Distribution Request Form
Instructions: General Purpose

BURKE GROUP

PLEASE REVIEW THESE SECTIONS CAREFULLY BEFORE COMPLETING AND SUBMITTING THE REQUEST.

BEFORE REQUESTING A DISTRIBUTION

You may wish to consult an investment or tax advisor to discuss how taking a distribution may impact your retirement savings and/or your tax filing for the year. Refer to the accompanying "Special Tax Notice" for important information related to the tax implications associated with the distribution options available to you.

This form is to be used for all distribution types except Hardship Withdrawals, Installment Payments, Annuity Payments, and Required Minimum Distributions. If you require one of these types of distributions, please contact your plan administrator.

Completing the application

1. Complete all "required" sections of the Distribution Request Form. Unless otherwise noted, you as Participant, Beneficiary, or Alternate Payee will fill out all required sections.
2. Physically sign and date in section "Signature of plan participant or recipient".
3. Forward the document to the Benefits Dept. or the Human Resources Dept. of your employer or former employer (i.e., the employer sponsoring the retirement plan from which you are requesting the distribution.)

   Your employer or former employer will have your Distribution Request form signed by an authorized signer and forward it for processing.

Additional information

Required Minimum Distribution: Required Minimum Distributions (RMDs) are minimum amounts that a retirement plan account owner must withdraw annually. For participants, the first RMD must generally be withdrawn no later than April 1 of the year following the year that he or she reaches age 70 ½ or, if later, the year he or she retires. However, if you are a 5% owner, the deadline is April 1 of the year following attainment of age 70-1/2, even if you are still working. If you have questions regarding whether you are subject to the required minimum distribution rules, please contact your plan administrator. RMD amounts are not eligible to be rolled over. If you're age 70 ½ or older or you'll reach age 70 ½ this year, make sure you've satisfied your RMD amount before initiating a rollover.

If you are an Alternate Payee, RMDs must begin at the same time the participant is required to start taking RMDs.

If you are a Beneficiary of a deceased participant, you are also required to take RMDs, as follows:

- If the participant died prior to April 1 of the calendar year following the year he attained or would have attained age 70-1/2 (the "RBD"), you must begin receiving RMDs by December 31 of the year following the year of the participant's death (or, if you are the spouse of the participant and were the participant's sole designated Beneficiary, by December 31 of the year the participant would have attained age 70-1/2, if later). The plan document may permit you to elect to satisfy the minimum distribution rules under an alternative method, where the Account is completely distributed to you by December 31 of the 5th calendar year following the year of the participant's death. If the plan document permits you to make this alternative election, the election must be made in writing by you no later than December 31 of the year following the year of the participant's death (or December 31 of the year the participant would have attained age 70-1/2, if you are the spouse of the participant and were the participant's sole designated Beneficiary).

- If the participant died on or after the RBD, a minimum distribution must be made for the year of death and in each year thereafter.

Annuity or Installment Form of Payment: If you would like to elect an annuity or installment form of payment please contact us at **877-535-4419**. **Note: your plan must allow for the optional annuity or installment form of payment to receive this form of distribution.** If you do not know if your plan allows for annuity or installment payments, please contact Burke Group.

Special rules for outstanding loan balances: If you have terminated employment and you have an outstanding loan balance and you intend to pay the loan off in full following termination of employment, we are not able to accept personal checks. We can accept checks from a financial institution, a certified check, or a money order.

Processing time: All forms are processed in the order received. Incomplete or inconsistent information on the form may delay the distribution processing.

Delivery Method: Paper check sent via regular mail to your address on record. To update your name or address of record, please call **877-535-4419** or visit **www.burkegroup.com** prior to submitting your distribution request. Updates to your name or address will result in a delay in processing your distribution request. You may request expedited delivery by selecting this option in the Delivery Method Section of the Distribution Request Form. If you choose this option an overnight delivery fee may apply. Please log into your account at **www.burkegroup.com** to access the Participant Investment and Fee Disclosure Document.

Description of distribution reasons

To receive a withdrawal from your plan using this form, you must meet one of the qualifying events below. Not all options listed may be available and plan provisions may limit or restrict some options. If you have questions regarding what options are available to you, please contact your plan administrator.

