

Savings Banks Employees Retirement Association

RETIREMENT ELECTION FORM

Participant Name: (Please Print) _____ SSN or Cert. No. _____

Current Address (Required) _____

Employer's Name: _____ Plan No. _____

Important Notice: Under Federal Law, you have the right to a 30 day period after receiving Special Tax Notice Regarding Plan Payments to decide whether or not to elect a direct rollover. If you wish to waive the 30 day period, please initial as indicated. If you do not initial, distribution will be delayed until 30 days from the date this form was signed. _____ (Initial Here)

I hereby request that all funds accumulated to my credit in the Savings Banks Employees Retirement Association (SBERA) Pension Plan of the above-named Employer be paid to me as indicated below. I acknowledge that the automatic form of payment if I am married is a qualified JOINT AND SURVIVOR ANNUITY payable to me and my spouse and that if I wish to receive benefits under any other option my spouse must consent to such election on Page 2 of this form.

OPTION 1: **SINGLE SUM PAYMENT**: CONTINUE BELOW

OPTION 2: **SBERA PROVIDED ANNUITY**: Go to PAGE 4

OPTION 3: **PARTIAL CASH DISTRIBUTION AND SBERA PROVIDED ANNUITY**: Contact SBERA for Form

OPTION 4: **COMMERCIAL ANNUITY OPTION**: A Commercial Annuity Application must be completed. Contact SBERA.

OPTION 1 - SINGLE SUM PAYMENT

I hereby elect to receive a Single Sum Payment of all Employer Contributions to my credit with the above-named SBERA Employer. I understand that upon receipt of a Single Sum Payment, my entire interest in the SBERA Pension Plan of the above-named Employer will terminate. I acknowledge that, unless I have directed SBERA (below) to execute a direct rollover to an Individual Retirement Account (IRA) or another Qualified Plan, SBERA must withhold Federal income taxes equal to 20% of the taxable amount paid to me. Massachusetts income taxes will also be withheld on the taxable amount of my distribution unless I am not a Massachusetts resident.

CHECK ONE:

Transfer to *Rollover Select*
I request that the taxable portion of my distribution be directly transferred to a ***Rollover Select*** IRA account. I have read the enclosed summary information. My money will be automatically mapped to the ***Rollover Select*** Funds according to my existing account balance allocation.

PAYMENT MADE TO PARTICIPANT – I request that the distribution be made payable to me. I understand that Federal and Massachusetts income tax withholding must be withheld unless I am not a Massachusetts resident.

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 will also be subject to 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.

CHOOSE ONE:

I wish to make a partial rollover of \$ _____ (fill in a dollar amount) directly transferred to the Qualified Plan or IRA listed below. The remaining amount will be subject to Federal and State income taxes and be paid to me after these taxes are withheld.

I wish to directly transfer 100% of my taxable funds to the Qualified Plan or IRA listed below.

I understand if a dollar amount is not filled in, 100% of my account will automatically be transferred to the Plan or IRA listed below if I have chosen to rollover my balance.

Name of the Financial Institution the check will be made payable to:

_____ Account Number (if known): _____

This is a Qualified Plan IRA

I understand that regardless of the payment option I choose, the check will be mailed directly to my home address. If the check is for a direct transfer to another Qualified Plan or IRA, I understand it is my responsibility to forward the check to the appropriate person(s) along with any paperwork necessary to open my new account.

Rollover Select

You've put in your time and have worked hard to accumulate the balance in your employer's retirement plans. Now that you're leaving it's up to you to make the most of that money. Keep growing your retirement nest egg on a tax-deferred basis with **Rollover Select**.

Rollover Select is offered only to former participants of SBERA as a rollover IRA option. Rollover Select has been developed to offer similar investment options to those offered in the SBERA 401(k) Plan.

- Investment options were selected by C. E. Humphrey Associates, Inc.
- Simple process to transfer your existing vested balances.
- Access your account and request transactions by Internet or 1-800 voice line 24 hours a day, 7 days a week.
- Quarterly statements sent directly to you.
- Assistance with Minimum Required Distributions when needed.

