888-0169**

SBERA USE ONLY:

Date Recv'd:.

Date Paid:

FIT Withheld

Check No.

Gross Amount:

MA Tax Withheld

Check Amount:

By:

QJSA NOTICES

EXPLANATION OF THE QUALIFIED JOINT AND SURVIVOR ANNUITY

Explanation of Benefit

A Qualified Joint and Survivor Annuity ("QJSA") provides a monthly lifetime payment to a Participant and, when the Participant dies, a monthly lifetime payment to his or her surviving Spouse in an amount equal to between 50% and 100% of the Participant's monthly benefit.

Election Privilege

If a Participant is married at his or her benefit commencement date, the benefit he or she receives will be in the form of a QJSA, which will provide a surviving Spouse's (contingent annuitant's) benefit, unless the Participant's Spouse consents and the Participant elects another form of benefit. In order to pay for the cost of continuing the Spouse's payments after the Participant's death, the amount of the Participant's monthly benefit under a QJSA is actuarially reduced to an amount which is less than the monthly amount the Participant would have received if payments terminated on the death of the Participant. The Participant may elect a further reduction in his or her monthly benefit to provide a larger surviving Spouse's monthly benefit (but the surviving Spouse's monthly benefit may never exceed 100% of the Participant's monthly benefit). If the Participant is married on the date benefits begin, benefits will automatically be paid as a 50% joint and survivor benefit, unless the Participant waives such benefit with the consent of his or her Spouse and elects an optional form of payment. Attachment B contains a table which reflects the relative values of monthly payments from different types of annuities assuming a vested account balance of \$10,000 and an interest rate of 7%.

If the Participant is unmarried when benefit payments begin, benefits will automatically be paid in the form of a monthly annuity for life, unless the Participant elects another form of benefit.

A Participant may elect to decline the QJSA form of benefits in favor of any other available form of benefit of comparable value under the Plan. Any such election to decline QJSA coverage, however, must be consented to by the Participant's Spouse in the manner described below.

A Participant may elect to decline the form of benefit during an election period which begins 90 days before his or her benefit commencement date and ends on such benefit commencement date. If, however, the Participant requests in writing from the Plan Administrator specific information on the financial effect of accepting or declining the QJSA form of benefit, the 90-day period will not be deemed to start running until the Plan Administrator provides the requested information. All elections must be in writing and may not be changed after the benefit commencement date. If a Participant begins to receive benefits in the form of a QJSA, and then survives his or her Spouse, there is no change in the amount of the Participant's monthly benefit payable during the Participant's lifetime and benefit payments will stop at the Participant's death.

Spousal Consent Requirement

Any election by a Participant to decline the QJSA form of benefit must be consented to in writing by the Participant's Spouse. The consent must be witnessed by a representative of the Plan or by a notary public, must evidence understanding by the consenting Spouse of the effect of such election and consent, and must be irrevocable as of the benefits commencement date. If the Participant's election of an alternate form of benefit would result in the payment of benefits after the Participant's death to persons other than his or her Spouse, a separate or additional written consent by such Spouse is required in which the designation of specific non-spousal Beneficiaries is approved.

Effect of Election

If a Participant makes an election to waive the QJSA form of payment, any benefit payable after his or her death will be payable as provided under the form of benefit elected by the Participant, as described below. If the Participant makes an election (with spousal consent) to decline the QJSA form of payment and thereafter revokes the election (which revocation must occur before the Participant's benefit commencement date), the Participant's benefit will once again become payable in the form of a QJSA. The Participant may not thereafter again elect to decline the QJSA form of payment without again securing spousal consent to the new election.

Additional Information

The Participant may make a written request to the Plan Administrator requesting a personalized statement describing the effect of electing an optional form of benefit and providing a comparison of relative values under each available optional form of benefit.

GENERAL DESCRIPTION OF ALTERNATE FORMS OF BENEFIT PAYMENT

Your benefit under the Plan may be distributed in any of the following forms. If you are married when your benefits begin to be paid, spousal consent is required if benefits are to be distributed in any form other than as a Qualified Joint and Survivor Annuity.

Option 1 – Single Cash Payment: A payment of the present value of your entire vested account balance/accrued benefit under the Plan. No further benefits will be payable to you or to any other person by reason of your participation in the Plan.

Option 2 – Installment Payments: A series of monthly, quarterly, semi-annual or annual payments in cash of the present value of your entire vested account balance/accrued benefit under the Plan, paid over a fixed period of time. If you die before your entire vested account balance/accrued benefit under the Plan has been distributed, the unpaid balance will be paid to your designated Beneficiary, in cash, in a single payment, or installments over the remainder of the prescribed period.

Option 3 – Life Annuity: Monthly payments commencing on your benefit commencement date and continuing thereafter during your lifetime. There are no benefits payable after your death.

