

Separation from Employment Withdrawal Request 401(k) Plan

Sygnetics, Inc. Retirement Plan

938410-01

When would I use this form?

When I am requesting a withdrawal and I am no longer employed by the employer/company sponsoring this Plan.

Additional Information

- For purposes of this form, the terminology 'Separation' is the same as 'Severance', 'Employment' is the same as 'Service' and 'Withdrawal' is the same as 'Distribution'.
- By logging into my account on the website at www.empower-retirement.com/participant, I may confirm the address that is on file and track the status of this withdrawal request.
- For questions regarding this form, refer to the attached Participant Withdrawal Guide ("Guide"), visit the website at www.empower-retirement.com/participant or contact Service Provider at 1-800-338-4015.
- Return Instructions for this form are in Section H.
- Use black or blue ink when completing this form.

A What is my personal information?

(Continue to the next section after completing.)

Account extension, if applicable, identifies funds transferred to a beneficiary due to participant's death, alternate payee due to divorce or a participant with multiple accounts.

Account Extension _____

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Social Security Number or Taxpayer Identification Number
(Must provide all 9 digits)

Last Name _____ First Name _____ M.I. _____ Date of Birth (mm/dd/yyyy) _____

Email Address - By providing an email address above, I am consenting to receive emails related to this request.

Select One:

U.S. Citizen U.S. Resident Alien

Non-Resident Alien or Other _____
Country of Residence (Required)

Married Unmarried

() _____

Daytime Phone Number

() _____

Alternate Phone Number

B What is my reason for this withdrawal?

(Continue to the next section after completing.)

Must select only one reason.

Separation from Employment or Retirement Date (Required): ____/____/____
(mm/dd/yyyy)

- I have Separated from Employment
- I have Retired

- Required Minimum Distribution (Age 70½ or older)
- After-Tax Contributions and Earnings

C What type of withdrawal and how much am I requesting?

(Continue to the next section after completing.)

100% withdrawal will be the Maximum Amount Available

Partial withdrawals are not available if I have left employment with the employer/company sponsoring this Plan, unless I have an existing periodic installment payment.

Payable to Me as a One-time Withdrawal

Amount Non-Roth _____ % or \$ _____ Contribution Source: _____

Amount Roth _____ % or \$ _____ Contribution Source: _____

If I am electing this option for my Required Minimum Distribution, I must enter a dollar amount. Percentages are unavailable.

- Net Amount *(The amount I will receive after applicable income taxes and fees are withheld.)*
- Gross Amount *(The amount I will receive will be less than the amount requested after applicable income taxes and fees are withheld.)*

100% Withdrawal With A Portion Payable to Me and the Remaining Balance as a Direct Rollover

Non-Roth

Payable to Me Amount _____ % or \$ _____ *(If the Payable to Me Amount is to fulfill my Required Minimum Distribution, I must enter a dollar amount. Percentages are unavailable.)*

- Net Amount *(The amount I will receive after applicable income taxes and fees are withheld.)*
- Gross Amount *(The amount I will receive will be less than the amount requested after applicable income taxes and fees are withheld.)*

Direct Rollover Amount _____ % or \$ _____

- Empower Retirement IRA *(To avoid any processing delays, contact the Retirement Solutions Center at 1-877-804-6257 to open an account by phone OR complete an Empower Retirement IRA Application at www.empower-retirement.com/ira; \$500.00 minimum vested balance required.)*
- Traditional IRA Roth IRA *(Taxable event - Subject to ordinary income taxes and withholding)*
- Empower Brokerage IRA *(Enter the Empower Brokerage IRA account number. To open a brokerage IRA account, contact the Brokerage Retirement Specialists at 1-844-644-0112; \$500.00 minimum vested balance required.)*

Last Name _____

First Name _____

M.I. _____

Social Security Number _____

Number _____

C What type of withdrawal and how much am I requesting?

100% withdrawal will be the Maximum Amount Available

(Continue to the next section after completing.)

Traditional IRA Account Number (Required) _____

Roth IRA Account Number (Required) _____
(Taxable event - Subject to ordinary income taxes and withholding)

At Another Retirement Provider

Eligible Retirement Plan: 401(a) 401(k) 403(b) Governmental 457(b)

Traditional IRA Roth IRA (Taxable event - Subject to ordinary income taxes)

My after-tax contributions will be included in my rollover, unless I mark this box: No, pay my after-tax contributions to me.

Roth

Payable to Me Amount _____ % or \$ _____

Direct Rollover Amount _____ % or \$ _____

Empower Retirement Roth IRA *(To avoid any processing delays, contact the Retirement Solutions Center at 1-877-804-6257 to open an account by phone OR complete an Empower Retirement IRA Application at www.empower-retirement.com/ira; \$500.00 minimum vested balance required.)*

Empower Brokerage Roth IRA *(Enter the Empower Brokerage IRA account number. To open a brokerage IRA account, contact the Brokerage Retirement Specialists at 1-844-644-0112; \$500.00 minimum vested balance required.)*

Account Number (Required) _____

At Another Retirement Provider

Eligible Retirement Plan (Must have a designated Roth Account): 401(k) 403(b) Governmental 457(b)

Roth IRA

Rollover to an Empower Retirement IRA as a One-time Withdrawal *(To avoid any processing delays, contact the Retirement Solutions Center at 1-877-804-6257 to open an account by phone OR complete an Empower Retirement IRA Application at www.empower-retirement.com/ira; \$500.00 minimum vested balance required.)*

Non-Roth

Traditional IRA Amount _____ % or \$ _____

Roth IRA Amount _____ % or \$ _____ *(Taxable event - Subject to ordinary income taxes)*

My after-tax contributions will be included in my rollover, unless I mark this box: No, pay my after-tax contributions to me.

Roth

Roth IRA Amount _____ % or \$ _____

Required Minimum Distribution

If I am requesting a 100% Withdrawal as a Direct Rollover and I am age 70½ or older by the end of this year, I am no longer working for the employer/company sponsoring this Plan, and if I have not yet satisfied my required minimum distribution for this year, my required amount must be distributed prior to processing this rollover request.

Required Minimum Distribution Amount \$ _____

Unless I make a selection below, the Required Minimum Distribution will be prorated from all contribution sources.

Withdraw from *(Select One)*:

Non-Roth contribution sources only

Roth contribution sources only

Complete Required Minimum Distribution portion of the 'How will my income taxes be withheld?' section.

Rollover to an Empower Brokerage IRA as a One-time Withdrawal *(Enter the Empower Brokerage IRA account number. To open a brokerage IRA account, contact the Brokerage Retirement Specialists at 1-844-644-0112; \$500.00 minimum vested balance required.)*

Non-Roth

Traditional IRA Amount _____ % or \$ _____ Account Number (Required) _____

Roth IRA Amount _____ % or \$ _____ Account Number (Required) _____
(Taxable event - Subject to ordinary income taxes)

My after-tax contributions will be included in my rollover, unless I mark this box: No, pay my after-tax contributions to me.