- **Termination of employment or Retirement:** I am no longer employed by the employer sponsoring the plan.
- **Death of plan participant – beneficiary payment:** I am the owner of a beneficiary account that was established following the participant's death, and I am requesting a distribution from that account.
- **Divorce – Alternate Payee:** I am the former spouse (alternate payee) of a plan participant and want to take a distribution from assets I received as a result of the divorce.
- **Plan Termination:** Your Plan Sponsor will no longer be sponsoring your plan.
- **In-Service:** You meet the plan specific criteria for an in-service withdrawal at the time of the withdrawal request and are requesting a distribution of all or a portion of your account. Please see your plans Summary Plan Description (SPD) for plan specific In-service withdrawal criteria. If you do not have a copy of your SPD please contact your plan administrator.
- **Withdrawal of Rollover Contribution**: You are requesting a distribution from the portion of your account that relates to money you have rolled into the Plan from another retirement account.]
- **Total and permanent disability:** I stopped working for the employer sponsoring the plan due to my total and permanent disability as defined by the IRS.
- **Withdrawal of After-Tax Contribution:** You are requesting a distribution from the portion of your account that relates to after-tax or employee voluntary contributions. The amount of withdrawal requested will include a pro rata allocation of contributions and earnings.]
- **Permissible Withdrawal:** You are requesting a withdrawal of your default elective contributions made under an automatic contribution arrangement in accordance with the terms of the plan.
- **Qualified Reservist:** You are requesting a withdrawal prior to attainment of age 59-1/2 that satisfies the requirements of a qualified reservist distribution (QRD) and, as such, is not subject to the early withdrawal penalty tax of 10%.

EXPLANATION OF BENEFIT PAYMENT OPTIONS

These instructions, in combination with the "Special Tax Notice," contains information regarding the form in which your vested account balance will be paid, whether you can elect a different form of payment, and when payment will be made.

If you have any questions about the information in this Notice, or want additional information, please contact the plan administrator for your plan (identified in the Summary Plan Description). Please note that, throughout this Notice, we refer to your "Distribution Date." Your proposed Distribution Date is the date which is 30 days after the date you receive this Notice, unless you elect earlier payment.

Normal form of payment

Unless you elect a different form of payment, your vested account balance will be paid to you in a single payment, either as a Lump Sum or as a Direct Rollover, or partially as a Lump Sum and partially as a Direct Rollover. This is known as the normal form of payment under the Plan.

A Lump Sum payment is a single payment of your entire vested account balance to you in cash. A Direct Rollover is a single payment of your entire vested account balance to an Individual Retirement Account (IRA) or to an eligible employer plan.

A Direct Rollover is only available to participants who are receiving a payment from the Plan that qualifies as an "eligible rollover distribution". If all or any part of your payment from the Plan is an eligible rollover distribution, you will receive a Special Tax Notice Regarding Plan Payments with your distribution package. The Special Tax Notice provides additional information regarding payments that are eligible rollover distributions and the tax consequences of electing or not electing a Direct Rollover.

If you elect a Lump Sum or a Direct Rollover of your entire vested account balance, no further benefits from the Plan will be made to you or to your beneficiary upon your death.

Available optional forms of payment

If you do not wish to receive your entire vested account balance in a single payment, you may elect to receive payment in one of the optional payment forms listed below, to the extent available under your Plan.

<u>A Partial Withdrawal</u>. This is a single payment of a portion of your vested account balance. Any balance not paid to you will remain in the Plan and continue to be subject to investment gains and losses until the remaining balance is distributed. Most payments made while you are still employed (for example, hardship withdrawals or other in-service withdrawals) are paid in the form of a Partial Withdrawal.

<u>Installment Payments</u>. If you elect installment payments, you will receive monthly, quarterly, semi-annual or annual payments, as available under your Plan and elected by you. The amount of each payment will be a fixed sum calculated by dividing the balance to be distributed by your life expectancy and will be paid until the distributable balance is depleted. Installments are paid from the Plan itself, and your vested account balance will continue to be subject to investment gains and losses until the entire account is distributed. If you choose to receive installments, there is the possibility that you will outlive the income your account balance can provide. If you die before your entire account balance is distributed, your designated beneficiary will receive the balance of your payments. Installment payments are not generally available for payments that are paid to you while you are still employed.

<u>An Annuity form of payment</u>. The type of annuity may include (1) a Single Life Annuity, where you receive monthly payments for your life, with no payments after your death, (2) a Joint and Survivor Annuity, where you receive monthly payments for your life, with a percentage (such as 50%, 66-2/3%, 75%, or 100%) of the amount payable during the lives of you and your designated beneficiary payable to your beneficiary upon your death; (3) a Term Certain Annuity, where you receive monthly payments over your life or over the lives of you and a designated beneficiary, with a guarantee that payments will be made for at least a specified number of years; or (4) other types of annuities.

If you elect an Annuity form of payment and you are married, you must receive payments in the form of a Qualified Annuity unless your spouse consents in writing in the presence of a notary public to a different form of Annuity payment. A Qualified Annuity is a joint and survivor annuity which will provide level monthly payments to you for your life and, if your spouse survives you, level monthly payments to your spouse for his or her life equal to at least 50% of the amount which was paid during your joint lives. No spousal consent is required if your spouse cannot be located, or if you are legally separated from or have been abandoned by your spouse and you have a court order evidencing the legal separation or abandonment.

