

- Please call your former employer to learn how to pay back an outstanding loan prior to submitting this form. If you do not pay off your loan balance, the outstanding balance of the loan will be offset and a Form 1099-R will be generated.
- Before you complete this form, make sure that your new employer's plan will accept rollovers.
- **For the plan name and ID, refer to your most recent statement, contact your former employer's benefits representative or call the American Funds IRA Rollover Center at (800) 421-9923.**

Plan name _____

Plan ID number _____

1 Information about you

Please type or print clearly.

Important: Distribution requests are subject to a 10-day hold after an address change unless your signature is guaranteed in Section 9.

First name of participant (print) _____

MI _____

Last _____

- -
SSN (provide the last four digits)

Address _____

City _____

State _____

ZIP _____

() _____

Daytime phone

Citizenship: U.S. citizen U.S. resident alien Nonresident alien (Submit an IRS Form W-8BEN.)

2 Distribution instructions

Please read the attached 402(f) Notice of Special Tax Rules on Distributions before completing this section. The IRS requires that 20% of any eligible rollover cash distribution be withheld for federal income tax. If you are taking a distribution prior to age 59½, you may also be subject to a 10% penalty tax. American Funds deducts a \$25 processing fee from all distributions. Additional fees from your plan administrator may apply — see your Participant Fee Disclosure document for more information. Distribution amounts are taken proportionally from all investment options in applicable contribution types.

- Notes:**
- Assets rolled over from your retirement plan to an American Funds IRA will be invested without a sales charge.
 - Roth assets can only be rolled over to another designated Roth account or to a Roth IRA.
 - The amount paid to you will be reduced first by applicable distribution fees, then by applicable taxes. If distribution fees exceed your available account balance at the time the distribution is processed, you will not receive a distribution check.

A. Effective date of your separation from service (including retirement) _____ If this distribution is a result of plan termination, no date is required. (mm/dd/yyyy)

B. Instructions (Select one of the three options listed below.)

1. **Cash distribution** (Select one of the following two options, **then proceed to Section 3.**)

Entire account balance Partial* gross (pre-withholding amount) distribution of \$ _____

2. **Rollover to an existing IRA or another retirement plan** (Select one of the following four options, **then proceed to Section 4 or 5.**)

Entire account balance All Roth assets All pre-tax assets Partial* rollover of \$ _____

3. **Combination of cash distribution and rollover** (Select one of the following two options, **then proceed to Section 3.**)

Gross (pre-withholding amount) distribution of \$ _____ The remainder will be rolled over.

Roll over \$ _____ The remainder balance will be paid in a cash distribution.

*If your account contains both pre-tax and after-tax assets and you are electing a partial cash distribution, assets will be taken proportionately from all contribution types (unless alternate instructions are provided). When Roth assets are rolled over or distributed, both contributions and earnings will be included.

3 Delivery instructions — For cash distribution

Select **A** or **B**. If no selection is made, a distribution check will be sent to you via regular mail.

- A. Send the distribution electronically (via ACH) to the bank information provided in Section 7. (This option is not available for nonresident alien distributions.)

Note: Electronic payments are subject to a 10-day hold, unless your signature is guaranteed in Section 9. Once processed, the distribution will be delivered to your bank within three business days following the transaction.

- B. Mail a check directly to: Participant Plan Sponsor/former employer Third-Party Administrator
- Send a check to the address of record via regular mail.
- Send a check to the address of record and expedite delivery. Estimated delivery time is two business days from the date the request is processed. (A \$25 delivery fee will be deducted. Physical address is required — **no P.O. boxes.**)

4 Rollover instructions — Direct rollover to an existing American Funds IRA

A. Select receiving account type:

- Traditional IRA Roth IRA SIMPLE IRA Existing account number _____

NOTE: At the time of the rollover to an American Funds IRA, your retirement plan assets will automatically be converted to Class A shares at Net Asset Value (NAV) (no sales charge).

B. Investment instructions

For a quick guide to fund names, numbers, minimums and share class restrictions, go to www.capitalgroup.com/fundguide. If a fund is not selected, this investment will be placed in the money market fund.

- Roll over to the same American Funds and percentages as currently invested.

Note: This option is **NOT** available if the account currently holds any non-American Funds investments.

OR

- Roll over to the following funds:

Full fund name or number	Percentage
_____	_____ %
_____	_____ %
_____	_____ %
_____	_____ %
_____	_____ %
Total rollover	===== %

5 Rollover instructions — Direct rollover to a non-American Funds IRA or retirement plan

NOTE: You must have an existing IRA with your new trustee for your rollover assets to be deposited. If you are rolling over to your new employer's retirement plan, make sure it will accept the rollover before submitting the request.

A. Select receiving account type: Traditional IRA Roth IRA SIMPLE IRA Retirement plan

B. Make the check payable to:

Name of financial institution/payee

Account number or if applicable, plan ID number

C. Mail the rollover check directly to:

Participant Plan Sponsor/former employer Third-Party Administrator

The check will be mailed to the address of record.

Receiving financial institution (Provide information below.)