Roth

Roth IRA Amount _____ % or \$ _____ Account Number (Required) _____

Required Minimum Distribution

If I am requesting a 100% Withdrawal as a Direct Rollover and I am age 70½ or older by the end of this year, I am no longer working for the employer/company sponsoring this Plan, and if I have not yet satisfied my required minimum distribution for this year, my required amount must be distributed prior to processing this rollover request.

Required Minimum Distribution Amount \$ _____

Unless I make a selection below, the Required Minimum Distribution will be prorated from all contribution sources.

Withdraw from *(Select One)*:

Non-Roth contribution sources only

Roth contribution sources only

Complete Required Minimum Distribution portion of the 'How will my income taxes be withheld?' section.

Last Name _____

First Name _____

M.I. _____

Social Security Number _____

C What type of withdrawal and how much am I requesting? (Continue to the next section after completing.)
100% withdrawal will be the Maximum Amount Available

Rollover to an IRA at Another Retirement Provider or an Eligible Retirement Plan as a One-time Withdrawal

Non-Roth

Eligible Retirement Plan: 401(a) 401(k) 403(b) Governmental 457(b)

Amount _____ % or \$ _____

Traditional IRA Amount _____ % or \$ _____

Roth IRA Amount _____ % or \$ _____ (Taxable event - Subject to ordinary income taxes)

My after-tax contributions will be included in my rollover, unless I mark this No, pay my after-tax contributions to me.
 box:

Roth

Eligible Retirement Plan (Must have a designated Roth Account): 401(k) 403(b) Governmental 457(b)

Amount _____ % or \$ _____

Roth IRA Amount _____ % or \$ _____

Required Minimum Distribution

If I am requesting a 100% Withdrawal as a Direct Rollover and I am age 70½ or older by the end of this year, I am no longer working for the employer/company sponsoring this Plan, and if I have not yet satisfied my required minimum distribution for this year, my required amount must be distributed prior to processing this rollover request.

Required Minimum Distribution Amount \$ _____

Unless I make a selection below, the Required Minimum Distribution will be prorated from all contribution sources.

Withdraw from (Select One):

Non-Roth contribution sources only

Roth contribution sources only

Complete Required Minimum Distribution portion of the 'How will my income taxes be withheld?' section.

D If I am requesting a Rollover, To whom do I want my withdrawal payable and where should it be sent? (Continue to the next section after completing.)
Do not complete if requesting Payable to Me, Rollover to Empower Retirement IRA or Empower Brokerage IRA.

Non-Roth

- If I have after-tax assets and would like to direct my after-tax contributions to a Rollover payee other than the one listed below, I must attach a letter of instruction listing the same information that is required in this section and must include the type of payee, my name, social security number, signature and date.

Name of Trustee/Custodian/Provider (To whom the check is made payable)

Mailing Address

()

City/State/Zip Code

Phone Number

Account Number

Retirement Plan Name (if applicable)

Roth

- If I would like to direct Roth earnings to a Rollover payee other than the one listed below, I must attach a letter of instruction listing the same information that is required in this section and must include the type of payee, my name, social security number, signature and date.

Name of Trustee/Custodian/Provider (To whom the check is made payable)

Mailing Address

()

City/State/Zip Code

Phone Number

Account Number

Retirement Plan Name (if applicable)

E How do I want my withdrawal delivered? (Continue to the next section after completing.)
Select One - Delivery of payment is based on completion of the withdrawal process, which includes receipt of a complete request in good order and additional/required information from my employer.

- If no option is selected, all transactions will be sent by United States Postal Service ("USPS") regular mail.
- If I would like to make a change to what I previously selected, I must cross-out and initial the change(s). If I do not initial all changes, all transactions will be sent by USPS regular mail.

Check by USPS Regular Mail

- Estimated delivery time is 7-10 business days
- No additional charge

Check by Express Delivery

- Estimated delivery time is 1-2 business days
- A non-refundable charge of up to \$25.00 will be deducted, in addition to any withdrawal fees, for each transaction.
 - For example, if I elected to make a full withdrawal with a portion payable to me and the remainder rolled over to an eligible plan, and I have Non-Roth, Roth and after-tax money sources, there will be 5 different transactions and I may be charged up to a total of \$125.00 for the Express delivery fees.
- Available for delivery, Monday - Friday, with no signature required upon delivery
- If address is a P.O. Box, check will be sent by USPS Express and estimated delivery time is 2-3 business days.

Last Name

First Name

M.I.

Social Security Number

E How do I want my withdrawal delivered?

(Continue to the next section after completing.)

Select One - Delivery of payment is based on completion of the withdrawal process, which includes receipt of a complete request in good order and additional/required information from my employer.

Direct Deposit via Automated Clearing House ("ACH")

- Estimated delivery time is 2-3 business days
- A non-refundable charge of up to \$15.00 will be deducted, in addition to any withdrawal fees, for each transaction.
 - For example, if I elected to make a full withdrawal payable to me, and I have both Non-Roth and Roth money sources, there will be 2 different transactions and I may be charged up to a total of \$30.00 for the ACH delivery fees.
- Not available for Direct Rollovers
- **The name on my checking/savings account MUST match the name on file with Service Provider.**
- **Failure to provide mandatory supporting documentation will result in a significant delay in my request.**

Checking Account - **MUST include a copy of a preprinted voided check** for the receiving account. I may also attach a letter on financial institution letterhead, signed by a representative from the receiving institution, which includes my name, checking account number and ABA routing number.

Savings Account - **MUST include a letter on financial institution letterhead, signed by a representative** from the receiving institution, which includes my name, savings account number and ABA routing number.

An ACH request **cannot** be sent to a prepaid debit card, business account or other retirement Plan. If the ACH information outlined above is missing, incomplete or inaccurate, this request may be rejected and my withdrawal may be delayed. By requesting my withdrawal via ACH deposit, I certify, represent and warrant that the account requested for an ACH deposit is established at a financial institution or a branch of a financial institution located within the United States and there are no standing orders to forward any portion of my ACH deposit to an account that exists at a financial institution or a branch of a financial institution in another country. I understand that it is my obligation to request a stop to this ACH deposit request if an order to transfer any portion of payments to a financial institution or a branch of a financial institution outside the United States will be implemented in the future. Service Provider reserves the right to reject the ACH request and deliver any payment via check in lieu of direct deposit.

Wire Transfer

- Estimated delivery time is 1-2 business days
- A non-refundable charge of up to \$40.00 will be deducted, in addition to any withdrawal fees, for each transaction.
 - For example, if I elected to make a full withdrawal with a portion payable to me and the remainder rolled over to an eligible plan, and I have Non-Roth, Roth and after-tax money sources, there will be 5 different transactions and I may be charged up to a total of \$200.00 for the Wire transfer delivery fees.
- **MUST include a letter on financial institution letterhead, signed by a representative from the receiving institution, which provides the wire transfer instructions.** The letter must include the following wire transfer information: Bank Name, complete Bank Mailing Address, including City, State and Zip Code, Account Name, Account Number, ABA Routing Number and 'For Further Credit to' Name and Account Number.
- Additional fees may apply at the receiving financial institution.
- **Service Provider is not responsible for inaccurate wire transfer instructions.**

F How will my income taxes be withheld?