A waiver of the Qualified Annuity form of payment is valid only if made within the 180-day period prior to your Distribution Date. At any time prior to your Distribution Date, you can change your mind and revoke a waiver of the Qualified Annuity form of payment. If you waive the Qualified Annuity form of payment, your spouse may not receive any benefits following your death, depending upon the optional payment form you select.

The amount of the monthly Annuity payments will depend on a number of factors, including your vested account balance, your age (and the age of your beneficiary, as applicable), and the applicable interest rates. In general, the monthly payment under a joint and survivor annuity will be less than the monthly payment under a single life annuity, because payments are being made over two lives instead of one.

Because this is an insurance product, if you (and your beneficiary, as applicable) should die prematurely, the insurance company may have paid out less than was paid for the annuity, and if you (and your designated beneficiary, as applicable) outlive your life expectancy, the value of the payments you receive may exceed what was paid. Annuity payments are not generally available for payments that are paid to you while you are still employed.

Time of payment

You have at least 30 days from the date you receive this Notice to consider whether to take a distribution of your vested account balance, and what form of payment you wish to receive. You are not required to take a distribution from the plan while you are still employed (unless you are subject to the Required Minimum Distribution as defined by your plan document).

If the payment you are eligible to receive is an “eligible rollover distribution,” you will receive a Special Tax Notice Regarding Plan Payments. You should read and make sure you understand the Special Tax Notice before deciding whether or not to take a distribution. The Special Tax Notice contains information regarding the tax consequences of your distribution. You may also want to consult a financial planner or other trusted advisor before taking a distribution from the Plan.

If you decide not to take a distribution at this time, your account will remain in the Plan, and will continue to be subject to investment gains and losses. The account will be invested under the same rules that apply to active employees. Contact your plan administrator if you have any questions regarding the investment of your account. If you decide to leave your account in the Plan, recordkeeping fees may be periodically deducted from your account; contact your plan administrator for more information regarding these fees. You will need to contact your plan administrator when you are ready to take a distribution. Please be aware that if you return a distribution form to your plan administrator before the 30-day period expires, you are electing to waive the 30-day consideration period, and a distribution will be paid to you as soon as administratively possible. Also, if you return the distribution form more than 180 days after you receive this Notice, a new distribution package must be sent to you and completed before your distribution can be processed.

You will generally forfeit any portion of your account that is not vested when the distribution is made to you.

Special rules for outstanding loan balances

If you have terminated employment and you have an outstanding loan balance, you will have the option to offset your loan and have it reported as taxable income to you on the Distribution Request Form. Your outstanding loan balance will be distributed and reported to you as taxable income on Form 1099-R unless you pay the loan off in full prior to submitting your request. If you intend to pay the loan off in full following termination of employment, you will need to request your loan payoff amount, submit the full repayment amount and confirm that the balance has been paid in full prior to submitting this distribution request in order to avoid the outstanding loan balance getting reported as taxable income. ***Note: we are not able to accept personal checks; we can accept checks from a financial institution, a certified check, or a money order.***

Special rules for required minimum distributions

Required Minimum Distributions (RMDs) are minimum amounts that a retirement plan account owner must withdraw annually. **For participants, the first RMD must generally be withdrawn no later than April 1 of the year following the year that he or she reaches age 70 ½ or, if later, the year he or she retires. However, if you are a 5% owner, the deadline is April 1 of the year following attainment of age 70-1/2, even if you are still working.**

If you are an Alternate Payee, RMDs must begin at the same time the participant is required to start taking RMDs.

If you are a Beneficiary of a deceased participant, you are also required to take RMDs, as follows:

- If the participant died prior to April 1 of the calendar year following the year he attained or would have attained age 70-1/2 (the "RBD"), you must begin receiving RMDs by December 31 of the year following the year of the participant's death (or, if you are the spouse of the participant and were the participant's sole designated Beneficiary, by December 31 of the year the participant would have attained age 70-1/2, if later). The plan document may permit you to elect to satisfy the minimum distribution rules under an alternative method, where the Account is completely distributed to you by December 31 of the 5th calendar year following the year of the participant's death. If the plan document permits you to make this alternative election, the election must be made in writing by you no later than December 31 of the year following the year of the participant's death (or December 31 of the year the participant would have attained age 70-1/2, if you are the spouse of the participant and were the participant's sole designated Beneficiary).

- If the participant died on or after the RBD, a minimum distribution must be made for the year of death and in each year thereafter.