Fees:

Annual account maintenance fee: \$5.00 per fund (\$25.00 maximum) Distribution fees: \$25.00 each

Rollover Select is not sponsored by SBERA. **Rollover Select** is an IRA custodial product provided by Mid-Atlantic Trust Company. Recordkeeping provided by Northeast Retirement Services, Inc.

Rollover Select Account Map

The SBERA Common and Collective Trust Funds are listed on the left. The fund in **Rollover Select** that most closely compares to each Common and Collective Trust Fund is listed on the right. *Your money will be automatically mapped to the Rollover Select Funds according to your existing account balance allocation. You may change your allocation after the transfer by accessing your Rollover Select account on the web or by calling 1-888-723-7201.* Before investing any money please review investment information at www.nrstpa.com/sbera_account.html

<i>Mapping SBERA Funds For "IRA Select Rollover"</i>															
<i>SBERA Funds</i>	<u>Rollover Select Funds</u>														
Money Market Account	American Funds Money Market														
Bond Account	American Bond Fund of America														
International Account	American EuroPacific Growth														
Small Cap Growth Account	Wasatch Ultra Growth														
Large Cap Growth Account	American Growth Fund of America														
Index 500 Account	Vanguard S & P 500 Index														
Equity Account: The SBERA Equity Account is a combination of investment disciplines. Rollover Select offers an "Equity Fund-of-Funds", which invests in the mutual funds listed in the next column. The percentage allocations are approximate and are subject to change. For fee purposes this selection counts as one fund.	<table style="width: 100%; border-collapse: collapse;"> <tr> <td colspan="2" style="text-align: left;">"Equity Fund-of-Funds"</td> </tr> <tr> <td style="width: 70%;">Growth Fund of America</td> <td style="text-align: right;">23%</td> </tr> <tr> <td>American Capital Income Builder</td> <td style="text-align: right;">10%</td> </tr> <tr> <td>American Washington Mutual</td> <td style="text-align: right;">22%</td> </tr> <tr> <td>Artisan Mid Cap Growth</td> <td style="text-align: right;">10%</td> </tr> <tr> <td>Wasatch Ultra Growth</td> <td style="text-align: right;">15%</td> </tr> <tr> <td>EuroPacific Growth</td> <td style="text-align: right;">20%</td> </tr> </table>	"Equity Fund-of-Funds"		Growth Fund of America	23%	American Capital Income Builder	10%	American Washington Mutual	22%	Artisan Mid Cap Growth	10%	Wasatch Ultra Growth	15%	EuroPacific Growth	20%
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Artisan Mid Cap Growth	10%														
Wasatch Ultra Growth	15%														
EuroPacific Growth	20%														
Small Cap Value Account	Royce Special Equities														
Large Cap Value Account	American Washington Mutual														
LifePath Retirement	Fidelity Freedom Income														
LifePath 2020	Fidelity Freedom 2020														
LifePath 2030	Fidelity Freedom 2030														
LifePath 2040	Fidelity Freedom 2040														
LifePath 2050	Fidelity Freedom 2050														
All Asset Account	PIMCO All Asset														

OPTION 1 – SINGLE SUM PAYMENT - Continued

COMPLETE ONE OF THE FOLLOWING SECTIONS

If Married Or Separated: Section A and Section B

If Single, Widowed Or Divorced: Section C

NOTE: If you are no longer legally married, but SBERA's records indicate you are married, you must submit a copy of either your spouse's death certificate or your final divorce decree (divorce nisi) with this request. Your HR representative can inform you of your marital status on file at SBERA.

A. SPOUSAL CONSENT

I, with full knowledge of the effects of this act, do certify that I am the spouse of the above-mentioned Participant and consent to the Participant's decision to waive our right to a qualified joint and survivor annuity by withdrawing as a single sum the Participant's entire vested accrued benefit.