(Continue to the next section after completing.)

Not applicable if requesting a Rollover, unless I need to satisfy my required minimum distribution.

I should refer to the Department of Revenue for my state of residence.

If applicable, I must attach IRS Form W-4P and/or my State Income Tax withholding form to make tax elections when required. In the event these forms are required for my withdrawal and not submitted, Service Provider will withhold in accordance with applicable Federal and State regulations.

Federal Income Tax

- Federal Income Tax will be withheld based on the reason and type of withdrawal I have selected.

I would like **additional** Federal Income Tax withholding (Optional):

_____ % or \$ _____

(This is in addition to any mandatory Federal Income Tax withheld based on the reason and type of withdrawal I have selected.)

Required Minimum Distribution Only (Age 70½ or Older)

- 10% of my taxable distribution will be withheld for Federal Income Tax, unless I check the box below:

Do not withhold 10% Federal Income Tax from my Required Minimum Distribution.

I would like **additional** Federal Income Tax withholding (Optional):

_____ % or \$ _____

(This is in addition to any 10% Federal Income Tax withholding)

State Income Tax

- State Income Tax withholding is mandatory in some states and will be withheld regardless of any election below. I would like **additional** State Income Tax withholding:

_____ % or \$ _____

(This is in addition to any mandatory State Income Tax withheld based on the reason and type of withdrawal.)

- Certain states allow an election for no State Income Tax withholding depending on the reason and type of withdrawal I have selected. For these states only, State Income Tax will be withheld unless I elect otherwise below.

If the checkbox is not marked below, I choose to have State Income Tax withheld from my withdrawal. I would also like to have **additional** State Income Tax withholding:

_____ % or \$ _____

(This is in addition to any elective State Income Tax withheld based on the reason and type of withdrawal.)

- Do not withhold State Income Tax (if election is permitted and I have attached the proper election form if required by my state).

Last Name

First Name

M.I.

Social Security Number

F How will my income taxes be withheld? *(Continue to the next section after completing.)*
Not applicable if requesting a Rollover, unless I need to satisfy my required minimum distribution.

	<ul style="list-style-type: none"> • Certain states do not require mandatory State Income Tax withholding but allow to elect State Income Tax withholding depending on the reason and type of withdrawal I have selected. <input type="checkbox"/> I would like State Income Tax withheld - Optional State Income Tax withholding: <div style="text-align: center; margin-left: 100px;"> _____ % or \$ _____ <i>(If this optional income tax election is permitted. I also have attached the proper income tax election form if required by my state to elect this optional withholding).</i> </div>
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G Signatures and Consent *(Signatures must be on the lines provided.)* *(After receiving ALL required signatures, continue to the next section.)*

My Consent *(Please sign on the 'My Signature' line below.)*

I acknowledge that I have read, understand and agree to all pages of this Separation from Employment Withdrawal Request, the Participant Withdrawal Guide and the 402(f) Notice of Special Tax Rules on Distributions and affirm that all information that I have provided is true and correct. I understand the following:

- Any election on this Withdrawal Form is effective for 180 days.
- It is my responsibility to ensure that this election conforms with all applicable provisions of the Internal Revenue Code (the "Code") and that the Plan into which I am rolling money over will accept the dollars, if applicable.
- I am liable for any income tax and/or penalties assessed by the IRS and/or state tax authorities for any election I have chosen.
- Once a payment has been processed, it cannot be changed or reversed.
- In the event that any section of this form is incomplete or inaccurate, Service Provider may not process the transaction requested on this form and may require a new form or that I provide additional or proper information before the transaction can be processed.
- Funds may impose redemption fees on certain transfers, redemptions or exchanges if assets are held less than the period stated in the fund's prospectus or other disclosure documents. I will refer to the fund's prospectus and/or disclosure documents for more information.
- Under penalty of perjury, I certify that the Social Security Number (or Taxpayer Identification Number) shown in Section A is correct. I am a U.S. person if I marked U.S. citizen or U.S. resident alien box in Section A.
- The Service Provider is required to comply with the regulations and requirements of the Office of Foreign Assets Control, Department of the Treasury ("OFAC"). As a result, Service Provider cannot conduct business with persons in a blocked country or any person designated by OFAC as a specially designated national or blocked person. For more information, please access the OFAC website at: <http://www.treasury.gov/about/organizational-structure/offices/Pages/Office-of-Foreign-Assets-Control.aspx>.
- For at least 30 days after my receipt of the 402(f) Notice of Special Tax Rules on Distributions, I have the right to consider whether to consent to a withdrawal of the vested account balance or elect a direct rollover of any vested portion of the eligible rollover withdrawal. By signing this form less than 30 days after I received the 402(f) Notice of Special Tax Rules on Distributions, I affirmatively waive any unexpired portion of the 30 day period and affirmatively elect a withdrawal from the account pursuant to this Separation from Employment Withdrawal form.
- **I understand that a \$50.00 withdrawal fee will be deducted from my withdrawal amount.**
- **My withdrawal may be subject to additional fees and/or loss of interest based upon my investment options, my length of time in the Plan and other possible considerations. If I have not been advised of the fees and risks associated with my withdrawal, I may contact Service Provider for a withdrawal quote at 1-800-338-4015.**

Last Name

First Name

M.I.

Social Security Number

G Signatures and Consent *(Signatures must be on the lines provided.)* *(After receiving ALL required signatures, continue to the next section.)*

My Consent *(Please sign on the 'My Signature' line below.)*

Any person who presents a false or fraudulent claim is subject to criminal and civil penalties.

Before signing this form: I *must* sign this form in the presence of a Notary Public or my authorized Plan Administrator if my withdrawal request will include a change of address or check delivery to an alternate mailing address. The date that I sign this form must match the date of the Notary Public or Plan Administrator signature.

My Signature _____ **Date (Required)** _____

My Change of Address/Alternate Address Notarization

May also be witnessed by my authorized Plan Administrator in the below section.

Permanent Address Change - I would like the address on my account to be updated with this address. If I am requesting a check, I understand that it will be mailed to this address.

Mailing Address

City/State/Zip Code

Alternate Mailing Address - I would like my withdrawal check to be sent to the following alternate mailing address. I understand that this address will be used for this withdrawal only.

Alternate Mailing Address

City/State/Zip Code

For Residents of all states (except California), please have your notary complete the section below.

Notice to California Notaries using the California Affidavit and Jurat Form the following items must be completed by the notary on the state notary form: the title of the form, the plan name, the plan number, the document date, and the participant's name. The notary forms not containing this information will be rejected and it will delay this request.

The date I sign this form must match the date on which my signature in 'My Consent' section was notarized or witnessed.

Statement of Notary

NOTE: Notary seal must be visible.

This request was subscribed and sworn *(or affirmed)* to before me

State of _____) on this _____ day of _____, year _____, by

SEAL

)ss. **(name of participant)** _____

County of _____) proved to me on the basis of satisfactory evidence to be the person who appeared before me.