If you are subject to the RMD rules, you must calculate the required minimum distribution amount that must be distributed from your plan (or, if applicable, from all 403(b) contracts that you own, although you can take the total RMD amount from one or more of the 403(b) contracts). To request an RMD amount please contact Burke Group for the RMD Distribution Request Form, if you do not use the RMD Distribution Request form to indicate an RMD amount to be distributed, you are certifying that you have satisfied the minimum distribution requirements. If you have elected to participate in our Automatic RMD program, we have established a distribution schedule to calculate your minimum distribution amount based on the information available and systematically distribute this amount to you each year. In general, distributions requested outside this automated process will not reduce the scheduled amount payable to you. In limited situations, the scheduled amount will be offset by distributions requested outside the automated process. This would occur at the time the schedule is initially created or subsequently modified to change its parameters.

Distribution Request Form
Instructions: General Purpose

BURKE GROUP

For assistance call: **877-535-4419** or visit www.burkegroup.com

Plan name: ____ Plam ID: ______________________

Note: This form may not be used for Hardship Withdrawals, Installment Payments, Annuity Payments, or Required Minimum Distributions (RMD). If you require one of these distributions, contact your plan administrator for the appropriate form.

Plan participant information (required):

Name (first)	(Middle initial)	(last)	Social Security number / Tax ID
Date of birth (mm/dd/yyyy)	Daytime Telephone number	E-mail	
Street address	City	State	Zip
Marital status:	Single [ ]	Married [ ]	

Note: If you've applied for a SSN or a TIN but haven't received it, enter the date on which you applied in the Social Security Number / Tax ID box above.

Distribution reason (required):

To receive a withdrawal from your retirement plan, you must meet one of the qualifying events below. Not all options listed may be available and plan provisions may limit or restrict some options. Refer to the Distribution Request Form Instructions for an explanation of these distribution reasons.

Choose one of the following:

- ☐ Termination of Employment or Retirement
- ☐ Beneficiary Payment
- ☐ Alternate Payee Payment
- ☐ Plan Termination
- ☐ In-Service
- ☐ Withdrawal of Rollover Contributions
- ☐ Disability– became permanently disabled while still an active employee
- ☐ Withdrawal of After-Tax Contributions
- ☐ Permissible Withdrawal
- ☐ Qualified Reservist

Note: If you are over 70 ½, will reach 70 ½ this year, or are subject to RMD rules (e.g. beneficiary or alternate payee), and have not satisfied your RMD, you must complete the Required Minimum Distribution Form to receive the RMD amount. If you want to have additional amounts distributed (above the RMD amount), complete and return this form. If you have questions regarding whether you are subject to the required minimum distribution rules, please contact your plan administrator or Burke Group. RMD amounts are not eligible to be rolled over. If you are subject to the RMD requirements, please ensure you've satisfied your RMD amount prior to initiating a rollover.

Form of Payment (required):

Non-Roth Funds (Choose one, if you have non-Roth funds in your account). If you would like to elect an annuity or installment form of payment, please contact us at **877-535-4419**. **Note: your plan must allow for the annuity or installment form of payment to receive those forms of distribution:**

Note: Cash distributions are generally subject to 20% mandatory Federal Income Tax withholding. If you live in a state that mandates state withholding, it will be withheld when federal income tax is withheld.

☐ **Cash Distribution.** Your distribution will be processed for the dollar amount indicated and mailed to the address of record.

Choose amount of withdrawal:

☐ Partial Distribution of $__________

☐ Maximum amount available

☐ **Direct Rollover to another eligible plan or traditional IRA.** Your direct rollover will be processed for the dollar amount indicated and mailed to the address of record.

Choose one: ☐ Eligible plan ☐ Traditional IRA

Choose amount of withdrawal:

☐ Partial Distribution of $__________

☐ Maximum amount available

Made payable to: ____

☐ **Roth Conversion Rollover to a Roth IRA.** Roth conversion is taxable to you in the year it was converted. A Form 1099-R will be generated for the taxable portion of the converted amount. The Roth conversion rollover will be processed for the dollar amount indicated and mailed to the address of record.

Choose amount of withdrawal:

☐ Partial Distribution of $__________

☐ Maximum amount available

Made payable to: ____

☐ **Combination of Cash and Direct Rollover.** Your distribution and rollover request will be processed for the dollar amount indicated and mailed to the address of record.

☐ $____________ in cash and remainder rolled over.

☐ $____________ to be rolled over and remainder in cash.