Option 4 – Period Certain Annuity: Payments beginning on your benefit commencement date and continuing thereafter monthly during your lifetime. If you die during the "guaranteed" or "certain" period, benefit payments will continue after your death for the balance of the guaranteed or certain period to your designated beneficiary. If you die during the guaranteed or certain period (which may be 60 months, 120 months or 180 months), the benefit payments will stop at the end of that period. For example, if you select a period guaranteed or certain of 120 months and live longer, the benefits will be paid for your entire lifetime. If you make that 120-month guaranteed or certain period election and die after receiving 70 monthly payments, your beneficiary will receive the same payments for 50 months.

Option 5 – Contingent Survivor Annuity: A monthly benefit for your lifetime, with a monthly benefit continuing after your death for the lifetime of your "contingent beneficiary" who is designated before the benefit commencement date. The amount of your lifetime benefit and of the benefit payable to your surviving contingent Beneficiary depends upon your age and your contingent Beneficiary's age. If your contingent Beneficiary dies before your benefit commencement date, your election of this form of benefit will be void. If your contingent Beneficiary dies during your lifetime but after your benefit commencement date, there will be no survivor's benefit and your lifetime benefit will cease at your death.

Election Period Information

You may elect the form of benefit most suitable to you at any time before your benefit commencement date. All elections must be made in writing on forms satisfactory to the Plan Administrator, and the written and notarized consent of your spouse (if any) may be required. You may request specific information on the financial effect of accepting or declining the Qualified Joint and Survivor Annuity form of benefit by contacting the Plan Administrator in writing. You will not be required to make a final and irrevocable election as to your choice of benefit distribution form until at least 90 days after you have received all of the information you have requested in writing as to the economic effect of making that election. Also, you will not be required to make any election more than 90 days before your benefit commencement date. If you are reemployed by the Plan sponsor after your benefits begin to be paid, your benefit payments may or may not continue during the period of your reemployment. Final elections and any required spousal consents must be executed (and, in the case of the spousal consent, witnessed by a representative of the Plan or notarized) within 90 days before your benefit commencement date.

The table below shows the relative values of monthly payments from different types of annuities, assuming a vested account balance of \$10,000 and an annual interest rate of 7%. This table is only an illustration and does not reflect the value of your individual benefit or actual payments you or your beneficiaries would receive. You may request specific information on the financial affect of accepting or declining the Qualified Joint and Survivor Annuity form of benefit by contacting the Plan Administrator in writing.

<u>Assumptions:</u>	Vested Account Balance:	\$10,000			Interest Rate:	7%		
<u>Participant's Age:</u>	65	60	55	50	45	40	35	30
<u>Spouse's Age:</u>	62	57	52	47	42	37	32	27
<u>Annuities</u>								
50% Joint & Survivor	\$83.72	\$76.29	\$70.89	\$66.95	\$64.06	\$61.93	\$60.39	\$59.28
100% Joint & Survivor	79.27	72.87	68.25	64.94	62.54	60.77	59.50	58.55
<u>Lifetime</u>								
5-Year Certain and Life	92.86	83.62	76.60	71.34	67.39	64.44	62.27	60.69
10-Year Certain and Life	86.91	80.33	74.79	70.33	66.82	64.12	62.08	60.57
<u>Installment Payments Based on Life Expectancy</u>								
Life in Years	15.35	18.88	22.74	26.89	31.28	35.85	40.53	45.28
Monthly Payment	\$92.47	\$82.83	\$76.07	\$71.30	\$67.92	\$65.53	\$63.85	\$62.67

SPECIAL TAX NOTICE 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 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.

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, you will be provided a different notice for that payment, and the Plan Administrator 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.

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. An employer plan is a plan qualified under Section 401(a) of the Internal Revenue 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) that will accept the rollover. Your payment may be rolled over to a Roth IRA (see the Special Rules and Options section below). Your payment cannot be rolled over a SIMPLE IRA, or a Coverdell Education Savings Account (formerly known as an education IRA).

An 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 an eligible employer plan accepts rollovers, it might not accept rollovers of certain types of distributions. If this is the case, you may wish to roll your distribution over to an IRA instead. If an eligible employer plan accepts your rollover, the rules of the employer plan will determine your investment options, fees, and rights to payment from that plan. Further, the amount rolled over will become subject to the tax rules that apply to the employer plan. In addition, the plan may restrict subsequent distributions of the rollover amount or may require your spouse's consent for any subsequent distribution. 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 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
- Payments of certain automatic enrollment contributions requested to be withdrawn within 90 days of the first contribution.

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).

Will I owe State income taxes?

This notice does not describe any State or local income tax rules (including 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 aftertax contributions.

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 you choose not to take a distribution at this time or do not respond to this Notice:

If your vested account balance is \$1,000 or less, the Plan Administrator will automatically distribute your vested account balance to you subject to the withholding requirements above; no distribution will be made to you without your consent if your vested account balance is greater than \$1,000.

If your vested account balance above includes Rollover Contributions made by you to this Plan, those Rollover Contributions will be included when determining the \$1,000 amount.

Also if you elect not to take a distribution at this time, such election must be communicated to the Plan

Administrator. To help achieve long-term retirement security, you should give careful consideration to the benefits of a well-balanced and diversified investment portfolio. Allocating your assets among different types of investments can help you achieve a favorable rate of return, while minimizing your overall risk of losing money.