Notary Public _____ My commission expires ____ / ____ / ____

My Authorized Plan Administrator Signature *(Please sign on the 'Authorized Plan Administrator Signature' line below.)*

This request is in compliance with the terms of the Plan and a written explanation of the tax rules and any Internal Revenue Service, Department of Labor or other notice requirements applicable to this request have been provided to the participant as required by law. The appropriate consent and waivers have been obtained by the Plan Administrator and Service Provider is authorized to rely on the information provided on this request. I approve this withdrawal as it is presented on this form.

I certify that the Participant's accurate vesting percentage for each money source is listed below. *(Please be advised that balances may not exist in all money sources.)*

ERM 1 - EMPLOYER MATCH _____ %
ERO 1 - OTHER EMPLOYER CONTRIBUTIONS _____ %

If the participant request includes either a permanent address change or an alternate mailing address and the participant's signature is not notarized, I certify that this request was signed by the participant in my presence. The date that I sign this form must match the date the participant has signed.

I represent that I am an authorized signer on behalf of the above-named Plan and have an authority to instruct Service Provider to process this form.

Authorized Plan Administrator Signature _____ **Date (Required)** _____

Last Name

First Name

M.I.

Social Security Number

Number

H Where should I send this form?

After all signatures have been obtained, this form can be sent by

Fax to:Empower Retirement
1-866-633-5212**OR****Regular Mail to:**Empower Retirement
PO Box 173764
Denver, CO 80217-3764**OR****Express Mail to:**Empower Retirement
8515 E. Orchard Road
Greenwood Village, CO 80111**Core securities, when offered, are offered through GWFS Equities, Inc. and/or other broker dealers.**

GWFS Equities, Inc., Member FINRA/SIPC, is a wholly owned subsidiary of Great-West Life & Annuity Insurance Company.

Empower Retirement refers to the products and services offered in the retirement markets by Great-West Life & Annuity Insurance Company (GWL&A), Corporate Headquarters: Greenwood Village, CO; Great-West Life & Annuity Insurance Company of New York, Home Office: White Plains, NY; and their subsidiaries and affiliates. All trademarks, logos, service marks, and design elements used are owned by their respective owners and are used by permission.

Participant Withdrawal Guide - 401(k) Plan

The Separation from Employment Withdrawal Request

Before completing the form, please note the following information:

- I must be eligible to receive a withdrawal from my employer's Plan.
- All pages of the Separation from Employment Withdrawal Request form ("Withdrawal Form") must be returned excluding the Participant Withdrawal Guide and the 402(f) Notice of Special Tax Rules on Distributions.
- Neither this Guide nor this Withdrawal Form are intended to provide tax or legal advice. In the preparation of this Withdrawal Form, and where I deem appropriate, I will seek a consultation with my accountant and/or tax advisor.
- Empower Retirement ("Service Provider") cannot release the funds until my employer approves the withdrawal from the Plan.
- **I must complete a separate Withdrawal Form for each account or plan number.**
- **If I am a Beneficiary, I need to complete and submit a Death Benefit Claim Request form rather than this Withdrawal Form.**
- **If I am an Alternate Payee, I need to complete and submit an Alternate Payee QDRO Distribution Request rather than this Withdrawal Form.**

Changes to My Request

- Any changes to this Withdrawal Form must be crossed-out and initialed. If I do not initial all changes, this Withdrawal Form may be returned to me for verification.

Incomplete or Inaccurate Information

- In the event that any section of this Withdrawal Form is incomplete or inaccurate, Service Provider may not be able to process the transaction requested on this Withdrawal Form. I may be required to complete a new form or provide additional or proper information before the transaction will be processed.

Section A: What is my personal information?

- All information in this section must be completed.
- Personal information will be kept confidential.

Section B: What is my reason for this withdrawal?

- I must designate only one withdrawal reason in order for my request to be processed. If more than one withdrawal reason is elected, this Withdrawal Form may be returned to me for further clarification.
- Once Service Provider has processed a withdrawal, it cannot be returned.
- The following is a brief explanation of each of the withdrawal reasons and associated requirements listed on this Withdrawal Form.

I have Separated from Employment/Retired

- I would check this box to request a withdrawal from my account due to my separation from employment/retirement from the employer/company sponsoring this Plan.
- I must indicate the date of separation from employment/retirement on the line provided.

After-Tax Contributions and Earnings

- I would check this box to request a withdrawal of my after-tax account balance, including contributions and earnings.

Required Minimum Distribution (Age 70½)

- I must be separated from employment to be able to select this option and I must enter the date that I separated from employment on the line provided.
- I would check this box if I am age 70½ or older and I want to take a one-time withdrawal of my required minimum amount. I will be responsible for calculating my required minimum amount every year and completing this Withdrawal Form to request payment.
- If I would prefer to have my required minimum amount automatically calculated and sent to me each year, I must request an Automated Minimum Distribution Request form. Once the Automated Minimum Distribution Request form is completed and received by Service Provider, I will receive my required amount without additional paperwork.

Section C: What type of withdrawal and how much am I requesting?

- I must designate a type of withdrawal in order for my request to be processed.
- Once Service Provider has processed a withdrawal, it cannot be returned.
- Certain fees, charges (including contingent deferred sales charge) and/or limitations may apply.
- Unless the plan has directed otherwise, the withdrawal will be prorated against all available investment options under Non-Roth and/or Roth as elected on the form, and all available contribution sources.
- The following is a brief explanation of each type of withdrawal listed on this Withdrawal Form.

Payable to Me as a One-time Withdrawal

- I would check this box to have my withdrawal made payable to me and enter the requested amount.
- Partial withdrawals are not available if I have left employment with the employer/company sponsoring this Plan, unless I have an existing periodic installment payment.
- If I select the Net Amount box, the actual withdrawal amount will be greater than the withdrawal amount received to account for applicable income taxes and fees.
- If I select the Gross Amount box, applicable income taxes and fees will be withheld from the gross amount, resulting in an amount less than the requested amount. If both or neither check box is marked, the request will be processed as a Gross Amount.
- If I am electing a partial withdrawal, I must indicate the percent or amount in the lines provided.
- If I am electing this option for my Required Minimum Distribution, I must enter a dollar amount. Percentages are unavailable.
- If I am taking a withdrawal from a specific contribution source, I would enter it on the line provided. If I do not enter a contribution source, my withdrawal will be prorated against all of my available investment options under Non-Roth and/or Roth as elected on the form, and all available contribution sources.

100% Withdrawal With A Portion Payable to Me and the Remaining Balance as a Direct Rollover

- I would enter the requested amount of Non-Roth and Roth assets to be paid to me and the remaining balance will be withdrawn as a direct rollover.
- If I select the Net Amount box, the actual withdrawal amount will be greater than the withdrawal amount received to account for applicable income taxes and fees.
- If I select the Gross Amount box, applicable income taxes and fees will be withheld from the gross amount, resulting in an amount less than the requested amount. If both or neither check box is marked, the request will be processed as a Gross Amount.