Direct Rollover Made payable to: ____

<u>**Roth Funds**</u> **(Choose one, if you have Roth funds in your account)** If you would like to elect an annuity or installment form of payment, please contact us at **877-535-4419**. Note: your plan must allow for the optional annuity, partial, or installment form of payment to receive this form of distribution:

Note: Cash distributions of investment gains are subject to 20% mandatory federal income tax withholding UNLESS you are over age 59 ½, deceased, or disabled AND the first Roth contribution you made was at least 5 years ago. If you live in a state that mandates state withholding, it will be withheld when federal income tax is withheld.

☐ **Cash Distribution.** Your distribution will be processed for the dollar amount indicated and mailed to the address of record.

Choose amount of withdrawal:

☐ Partial Distribution of $__________

☐ Maximum amount available

☐ **Direct Rollover to a designated Roth account in another eligible plan or a Roth IRA.** Your direct rollover will be processed for the dollar amount indicated and mailed to the address of record.

Choose one: ☐ Eligible plan ☐ Roth IRA

Choose amount of withdrawal:

☐ Partial Distribution of $__________

☐ Maximum amount available

Made payable to: ____

☐ **Combination of Cash and Direct Rollover.** Your distribution and rollover request will be processed for the dollar amount indicated and mailed to the address of record.

☐ $____________ in cash and remainder rolled over.

☐ $____________ to be rolled over and remainder in cash.

Direct Rollover Made payable to: ____

Loan information (required for a termination distribution):

This section to be completed if you are terminating employment and are taking a full distribution.

If you intend to pay the loan off in full, contact us at [1-877-535-4419] to obtain accurate loan payoff information prior to submitting this Distribution Request Form. If no option is chosen or we do not receive full payment of any outstanding loan amount, the outstanding loan balance will be treated as taxable. ***Note: we are not able to accept personal checks; we can accept checks from a financial institution, certified check, or money order.***

□ N/A - I do not have an outstanding loan.

□ I will NOT be paying off my loan. I understand the outstanding balance will be considered a distribution and that I will be responsible for applicable taxes and penalties.

Tax withholding election (required for cash distributions):

Summary of Federal Taxes: You will owe regular income tax on most cash distributions you receive from the Plan. Taxes will not apply to the part of a cash distribution that consists of after-tax contributions you made, but earnings on those contributions are taxable. Taxes also will not apply to the part of a cash distribution that consists of Roth contributions you made, but earnings on those contributions are taxable unless your distribution is a qualified distribution. You will also owe income tax on any taxable non-Roth funds you are rolling over to a Roth IRA. In addition to regular income tax, you may also owe a 10% early payment penalty if you are under age 59-1/2.

To help offset the taxes you will owe, 20% federal income taxes will be withheld from the taxable portion of most cash distributions. 10% federal income tax will be withheld from permissible withdrawal distributions, unless you elect not to have withholding apply. No income tax will be withheld from taxable non-Roth funds that are rolled over to a Roth IRA, unless you elect to have taxes withheld.

More information regarding the federal tax rules associated with your distribution can be found in the Special Tax Notice.

Summary of State Taxes: Depending upon your state of residence, your cash distribution or non-Roth rollover may be subject to state income tax as well as mandatory state income tax withholding. If withholding is mandatory, it will be withheld. You may elect not to have state taxes withheld if withholding is not mandatory, and you may be able to elect to have additional state taxes withheld, by marking the appropriate boxes below.

Note: If you do not have enough federal or state income tax withheld, you may incur under-withholding penalties.

Tax Withholding Election:

a. Federal Withholding: Withhold at a rate of ________% (must be at least 20% for payments subject to mandatory 20% income tax withholding).

b. State Withholding: Primary State of Residence _______ (if different from address listed under Account Holder Information). I understand that my request will be processed with standard state withholding, unless I check otherwise below.

☐ I elect to have NO State Income Tax withheld (if allowed by my Primary State of Residence). If state withholding is required, the mandatory amount will be withheld.

☐ I elect to have $_____________ in State Income Tax withheld (if allowed by my Primary State of Residence). If more state withholding is required, the mandatory amount will be withheld.

SPECIAL WITHHOLDING RULES FOR NON-RESIDENT ALIENS

Payments to non-resident aliens are subject to mandatory 30% federal income tax withholding. If you are directing your payment outside the U.S., we will assume that you are a non-resident alien unless you submit one of the following forms demonstrating that this withholding rule does not apply to you.

- **You are a U.S. person (including a resident alien)**. If we receive a valid IRS Form W-9 from you along with this Distribution Request form, we will withhold federal income tax based on the tax withholding rules and elections described above.

- **You are not a U.S. person**. If you're eligible for a reduced withholding rate based on a tax treaty your country has with the U.S., you may claim the reduced rate by completing IRS Form W-8BEN, including the section titled "Claim of Tax Treaty Benefits," and providing either your U.S. taxpayer identification number (TIN) or your foreign TIN. To submit your claim, submit a copy of the valid IRS Form W-8BEN along with this Distribution Request form. If your claim is valid, the reduced rate will be applied.