Signature of Participant's Spouse: **X** _____

B. NOTARY SIGNATURE

COMMONWEALTH OF MASSACHUSETTS

County: _____, ss Date _____

On this ____ day of _____, 200____, before me, the undersigned notary public, personally appeared _____, proved to me through satisfactory evidence of identification, being personally known to me, to be the person whose name is signed on this document and acknowledged to me that he/she signed it voluntarily for its stated purpose as his/her free act and deed.

Notary _____

Printed Name _____

SEAL

Commission Expires _____

C. MARITAL STATUS (SINGLE) CERTIFICATION

By signing below, I certify under the pains and penalties of perjury that I am NOT MARRIED.

Signature of Participant: **X** _____

**Tax Withholding Election for Non-Massachusetts Residents
-- Single Sum Payment--**

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

I also understand if I am a Massachusetts resident that the entire taxable distribution is subject to Massachusetts income tax withholding unless transferred to a Qualified Plan or IRA.

I hereby certify that I am not a Massachusetts resident _____
(Initial)

GO TO PAGE 6 FOR PARTICIPANT SIGNATURE

OPTION 2 - SBERA PROVIDED ANNUITY OPTION

Date Benefits are to commence: _____ . (First of Month)

I hereby elect the annuity option indicated below:

CHECK ONE:

Option A (No guaranteed Period)

- Single Life Annuity: An annuity continuing during the Participant's lifetime only and ceasing at his/her death.
- Joint* and 100% Survivor Annuity: A full Joint and Survivor annuity payable to the Participant and his/her Joint Annuitant as long as either is alive.
- Joint* and 67% Survivor Annuity: A full annuity payable to both the participant and his/her Joint Annuitant as long as both are alive, with 67% of the income continuing to the survivor for life.

Option B (10-Year guaranteed period)

- Single Life Annuity With Ten Years Guaranteed**: An annuity continuing during the Participant's lifetime but with the balance of ten full years of income guaranteed if the Participant dies within ten years.
- Joint* and 100% Survivor Annuity With Ten Years Guaranteed**: A full annuity payable to the Participant and his/her Joint Annuitant as long as either is alive. If both Annuitants die within 10 years, full payment is guaranteed to a named Beneficiary for the balance of the 10-year period.
- Joint* and 67% Survivor Annuity With Ten Years Guaranteed**: A full annuity payable to the Participant and his/her Joint Annuitant as long as both are alive with 10 years of full payments guaranteed. After 10 years of payments, a surviving annuitant will receive 67% of a full share for life. If both annuitants die within 10 years, full payment is guaranteed to the named Beneficiary for the balance of the 10-year period.

*** JOINT ANNUITY REQUIRES DESIGNATION OF JOINT ANNUITANT (Proof of Birth is Required on Joint Annuitant):**

I hereby designate the individual listed below to share in all benefits under the Joint Annuity Option selected above. (If married, must be Participant's spouse unless the spouse consents not to be the Joint Annuitant by executing the Spousal Consent on Page 5).

Name of Joint Annuitant	Relationship	Social Security No.	Birth Date	Address
_____	_____	_____	_____	_____

X _____
Signature of Joint Annuitant (if any)

**** GUARANTEED PERIOD ANNUITY REQUIRES DESIGNATION OF BENEFICIARY:**

I hereby designate the surviving beneficiary(ies) in the lowest numbered class to receive any and all benefits due upon my death or the death of the survivor of myself and my Joint Annuitant (if any) if I (we) should die before the end of any guaranteed payment period. If no listed beneficiary survives the Annuitant(s), the proceeds will be paid to the last surviving Annuitant's estate.

Class	Name of Beneficiary	Relationship	Social Security No.	Birth Date	Address
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____

OPTION 2 - SBERA PROVIDED ANNUITY OPTION (Continued)

OPTION C:

75% Contingent Annuity: Under this option, you designate an alternate payee and begin to receive a reduced pension. Should you die before your alternate payee, the monthly benefit will be reduced to 75% of the amount you had been receiving. There is no reduction if the alternate payee dies before you.