- I must indicate an Empower Retirement IRA or Empower Brokerage IRA, an IRA at another provider or specify an eligible Plan to accept the remaining assets that are rolled over.
- An eligible rollover withdrawal of my Non-Roth assets may be paid directly to Roth IRA. Mandatory Federal and State Income Tax withholding does not apply to this type of rollover. However, this withdrawal is subject to Federal and State Income Tax withholding and I am responsible for making tax payments. The taxable withdrawal will be reported on IRS Form 1099-R. Making an estimated tax payment to the IRS and an appropriate state authority at the time of this rollover may be one of the options to cover this tax liability. Where I deem appropriate, I will seek a consultation with my tax advisor.
- I may request my designated Roth assets to be rolled over into an Empower Retirement Roth IRA, Empower Brokerage Roth IRA or an eligible retirement Plan with a designated Roth account or into a Roth IRA at another retirement provider. It is my responsibility to make sure that the new employer's Plan provides for a designated Roth account and can accept Roth rollovers.
- If I elect to rollover into an Empower Brokerage IRA, I must enter the account number(s) on the line(s) provided.
- The rollover may not be completed if the acceptance letter and the form provide conflicting information. I may be contacted to provide additional information.
- Required Minimum Distributions are not eligible for rollover.
- After-tax contributions in a 401(a) or 401(k) Plan may be rolled into another 401(a), 401(k) or 403(b) Plan which agreed to separately account for amounts transferred, or Traditional IRA or Roth IRA. After-tax contributions in a 401(a) or 401(k) Plan, however, may not be rolled over to a Governmental 457(b) Plan. If I have after-tax contributions in my account and I elect a direct rollover to a Governmental 457(b) Plan, the cost basis of the after-tax contributions will be distributed to me and the investment earnings on the after-tax contributions will be included in the rollover amount.

Rollover to an Empower Retirement IRA as a One-time Withdrawal

- I would check this box to have my withdrawal sent to an Empower Retirement IRA and elect whether the withdrawal will be going into a Traditional IRA or a Roth IRA.
- Partial withdrawals are not available if I have left employment with the employer/company sponsoring this Plan, unless I have an existing periodic installment payment.
- I must indicate the amount or percent of a partial withdrawal in the lines provided.
- The withdrawal will be prorated against all of my available investment options under Non-Roth and/or Roth as elected on the form, and all available contribution sources.
- An eligible rollover withdrawal of my Non-Roth assets may be paid directly to an Empower Retirement Roth IRA. Mandatory Federal and State Income Tax withholding does not apply to this type of rollover. However, this withdrawal is subject to Federal and State Income Tax withholding and I am responsible for making tax payments. The taxable withdrawal will be reported on IRS Form 1099-R. Making an estimated tax payment to the IRS and an appropriate state authority at the time of this rollover may be one of the options to cover this tax liability. Where I deem appropriate, I will seek a consultation with my tax advisor.
- I may request my designated Roth assets to be rolled over into an Empower Retirement Roth IRA.
- The rollover may not be completed if the acceptance letter and the form provide conflicting information. I may be contacted to provide additional information.
- I must complete the Required Minimum Distribution information if I am age 70½ or older and I am requesting a 100% withdrawal as a direct rollover unless I have already satisfied my required minimum distribution for the year.
- Required Minimum Distributions are not eligible for rollover.
- After-tax contributions in a 401(a) or 401(k) Plan may be rolled into another 401(a), 401(k) or 403(b) Plan which agreed to separately account for amounts transferred, or Traditional IRA or Roth IRA. After-tax contributions in a 401(a) or 401(k) Plan, however, may not be rolled over to a Governmental 457(b) Plan. If I have after-tax contributions in my account and I elect a direct rollover to a Governmental 457(b) Plan, the cost basis of the after-tax contributions will be distributed to me and the investment earnings on the after-tax contributions will be included in the rollover amount.

Rollover to an Empower Brokerage IRA as a One-time Withdrawal

- I would check this box to have my withdrawal sent to an Empower Brokerage IRA and elect whether the withdrawal will be going into a Traditional Brokerage IRA or a Roth Brokerage IRA.
- Partial withdrawals are not available if I have left employment with the employer/company sponsoring this Plan, unless I have an existing periodic installment payment.
- I must indicate the amount or percent of a partial withdrawal in the lines provided.
- I must enter the account number for my Empower Brokerage IRA account(s) on the line(s) provided.
- The withdrawal will be prorated against all of my available investment options under Non-Roth and/or Roth as elected on the form, and all available contribution sources.
- An eligible rollover withdrawal of my Non-Roth assets may be paid directly to an Empower Brokerage Roth IRA. Mandatory Federal and State Income Tax withholding does not apply to this type of rollover. However, this withdrawal is subject to Federal and State Income Tax withholding and I am responsible for making tax payments. The taxable withdrawal will be reported on IRS Form 1099-R. Making an estimated tax payment to the IRS and an appropriate state authority at the time of this rollover may be one of the options to cover this tax liability. Where I deem appropriate, I will seek a consultation with my tax advisor.
- I may request my designated Roth assets to be rolled over into an Empower Brokerage Roth IRA.
- The rollover may not be completed if the acceptance letter and the form provide conflicting information. I may be contacted to provide additional information.
- I must complete the Required Minimum Distribution information if I am age 70½ or older and I am requesting a 100% withdrawal as a direct rollover unless I have already satisfied my required minimum distribution for the year.
- Required Minimum Distributions are not eligible for rollover.
- After-tax contributions in a 401(a) or 401(k) Plan may be rolled into another 401(a), 401(k) or 403(b) Plan which agreed to separately account for amounts transferred, or Traditional IRA or Roth IRA. After-tax contributions in a 401(a) or 401(k) Plan, however, may not be rolled over to a Governmental 457(b) Plan. If I have after-tax contributions in my account and I elect a direct rollover to a Governmental 457(b) Plan, the cost basis of the after-tax contributions will be distributed to me and the investment earnings on the after-tax contributions will be included in the rollover amount.

Rollover to an IRA at Another Retirement Provider or an Eligible Retirement Plan as a One-time Withdrawal

- It is my responsibility to determine if the IRA or an eligible retirement plan accepts eligible rollover withdrawals.
- I would check this box to have my withdrawal sent to an IRA or an eligible retirement plan at Another Retirement Provider or New Employer's Plan and enter the requested amount.
- Partial withdrawals are not available if I have left employment with the employer/company sponsoring this Plan, unless I have an existing periodic installment payment.
- The withdrawal will be prorated against all of my available investment options under Non-Roth and/or Roth as elected on the form, and all available contribution sources as allowed by IRS regulations.
- An eligible rollover withdrawal of my Non-Roth assets may be paid directly to a Roth IRA. Mandatory Federal and State Income Tax withholding does not apply to this type of rollover. However, this withdrawal is subject to Federal and State Income Tax withholding and I am responsible for making tax

payments. The taxable withdrawal will be reported on IRS Form 1099-R. Making an estimated tax payment to the IRS and an appropriate state authority at the time of this rollover may be one of the options to cover this tax liability. Where I deem appropriate, I will seek a consultation with my tax advisor.