Delivery Method:

The default delivery method is a paper check sent via United States Postal Service to your address of record. To update your name or address of record, please call **877-535-4419** or visit **www.burkegroup.com** prior to submitting your distribution request. To request expedited delivery check the box below:

☐ I request expedited delivery of my cash distribution to the address of record. I understand that overnight delivery fees may apply. Cannot overnight to a PO Box.

Signature of plan participant or recipient (required):

By signing below, I hereby confirm the following:

I understand that if I am requesting a withdrawal from the Plan prior to my termination of employment, the withdrawal, if approved, will reduce the benefit payable to me upon my termination of employment.

I acknowledge receipt of a written "Special Tax Notice," informing me of some of the tax implications associated with the distribution options available to me. I understand that I am entitled to a reasonable period of not less than 30 days from the date the notice was provided to me in which to decide on the available distribution options, and that by signing below, I am waiving the balance of the 30-day period and requesting that a distribution be made to me as soon as administratively possible. Under penalty of perjury, I certify that I have read and understand the information on this form and the Special Tax Notice.

I certify that all information provided by me is true and accurate, and I agree to submit additional information if requested by Burke Group, my plan administrator or any Plan fiduciary. I understand that I may be required to waive the qualified joint and survivor annuity (QJSA) and, if I am married, obtain spousal consent, if required by my plan.

I agree that no tax advice has been given to me by either Burke Group, the plan administrator or any Plan fiduciary. All decisions regarding this distribution are my own. I expressly assume the responsibility for any adverse consequences which may result from this distribution, and I agree that Burke Group, the plan administrator and any Plan fiduciary shall in no way be responsible for those consequences.

I understand that fees may be deducted from my account in accordance with the Participant Disclosure Document available to view by logging into my account at www.burkegroup.com. I understand that if I have a Self-Directed Brokerage Account, funds will not be automatically liquidated from that account and that I may need to liquidate all or a portion of that account and transfer the proceeds to the core mutual funds before my distribution request can be processed.

X

Plan Participant/Recipient signature　　　Print name　　　Date

Signature of Plan Sponsor / Plan Administrator (required):

I hereby certify that this distribution request is in compliance with Plan provisions and current laws. I understand that it is my responsibility to ensure distributions comply with Plan provisions and current laws, and certify that all notices and consents required under the Plan and applicable laws (including QJSA) have been provided and/or received prior to authorization of this distribution request.

Participant's hire date (mm/dd/yyyy):	________________	
Participant's termination date (mm/dd/yyyy):	________________	
Hours worked:	________________	(if not provided we will use the hours in our system)
Vesting percentage:	________________	(required for Plan Administrator Signature only)
First payroll date:	________________	(required for Permissible Withdrawals)

X

Plan Sponsor / Plan Administrator signature　　　Print name　　　Date

BURKE GROUP

SPECIAL TAX NOTICE REGARDING PLAN PAYMENTS
(FOR PAYMENTS NOT FROM A DESIGNATED ROTH ACCOUNT)

You are receiving this notice because all or a portion of a payment you are receiving 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 your payment from the Plan includes amounts from a designated Roth account, please review the Special Tax Notice Regarding Plan Payments (For Payments From a Designated Roth Account) that immediately follows this notice.** The Plan administrator or the payor can tell you whether any portion of your payments are from a designated Roth account and if so, the amount that is being paid from that 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 (generally, distributions made before age 59½), 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).

What types of retirement accounts and plans may accept my rollover?

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

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.

<u>If you do a direct rollover</u>, the Plan will issue a check made payable to your IRA or an employer plan. Although the check is made payable to the IRA or employer plan, in most cases it will be mailed to you for delivery to the IRA or employer plan. You should contact the IRA sponsor or the administrator of the employer plan for information on how to do a direct rollover.

<u>If you do not do a direct rollover</u>, you may still do a rollover by making a deposit into an IRA or eligible employer plan that will accept it. Generally, 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 (if you were born before July 1, 1949), after age 72 (if you were born after June 30, 1949), 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;
- Payments of certain automatic enrollment contributions requested to be withdrawn within 90 days of the first contribution; and
- Amounts treated as distributed because of a prohibited allocation of S corporation stock under an ESOP (also, there will generally be adverse tax consequences if you roll over a distribution of S corporation stock to an IRA).