I hereby designate the individual listed below as the alternate payee:

Name: _____

Relationship: _____

Date of Birth: (Proof of Birth is required) _____

Social Security Number: _____

Address: _____

THIS PORTION MUST BE COMPLETED IN THE PRESENCE OF A NOTARY PUBLIC

(ONLY NEEDED IF ANNUITY OPTION A-1 OR B-1 IS ELECTED OR IF THE JOINT ANNUITANT OR ALTERNATE PAYEE IS NOT THE PARTICIPANT'S SPOUSE)

COMPLETE ONE OF THE FOLLOWING SECTIONS:

If Married Or Separated: Section A and Section B

If Single, Widowed Or Divorced: Section C

NOTE: If you are no longer legally married, but SBERA's records indicate you are married, you must submit a copy of either your spouse's death certificate or your final divorce decree (divorce nisi) with this request. Your Human Resources representative can inform you of your marital status on file at SBERA.

A. SPOUSAL CONSENT

SPOUSAL CONSENT: I, with full knowledge of the effects of this act, do certify that I am the spouse of the above-mentioned Participant and consent to the Participant's decision to waive our right to a qualified joint and survivor annuity by selecting another form of annuity payment option and/or another person as "Joint Annuitant".

Signature of Participant's Spouse: **X** _____

B. NOTARY SIGNATURE

COMMONWEALTH OF MASSACHUSETTS

County: _____, ss Date _____

On this ____ day of _____, 200__, before me, the undersigned notary public, personally appeared _____, proved to me through satisfactory evidence of identification, being personally known to me, to be the person whose name is signed on this document and acknowledged to me that he/she signed it voluntarily for its stated purpose as his/her free act and deed.

Notary _____

Printed Name _____

SEAL

Commission Expires _____

C. MARITAL STATUS (SINGLE) CERTIFICATION

By signing below, I certify under the pains and penalties of perjury that I am **NOT MARRIED**.

Signature of Participant **X** _____

TAX FILING STATUS AND WITHHOLDING ELECTION
SBERA Provided Annuity Option Only

Unless you elect otherwise, the Plan is required to withhold Federal income taxes from pension payments on the same basis as if you were married claiming three withholding exemptions. Massachusetts law requires that SBERA withhold from each payment above the no-tax status limit unless you elect otherwise or are not a Massachusetts resident. You are always free to revoke or change your election at a later date by completing and sending a new form to SBERA.

My current Tax Filing Status is: (select one only)

Single

Number of exemptions _____

Married

(continued on next page)

TAX FILING STATUS AND WITHHOLDING ELECTION – SBERA Provided Annuity Option Only (continued)

WITHHOLDING ELECTION:

DO NOT WITHHOLD Federal and Massachusetts income taxes from my monthly annuity payments

WITHHOLD Federal and Massachusetts income taxes from my monthly annuity payments based on my filing status

Instead of withholding according to my filing status, I elect to have the following amounts withheld from each monthly pension payment: \$ _____ for Federal income taxes. \$ _____ for Massachusetts income taxes.

I am NOT a resident of Massachusetts

*****PARTICIPANT'S SIGNATURE REQUIRED*****

Date: _____ Participant Signature: _____

Soc. Sec. Number: _____ - _____ - _____

Participant's Telephone Number: _____

Proof of Birth must be submitted with this form. (Copy of Birth Certificate or Drivers License)

SBERA USE ONLY:

Date Recv'd:

Federal Tax Amount Withheld:

Date Paid:

Massachusetts Tax Amount Withheld:

Gross Amount:

Check No:

Check Amount:

By:

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.

****Monthly annuity checks are electronically deposited. Please complete the enclosed form.**

If you have any questions, please call (781) 970-5025.

This request and any supporting materials are to be forwarded to:

SBERA

P. O. Box 2069

Woburn, MA 01801

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.

SPECIAL TAX NOTICE FOR PAYMENTS 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 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.

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.