- I may request my designated Roth assets to be rolled over into an eligible retirement Plan with a designated Roth account or into a Roth IRA.
- It is my responsibility to make sure that the eligible retirement plan provides for a designated Roth account and can accept Roth rollovers.
- The rollover may not be completed if the acceptance letter and the form provide conflicting information. I may be contacted to provide additional information.
- I must complete the Required Minimum Distribution information if I am age 70½ or older and I am requesting a 100% withdrawal as a direct rollover unless I have already satisfied my required minimum distribution for the year.
- Required Minimum Distributions are not eligible for rollover.
- After-tax contributions in a 401(a) or 401(k) Plan may be rolled into another 401(a), 401(k) or 403(b) Plan which agreed to separately account for amounts transferred, or Traditional IRA or Roth IRA. After-tax contributions in a 401(a) or 401(k) Plan, however, may not be rolled over to a Governmental 457(b) Plan. If I have after-tax contributions in my account and I elect a direct rollover to a Governmental 457(b) Plan, the cost basis of the after-tax contributions will be distributed to me and the investment earnings on the after-tax contributions will be included in the rollover amount.

Section D: To whom do I want my withdrawal payable and where should it be sent?

- It is my responsibility to make sure that the Trustee/Custodian/Provider information provided is accurate.
- Service Provider is not responsible for misdirected payments due to incorrect information or address.
- If I elected to have my withdrawal sent to another retirement provider, I must provide the requested information for the receiving Trustee/Custodian/Provider for my Non-Roth and Roth contribution sources.
- If I have after-tax assets and would like to direct my after-tax contributions to a Rollover payee other than the one listed in this section, I must attach a letter of instruction listing the same information that is required in this section and must include the type of payee, my name, social security number, signature and date.
- If I would like to direct Roth earnings to a Rollover payee other than the one listed in this section, I must attach a letter of instruction listing the same information that is required in this section and must include the type of payee, my name, social security number, signature and date.

Section E: How do I want my withdrawal delivered?

- Certain delivery options are not available on all types of withdrawals.
- Delivery of payment is based on completion of the withdrawal process, which includes receipt of a complete request in good order **and** additional/required information from my employer.
- I must select a delivery option from the choices provided. If I do not make any selection, all transactions will be sent by regular mail.
- Below is a description of each delivery option.

Check by USPS Regular Mail

- Estimated delivery time is 7-10 business days
- No additional charge
- If the check is payable to me, it will be sent to the address on file unless an address change or alternate address is indicated in the 'Signatures and Consent' section of the form and is properly notarized or witnessed.
- If the check is payable to another retirement provider, it will be sent to the address indicated in Section D.

Check by Express Delivery

- Estimated delivery time is 1-2 business days
- A non-refundable charge of up to \$25.00 will be deducted, in addition to any withdrawal fees, for each transaction.
 - For example, if I elected to make a full withdrawal with a portion payable to me and the remainder rolled over to an eligible plan, and I have Non-Roth, Roth and after-tax money sources, there will be 5 different transactions and I may be charged up to a total of \$125.00 for the Express delivery fees.
- Available for delivery, Monday-Friday, with no signature required upon delivery
- If the check is payable to me, it will be sent to the address on file unless an address change or alternate address is indicated in the 'Signatures and Consent' section and is properly notarized or witnessed.
- If the check is payable to another retirement provider, it will be sent to the address indicated in Section D.
- If the address is a P.O. Box, the check will be sent by USPS Express and estimated delivery time is 2-3 business days.
- Delivery is not guaranteed to all areas

Direct Deposit via Automated Clearing House ("ACH")

- I would elect this option if I want my payment to be electronically deposited into my personal checking or savings account.
- Estimated delivery time is 2-3 business days
- A non-refundable charge of up to \$15.00 will be deducted, in addition to any withdrawal fees, for each transaction.
 - For example, if I elected to make a full withdrawal payable to me, and I have both Non-Roth and Roth money sources, there will be 2 different transactions and I may be charged up to a total of \$30.00 for the ACH delivery fees.
- Not available for Direct Rollovers
- **The name on my checking/savings account MUST match the name on file with Service Provider.**
- For deposit into my **checking account**, I **MUST** attach a copy of a **preprinted voided check** for the receiving account. I may also attach a letter on financial institution letterhead, signed by a representative from the receiving institution, which indicates my name, checking account number and the ABA routing number.
- For deposit into my **savings account**, I **MUST** attach a **letter on financial institution letterhead, signed by a representative** from the receiving institution, which indicates my name, savings account number and the ABA routing number.
- **An ACH request can not be sent to a prepaid debit card, an IRA, or a business account.**
- Any missing, incomplete, or inaccurate information will delay my withdrawal request.
- ACH credit can only be made into a United States financial institution.
- Any requests received referencing a foreign financial institution or referencing a United States financial institution with a further credit to an account associated with a foreign financial institution will be rejected.

General ACH Information

- I authorize Service Provider to initiate credit entries and, if necessary, debit entries and adjustments for any credit entries in error.
- In addition, I authorize my financial institution, in the form of an electronic funds transfer, to credit and/or debit the same to such account.
- Service Provider will make payment in accordance with the direction I have specified on this Withdrawal Form until such time that I notify Service Provider in writing that I wish to cancel the ACH agreement.

- I must provide notice of cancellation at least 30 days prior to a payment date for the cancellation to be effective with respect to all of my subsequent payments.
- Service Provider reserves the right to terminate the ACH transfers for any reason and will notify me in the event of such termination by sending notice to my last known address on file with Service Provider.
- It is my obligation to notify Service Provider of any address or other changes affecting electronic fund transfers during my lifetime.
- I am solely responsible for any consequences and/or liabilities that may arise out of my failure to provide such notification.
- By selecting the ACH method of delivery, I acknowledge that Service Provider is not liable for payments made by Service Provider in accordance with a properly completed Withdrawal Form.
- I am authorizing and directing my financial institution not to hold any overpayments made by Service Provider on my behalf, or on behalf of my estate or any current or future joint account holder, if applicable.
- ACH delivery is not available to a foreign financial institution or to a United States financial institution for subsequent transfer to a foreign financial institution.
- Any requests received containing foreign financial institution instructions will be rejected and require new ACH or check delivery instructions.

Wire Transfer

- Estimated delivery time is 1-2 business days
- A non-refundable charge of up to \$40.00 will be deducted, in addition to any withdrawal fees, for each transaction.
 - For example, if I elected to make a full withdrawal with a portion payable to me and the remainder rolled over to an eligible plan, and I have Non-Roth, Roth and after-tax money sources, there will be 5 different transactions and I may be charged up to a total of \$200.00 for the Wire transfer delivery fees.
- Additional fees may apply at the receiving financial institution.
- **I MUST verify the wire transfer information provided with the financial institution receiving these funds. Service Provider is not responsible for inaccurate wire transfer instructions.**
- **I also MUST attach a letter on financial institution letterhead signed by a representative of the receiving institution. The letter must include the following wire transfer information: Bank Name, complete Bank Mailing Address, including City, State and Zip Code, Account Name, Account Number, ABA Routing Number and 'For Further Credit to' Name and Account Number.**

Section F: How will my income taxes be withheld?