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

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

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

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

- Payments made after you separate from service if you will be at least age 55 in the year of the separation;
- Payments that start after you separate from service if paid at least annually in equal or close to equal amounts over your life or life expectancy (or the lives or joint life expectancy of you and your beneficiary);
- Payments from a governmental plan made after you separate from service if you are a qualified public safety employee and you will be at least age 50 in the year of the separation;
- Payments of up to $5,000 made to you from a defined contribution plan within one year after the birth of a child or within one year after the adoption of an eligible adoptee is finalized;
- 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;
- 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 (without regard to whether you itemize deductions for the taxable year);
- 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;
- Payments for certain distributions relating to certain federally declared disasters; and
- Phased retirement payments made to federal employees.

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 on the part of the distribution that you must include in income, 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:

- The exception for payments after separation from service if you will be at least age 55 in the year of the separation (or age 50 for qualified public safety employees) does not apply.

- 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 for health insurance premiums 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 included in the payment, so you cannot take a payment of only after-tax contributions. However, 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. In addition, special rules apply when you do a rollover, as described below.

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 at the same time the rest is paid to you, the portion directly rolled over consists first of the amount that would be taxable if not rolled over. For example, assume you are receiving a distribution of $12,000, of which $2,000 is after-tax contributions. In this case, if you directly roll over $10,000 to an IRA that is not a Roth IRA, no amount is taxable because the $2,000 amount not directly rolled over is treated as being after-tax contributions. If you do a direct rollover of the entire amount paid from the Plan to two or more destinations at the same time, you can choose which destination receives the after-tax contributions.

If you do a 60-day rollover to an IRA of only a portion of a payment made to you, the after-tax contributions are treated as rolled over last. For example, assume you are receiving a distribution of $12,000, of which $2,000 is after-tax contributions, and no part of the distribution is directly rolled over. In this case, if you roll over $10,000 to an IRA that is not a Roth IRA in a 60-day rollover, no amount is taxable because the $2,000 amount not rolled over is treated as being after-tax contributions.

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. Under certain circumstances, you may claim eligibility for a waiver of the 60-day rollover deadline by making a written self-certification. Otherwise, to apply for a waiver from the IRS, 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-A, *Contributions to 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 outstanding amount of the loan, typically when your employment ends. The offset amount is treated as a distribution to you at the time of the offset. Generally, you may roll over all or any portion of the offset amount. Any offset amount that is not rolled over will be taxed (including the 10% additional income tax on early distributions, unless an exception applies). You may roll over offset amounts to an IRA or employer plan (if the terms of the employer plan permit the plan to receive plan loan offset amount rollovers).

How long you have to complete the rollover depends on what kind of plan loan offset you have. If you have a qualified plan loan offset, you will have until your tax return due date (including extensions) for the tax year during which the offset occurs to complete your rollover. A qualified plan loan offset occurs when a plan loan in good standing is offset because your employer plan terminates, or because you sever from employment. If your plan loan offset occurs for any other reason, then you have 60 days from the date the offset occurs to complete your rollover.

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 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 include 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

If you roll over a payment from the Plan 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).

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-A*, Contributions to Individual Retirement Arrangements (IRAs)*, and IRS Publication 590-B, *Distributions from Individual Retirement Arrangements (IRAs)*.

If you do a rollover to a designated Roth account in the Plan

You cannot roll over a distribution to a designated Roth account in another employer’s plan. However, you can roll the distribution over into a designated Roth account in the distributing Plan. If you roll over a payment from the Plan to a designated Roth account in the 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).

If you roll over the payment to a designated Roth account in the Plan, 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 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 this 5-year rule, you count from 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 you made the first contribution 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 of earnings after the rollover, including the 10% additional income tax on early distributions (unless an exception applies).

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.
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> 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 were born before July 1, 1949) or age 72 (if you were born after June 30, 1949).
>
> 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 the participant was born before July 1, 1949) or age 72 (if the participant was born after June 30, 1949).
>
> **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 and the same tax treatment that the participant would have (for example, you may roll over the payment to your own IRA or an eligible employer plan that will accept it). Payments under the QDRO will not be subject to the 10% additional income tax on early distributions.

If you are a nonresident alien

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

Other special rules

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

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

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

You may have special rollover rights if you recently served in the U.S. Armed Forces. For more information, see IRS Publication 3, *Armed Forces' Tax Guide*. You may also have special rollover rights if you were affected by a federally declared disaster (or similar event), if you received a distribution on account of a disaster, or if you received a qualified birth or adoption distribution. For more information on special rollover rights related to disaster relief, see the IRS website at www.irs.gov.