In deciding how to invest your retirement savings, you should take into account all of your assets, including any retirement savings outside of the Plan. No single approach is right for everyone because, among other factors, individuals have different financial goals, different time horizons for meeting their goals, and different tolerances for risk. It is also important to periodically review your investment portfolio, your investment objectives, and the investment options under the Plan to help ensure that your retirement savings will meet your retirement goals.

In making the decision as to whether or not to defer payment of your plan benefits it is important to consider numerous factors, including but not limited to premature distribution penalties described elsewhere in this Notice, the potential loss of investment income on a tax deferred (or Roth tax-free) basis, the investment fees charged by this plan versus those that will be charged by alternative investment vehicles such as rollover IRAs or other employer plans. Depending on how you invest your assets outside this plan you may or may not be able to invest in assets that provide higher rates of return.

If you do not take a distribution of your account from the Plan or fail to respond to this Notice, the administration expenses and fees that currently apply to benefit accounts under the Plan are described on Schedule A of this Special Tax Notice Regarding Plan Payments. If you request a distribution of your Plan Account, see Schedule A of this Special Tax Notice Regarding Plan Payments for further information on the processing fee that may be charged to cover the cost of your request.

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.

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 to an IRA or an employer plan. Your withdrawal will then be processed in accordance with your election as soon as practical after the Plan Administrator receives it.

FOR MORE INFORMATION

You may wish to consult with the Plan Administrator 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.

YOUR ROLLOVER OPTIONS

You are receiving this notice because all or a portion of a payment you are receiving from 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 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.

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 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
- Payments of certain automatic enrollment contributions requested to be withdrawn within 90 days of the first contribution.

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 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.

What is the tax treatment of a conversion of my accounts within this Plan to a Designated Roth Account?

If you decide to roll over a non-Roth payment to a designated Roth account in this Plan:

- The amount of the payment rolled over (reduced by any after-tax amounts directly rolled over) will be taxed. However, the 10% additional tax on early distributions will not apply (unless you take the amount rolled over out of the designated Roth account within the 5-year period that begins on January 1 of the year of the rollover). For payments from the Plan in 2010 that are rolled over to a designated Roth account in the Plan (and that are not distributed from that account until after 2011), the taxable amount of the rollover will be taxed half in 2011 and half in 2012, unless you elect to be taxed in 2010.
- Later payments from the designated Roth account that are qualified distributions will not be taxed (including earnings after the rollover). A qualified distribution from a designated Roth account is a payment made both after you attain age 59½ (or after the your death or disability) and after you have had a designated Roth account in the Plan for a period of at least 5 years. The 5-year period described in the preceding sentence begins on

January 1 of the year your first contribution was made to the designated Roth account. However, if you made a direct rollover to a designated Roth account in the Plan from a designated Roth account in a plan of another employer, the 5-year period begins on 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 plan of the other employer. Payments from the designated Roth account that are not qualified distributions will be taxed to the extent allocable to earnings after the rollover, including the 10% additional tax on early distributions (unless an exception applies).

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 you choose not to take a distribution at this time or do not respond to this Notice:

If your vested account balance is \$1,000 or less, the Plan Administrator will automatically distribute your vested account balance to you subject to the withholding requirements above; no distribution will be made to you without your consent if your vested account balance is greater than \$1,000.

If your vested account balance above includes Rollover Contributions made by you to this Plan, those Rollover Contributions will be included when determining the \$1,000 amount.

Also if you elect not to take a distribution at this time, such election must be communicated to the Plan

Administrator. To help achieve long-term retirement security, you should give careful consideration to the

benefits of a well-balanced and diversified investment portfolio. Allocating your assets among different types of

investments can help you achieve a favorable rate of return, while minimizing your overall risk of losing money.

In deciding how to invest your retirement savings, you should take into account all of your assets, including any retirement savings outside of the Plan. No single approach is right for everyone because, among other factors, individuals have different financial goals, different time horizons for meeting their goals, and different tolerances for risk. It is also important to periodically review your investment portfolio, your investment objectives, and the investment options under the Plan to help ensure that your retirement savings will meet your retirement goals.

In making the decision as to whether or not to defer payment of your plan benefits it is important to consider numerous factors, including but not limited to premature distribution penalties described elsewhere in this Notice, the potential loss of investment income on a tax deferred (or Roth tax-free) basis, the investment fees charged by this plan versus those that will be charged by alternative investment vehicles such as rollover IRAs or other employer plans. Depending on how you invest your assets outside this plan you may or may not be able to invest in assets that provide higher rates of return.

If you do not take a distribution of your account from the Plan or fail to respond to this Notice, the administration expenses and fees that currently apply to benefit accounts under the Plan are described on Schedule A of this Special Tax Notice Regarding Plan Payments. If you request a distribution of your Plan Account, see Schedule A of this Special Tax Notice Regarding Plan Payments for further information on the processing fee that will be charged to cover the cost of your request.

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.

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 to an IRA or an employer plan. Your withdrawal will then be processed in accordance with your election as soon as practical after the Plan Administrator receives it.

FOR MORE INFORMATION

You may wish to consult with the Plan Administrator 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.