- Withdrawal withholding will vary depending on the type of withdrawal I am requesting.
- I have received and **must read the attached 402(f) Notice of Special Tax Rules on Distributions**, which provides additional income tax withholding information.
- If I do not have sufficient Federal or State Income Tax withheld from my withdrawal, I will be responsible for payment of estimated tax and/or may incur penalties under estimated tax rules.
- If applicable, I have attached IRS Form W-4P and/or my State's Income Tax withholding form to make tax elections when required. In the event these forms are required for my withdrawal and not submitted, Service Provider will withhold in accordance with applicable Federal and State regulations.
- If I need and as I see applicable, I will consult with my tax advisor to determine my appropriate tax withholding.

Federal Income Tax Withholding

- Generally, twenty percent (20%) mandatory Federal Income Tax withholding will apply to the taxable amount of all withdrawals paid directly to me unless an exception applies.

Early Withdrawal Penalty

- I may be subject to an additional ten percent (10%) tax penalty for withdrawals if I am under the age of 59½, unless another exception to the early withdrawal penalty applies.

Required Minimum Distributions (Age 70½ or older)

- A ten percent (10%) Federal Income Tax withholding will apply to the taxable amount of my withdrawal, unless I elect to not have Federal Income Tax withheld.
- If I wish to have additional Federal Income Taxes withheld, I may elect so by entering a percentage or dollar amount on the line provided.

Direct Rollovers

- Direct rollovers are not subject to Federal Income Tax withholding.
- A rollover of Non-Roth assets to a Roth IRA are subject to Federal Income Tax and will be reported as taxable income to me.
- I am responsible for paying any income tax due on this withdrawal.

Income Tax Withholding Applicable to Payments Delivered Outside the U.S.

- If I am a U.S. citizen or U.S. resident alien and my payment is to be delivered outside the U.S. or its possessions, I may not elect out of Federal Income Tax withholding.

Income Tax Withholding for a Non-U.S. Person

- If I am a non-resident alien, I must attach IRS Form W-8BEN with an original signature and this must be sent by mail or express delivery. Service Provider cannot accept a fax of this form.
- The withholding rate applicable to my payment is thirty percent (30%) unless a reduced rate applies because my country of residence has entered into a tax treaty with the U.S. and the treaty provides for a reduced withholding rate or an exemption from withholding. In order to claim a treaty rate, I must complete the appropriate fields and provide a U.S. Taxpayer Identification Number on Form W-8BEN. I may call 1-800-TAX-FORM (829-3676) to obtain IRS Form W-8BEN. If I need and as I see applicable, I will consult with my tax advisor to determine my appropriate tax withholding.

State Income Tax Withholding

- If applicable, I will attach my State's Income Tax withholding form to make tax elections when required. In the event these forms are required for my withdrawal and not submitted, Service Provider will withhold in accordance with applicable state regulations.
- If I live in the state that mandates State Income Tax withholding, State Income Tax will be withheld. If I wish to have additional State Income Tax withheld, I may elect so by entering a percentage or dollar amount on the line provided.
- Certain states allow an election for no State Income Tax withholding depending on the reason and type of withdrawal I have selected. For these states only, State Income Tax will be withheld unless I properly elect otherwise on the form.
- Certain states do not require mandatory withholding but allow to elect State Income Tax withholding depending on the reason and type of withdrawal I have selected. If I elect this, State Income Tax will be withheld based on a default rate/rules provided by the state of my residence. I may elect to have an additional State Income Tax withheld by entering a percentage or a dollar amount on the line provided.
- **For more information and applicable forms or documentation that may be required for my state, refer to the appropriate state tax authority.**

Section G: Signatures and Consent

My Consent

- My signature and the date of my signature are required.
- I attest to receiving, reading, understanding and agreeing to all provisions of this Withdrawal Form Request, the Participant Withdrawal Guide and the 402(f) Notice of Special Tax Rules on Distributions.

My Change of Address/Alternate Address Notarization

Permanent Address Change

- I would check this box if I would like for Service Provider to update the address on file to this new permanent address. If I am requesting a check, I understand that it will be mailed to this address.
- **I must notify my employer of my address change.**
- Any changes to my address must be notarized or witnessed by my authorized Plan Administrator.

Alternate Mailing Address

- I would check this box if I would like Service Provider to mail my withdrawal check to the alternate address provided. This will not update my permanent address. This alternate address will be used for this withdrawal only.
- Any request for an alternate mailing address must be notarized or witnessed by my authorized Plan Administrator.

My Authorized Plan Administrator Signature

- My authorized Plan Administrator signature and completed vesting information are required in order for this Withdrawal Form to be processed.

Section H: Where should I send this form?

- Once I have completed this Withdrawal Form, including obtaining all signatures, I must forward it according to the instructions listed in this section.
- If I have elected to fax this Withdrawal Form to Service Provider, I need to allow 2-4 hours for fax receipt before I check on the fax status.

Required Information

Important Note

- Although every effort is made to keep the information in this Guide current, it is subject to change without notice. Federal, state, and local tax laws may be revised, and new Plan provisions may be adopted by the Plan. For the most up to date version of this Guide, please visit the website at www.empower-retirement.com/participant or call Client Service at 1-800-338-4015.
- Access to KeyTalk® or the website may be limited or unavailable during periods of peak demand, market volatility, systems upgrades, maintenance or for other reasons.
- For more information about available investment options, including fees and expenses, I may obtain applicable prospectuses and/or disclosure documents regarding Plan investments and fees available from my Plan administrator and/or Plan Service representative. Read them carefully before investing.

402(f) NOTICE OF SPECIAL TAX RULES ON DISTRIBUTIONS

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 Sygnetics, Inc. Retirement Plan (the "Plan") is eligible to be rolled over to an IRA or an employer plan. This notice is intended to help you decide whether to do such a rollover.

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 or the payor will tell you the amount that is being paid from each account.

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

GENERAL INFORMATION ABOUT ROLLOVERS

How can a rollover affect my taxes?

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

Where may I roll over the payment?

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

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
- Payments of certain automatic enrollment contributions requested to be withdrawn within 90 days of the first enrollment.
- Amounts treated as distributed because of a prohibited allocation of S corporation stock under an ESOP (also, there will generally be adverse tax consequences if you roll over a distribution of S corporation stock to an IRA).