FOR MORE INFORMATION

You may wish to consult with the Plan administrator or payor, or a professional tax advisor, before taking a payment from the Plan. Also, you can find more detailed information on the federal tax treatment of payments from employer plans in: IRS Publication 575, *Pension and Annuity Income*; IRS Publication 590-A, *Contributions to Individual Retirement Arrangements (IRAs)*; IRS Publication 590-B, *Distributions from 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 REGARDING PLAN PAYMENTS
(FOR PAYMENTS FROM A DESIGNATED ROTH ACCOUNT)

You are receiving this notice because all or a portion of a payment you are receiving 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 your payment from the Plan includes amounts that are not from a designated Roth account, please review the Special Tax Notice Regarding Plan Payments (For Payments Not From a Designated Roth Account) that immediately precedes this notice.** The Plan administrator or the payor can 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 (generally, distributions made before age 59½) 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.

What types of retirement accounts and plans may accept my rollover?

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, section 403(b) plan, or governmental section 457 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 issue a check made payable to your Roth IRA or designated Roth account in an employer plan. Although the check is made payable to the Roth IRA or employer plan, in most cases it will be mailed to you for delivery to the Roth IRA or 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 (generally 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 at the same time, the portion directly rolled over consists first of earnings.

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 (if you were born before July 1, 1949), after age 72 (if you were born after June 30, 1949), 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;
- Payments of certain automatic enrollment contributions requested to be withdrawn within 90 days of the first contribution; and
- Amounts treated as distributed because of a prohibited allocation of S corporation stock under an ESOP (also, there will generally be adverse tax consequences if S corporation stock is held by an IRA).

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

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

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

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

- Payments made after you separate from service if you will be at least age 55 in the year of the separation;
- Payments that start after you separate from service if paid at least annually in equal or close to equal amounts over your life or life expectancy (or the lives or joint life expectancy of you and your beneficiary);
- Payments from a governmental plan made after you separate from service if you are a qualified public safety employee and you will be at least age 50 in the year of separation;
- Payments of up to $5,000 made to you from a defined contribution plan within one year after the birth of a child or within one year after the adoption of an eligible adoptee is finalized;
- 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;
- 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 (without regard to whether you itemize deductions for the taxable year);
- 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; and
- Payments for certain distributions related to certain federally declared disasters.

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:

- The exception for payments made after you separate from service if you will be at least age 55 in the year of the separation (or age 50 for qualified public safety employees) does not apply.
- 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 for health insurance premiums 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. Under certain circumstances, you may claim eligibility for a waiver of the 60-day rollover deadline by making a written self-certification. Otherwise, to apply for a waiver from the IRS, you may 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-A, *Contributions to 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 outstanding amount of the loan, typically when your employment ends. The offset amount is treated as a distribution to you at the time of the offset. Generally, you may roll over all or any portion of the offset amount. If the distribution attributable to the offset is not a qualified distribution and you do not roll over the offset amount, you will be taxed on any earnings included in the distribution (including the 10% additional income tax on early distributions, unless an exception applies). You may roll over the earnings included in the loan offset to a Roth IRA or designated Roth account in an employer plan (if the terms of the employer plan permit the plan to receive plan loan offset rollovers). You may also roll over the full amount of the offset to a Roth IRA.

How long you have to complete the rollover depends on what kind of plan loan offset you have. If you have a qualified plan loan offset, you will have until your tax return due date (including extensions) for the tax year during which the offset occurs to complete your rollover. A qualified plan loan offset occurs when a plan loan in good standing is offset because your employer plan terminates, or because you sever from employment. If your plan loan offset occurs for any other reason, then you have 60 days from the date the offset occurs to complete your rollover.

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 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 receive a payment that is not a qualified distribution and you do not roll it over, you will not 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, 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 that is not a qualified distribution made before age 59½ will be subject to the 10% additional income tax on earnings allocated to the payment (unless an exception applies). Other differences include 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 receive a nonqualified distribution, are an eligible retired public safety officer, and your 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 the participant was born before July 1, 1949) or age 72 (if the participant was born after June 30, 1949).

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

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

If you are a nonresident alien

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

Other special rules

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

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

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

You may have special rollover rights if you recently served in the U.S. Armed Forces. For more information on special rollover rights related to the U.S. Armed Forces, see IRS Publication 3, *Armed Forces' Tax Guide*. You may also have special rollover rights if you were affected by a federally declared disaster (or similar event), if you received a distribution on account of a disaster, or if you received a qualified birth or adoption distribution. For more information on special rollover rights related to disaster relief, see the IRS website at www.irs.gov.

FOR MORE INFORMATION

You may wish to consult with the Plan administrator or payor, or a professional tax advisor, before taking a payment from the Plan. Also, you can find more detailed information on the federal tax treatment of payments from employer plans in: IRS Publication 575, *Pension and Annuity Income*; IRS Publication 590-A, *Contributions to Individual Retirement Arrangements (IRAs)*; IRS Publication 590-B, *Distributions from 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.