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

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

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

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

- Payments made after you separate from service if you will be at least age 55 in the year of the separation
- Payments that start after you separate from service if paid at least annually in equal or close to equal amounts over your life or life expectancy (or the lives or joint life expectancy of you and your beneficiary)
- Payments from a governmental defined benefit pension plan made after you separate from service if you are a public safety employee and you are at least age 50 in the year of the separation
- Payments made due to disability
- Payments after your death
- Payments of ESOP dividends
- Corrective distributions of contributions that exceed tax law limitations
- Cost of life insurance paid by the Plan
- 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 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 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 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 the 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. 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-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 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

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. An IRA you treat as your own is treated like any other IRA of yours, so that payments made to you before you are age 59½ will be subject to the 10% additional income tax on early distributions (unless an exception applies) and required minimum distributions from your

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

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

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

If you are a nonresident alien

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

Other special rules

If a payment is one in a series of payments for less than 10 years, your choice whether to make a direct rollover will apply to all later payments in the series (unless you make a different choice for later payments). If your payments for the year are less than \$200 (not including payments from a designated Roth account in the Plan), the Plan is not required to allow you to do a direct rollover and is not required to withhold for federal income taxes. However, you may do a 60-day rollover. Unless you elect otherwise, a mandatory cash-out 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 cash-out 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*.

Postponement of Distribution Notice

Generally, if your vested benefit exceeds \$5,000.00, you have the right to defer distribution of your vested account balance from the Plan. If you elect to defer your distribution, the Plan will not make a distribution to you without your consent until required by the terms of the Plan or by law. If you elect to defer your distribution, your vested account balance will continue to experience investment gains, losses and Plan expenses. As a result, the value of your vested account balance ultimately distributed to you could be more or less than the value of your current vested account balance. In determining the economic consequences of postponing your distribution, you should compare the administration cost and investment options (including fees) applicable to your vested account balance in the Plan if you postpone your distribution to the costs and options you may obtain with investment options outside the plan.

Upon distribution of your vested account balance from the Plan, you will be taxed (except to the extent your vested account balance consists of after-tax contributions or qualified amounts held in a ROTH money source) on your vested account balance at the time of the distribution if you do not rollover your balance. As explained in greater detail in the 402(f) Notice of Special Tax Rules on Distributions, you can roll over your distribution directly or you may receive your distribution and roll it over within 60 days to avoid current

taxation and to continue to have the opportunity to accumulate tax-deferred earnings. There are many complex rules relating to rollovers, and you should read the 402(f) Notice of Special Tax Rules on Distributions carefully before deciding whether a rollover is desirable in your circumstances. You should also note that a 10% penalty tax may apply to distributions made before you reach age 59½, unless another exception applies.

If you defer your distribution of your vested account balance, you may invest in the investment options available to active employees. If you do not defer distribution of your vested account balance, the currently available investment options in the Plan may not be generally available on similar terms outside the Plan. Fees and expenses (including administrative or investment related fees) outside the Plan may be different from fees and expenses that apply to your vested account balance in the Plan. For more information about fees, expenses, and currently available Plan investment options, including investment related fees, refer to the prospectuses and/or disclosure documents regarding Plan investments and fees available from your Plan administrator and/or Plan service representative.

When considering whether to defer your distribution, carefully review the Plan Document and/or Plan's Summary Plan Description, including the sections on timing of distributions and available distributions.

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.

402(f) NOTICE OF SPECIAL TAX RULES ON DISTRIBUTIONS

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 Sygnetics, Inc. Retirement Plan (the "Plan") is eligible to be rolled over to a Roth IRA or designated Roth account in an employer plan. This notice is intended to help you decide whether to do a rollover.

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

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

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, 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 (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

- Amounts treated as distributed because of a prohibited allocation of S corporation stock under an ESOP (also, there will generally be adverse tax consequences if S corporation stock is held by an IRA).

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

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

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

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

- Payments made after you separate from service if you will be at least age 55 in the year of the separation
- Payments that start after you separate from service if paid at least annually in equal or close to equal amounts over your life or life expectancy (or the lives or joint life expectancy of you and your beneficiary)
- Payments made due to disability
- Payments after your death
- Payments of ESOP dividends
- Corrective distributions of contributions that exceed tax law limitations
- Cost of life insurance paid by the Plan
- 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 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. 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-A, *Individual Retirement Arrangements (IRAs)*.

If your payment includes employer stock that you do not roll over

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

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

If you have an outstanding loan that is being offset

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

If you receive a nonqualified distribution and you were born on or before January 1, 1936

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

If you receive a nonqualified distribution, are an eligible retired public safety officer, and your pension payment is used to pay for health coverage or qualified long-term care insurance

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

If you are not a plan participant

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

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

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

If you treat the Roth IRA as an inherited Roth IRA, payments from the Roth IRA will not be subject to the 10% additional income tax on early distributions. An inherited Roth IRA is subject to required minimum

distributions. If the participant had started taking required minimum distributions from the Plan, you will have to receive required minimum distributions from the inherited Roth IRA. If the participant had not started taking required minimum distributions, you will not have to start receiving required minimum distributions from the inherited Roth IRA until the year the participant would have been age 70½.

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

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

If you are a nonresident alien

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

Other special rules

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

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

Unless you elect otherwise, a mandatory cash-out 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 cash-out 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*.

Postponement of Distribution Notice

Generally, if your vested benefit exceeds \$5,000.00, you have the right to defer distribution of your vested account balance from the Plan. If you elect to defer your distribution, the Plan will not make a distribution to you without your consent until required by the terms of the Plan or by law. If you elect to defer your distribution, your vested account balance will continue to experience investment gains, losses and Plan expenses. As a result, the value of your vested account balance ultimately distributed to you could be more or less than the value of your current vested account balance. In determining the economic consequences of postponing your distribution, you should compare the administration cost and investment options (including fees) applicable to your vested account balance in the Plan if you postpone your distribution to the costs and options you may obtain with investment options outside the plan.

Upon distribution of your vested account balance from the Plan, you will be taxed (except to the extent your vested account balance consists of after-tax contributions or qualified amounts held in a ROTH money source) on your vested account balance at the time of the distribution if you do not rollover your balance. As explained in greater detail in the 402(f) Notice of Special Tax Rules on Distributions, you can roll over your distribution directly or you may receive your distribution and roll it over within 60 days to avoid current taxation and to continue to have the opportunity to accumulate tax-deferred earnings. There are many complex rules relating to rollovers, and you should read the 402(f) Notice of Special Tax Rules on Distributions carefully before deciding whether a rollover is desirable in your circumstances. You

should also note that a 10% penalty tax may apply to distributions made before you reach age 59½, unless another exception applies.

If you defer your distribution of your vested account balance, you may invest in the investment options available to active employees. If you do not defer distribution of your vested account balance, the currently available investment options in the Plan may not be generally available on similar terms outside the Plan. Fees and expenses (including administrative or investment related fees) outside the Plan may be different from fees and expenses that apply to your vested account balance in the Plan. For more information about fees, expenses, and currently available Plan investment options, including investment related fees, refer to the prospectuses and/or disclosure documents regarding Plan investments and fees available from your Plan administrator and/or Plan service representative.

When considering whether to defer your distribution, carefully review the Plan Document and/or Plan's Summary Plan Description, including the sections on timing of distributions and available distributions.

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.