Name of financial institution

Address

City

State

ZIP

D. Expedite delivery — optional: Check this box to expedite delivery. (A \$25 delivery fee will be deducted.)

Estimated delivery time is two business days from the date the request is processed. Physical address is required — **no P.O. boxes.**

6 Participants over age 70½ — Required Minimum Distribution (RMD)

If you are 70½ or over this year and are requesting a rollover, complete this section.

Notes: • RMDs cannot be converted to a Roth account.

- American Funds calculates your RMD using the prior year's December 31 balance of plan assets held on our recordkeeping system.

A. RMD instructions

I have already taken my RMD for the year. **Proceed to Section 7.**

Calculate and remove my RMD using the IRS Uniform Lifetime Table.

Calculate and remove my RMD using the IRS Joint Life and Last Survivor Expectancy Table. (Select only if your spouse is your sole beneficiary and is more than 10 years younger.)

Spouse's name

Spouse's date of birth (mm/dd/yyyy)

Spouse's SSN

B. Delivery instructions

Send the distribution electronically (via ACH) to the bank information provided in Section 7. (This option is not available for nonresident alien distributions.)

Note: Electronic payments are subject to a 10-day hold, unless your signature is guaranteed in Section 9. Once processed, the distribution will be delivered to your bank within three business days following the transaction.

Mail a check directly to me at the address of record.

Continued on next page

6 Participants over age 70½ — Required Minimum Distribution (RMD)

(continued)

C. Federal income tax withholding

The taxable amount of the RMD, including earnings applicable to after-tax contributions, will be subject to 10% withholding unless otherwise indicated below.

Note: You may withhold more than 10%. Insufficient withholding or underpayment of estimated taxes may result in IRS penalties. Taxes are withheld from the total amount requested. A portion of your Roth distribution may be taxable.

DO NOT withhold federal or state income taxes. Your U.S. residence address is required to honor this request (**no P.O. boxes**).

Residence Address _____ City _____ State _____ ZIP _____

Withhold federal income tax at the rate of _____% (Must be 10% or greater)

D. State income tax withholding

If your state requires withholding or if the amount below is less than the minimum for your state, Capital Bank and Trust CompanySM (CB&T) will withhold at least the minimum state tax regardless of your election below. CB&T does not withhold state taxes for all states.

DO NOT withhold **Withhold \$** _____

Note: To review the impacts of state withholding for your state of residence, visit www.americanfunds.com/retire or speak with your tax advisor. For residents of MI, to opt out of state taxes or to request a reduced withholding rate, a Form MI W-4P is required. For residents of CT and NC, to opt out or to request additional withholding, a state-specific 4P form is required. These forms must be completed and provided to the employer sponsoring the plan.

7 Bank information — Complete only if requesting electronic deposit

Electronic distributions can only be made to a U.S. bank checking account.

Attach an unsigned, voided check below. Please **do not** staple.

The check must be preprinted with the bank name and registration, routing number and account number. The participant's name **MUST** be included in the bank registration. **If these requirements are not met, a physical check will be generated instead.**

Tape your check here.

John Doe _____ DATE _____

Bank account registration

PAY TO THE ORDER OF _____ \$ _____

_____ DOLLARS

Anytown Bank ← **Bank name**

| : 999999999 | : 0000000000 | : ←

Bank routing number **Bank account number**

VOID

Note: In lieu of a voided check, you may submit a letter from your bank on the bank's letterhead providing the:

- bank account registration
- routing number
- account number

8 Tax withholding elections

A. Federal income tax withholding

Note: Any distribution that is an eligible rollover distribution and is paid to you rather than directly rolled over to an IRA or into an employer's plan is subject to 20% withholding. If you are under age 59½, you may be subject to an additional 10% penalty tax.

1. This is a rollover request, for which withholding does not apply.
2. This distribution includes pre-tax assets being paid out as cash and is therefore subject to the mandatory 20% withholding. To request a different withholding amount, please indicate the percentage below:

Withhold federal income taxes at the **total** rate of _____% (Must be 20% or greater)

3. This distribution represents a rollover of pre-tax assets to a Roth IRA. No withholding will be taken unless an election is indicated below:

Withhold federal income taxes at the **total** rate of _____% (Must be 10% or greater)

4. This distribution represents a total annual aggregate distribution of less than \$200 and is therefore subject to 20% withholding unless otherwise elected here. **DO NOT** withhold federal income tax.

B. State income tax withholding*

If your state requires withholding or if the amount below is less than the minimum for your state, CB&T will withhold at least the minimum state tax regardless of your election below. CB&T does not withhold state taxes for all states.

DO NOT withhold **Withhold \$** _____

* This option may not be available for your state. To review the impacts of state withholding for your state of residence, visit www.americanfunds.com/retire, or speak with your tax advisor. For residents of MI, to opt out of state taxes or to request a reduced withholding rate, a Form MI W-4P is required. For residents of CT and NC, to opt out or to request additional withholding, a state-specific 4P form is required. These forms must be completed and provided to the employer sponsoring the plan.

9 Your consent and signature

I have read, understand and agree to all pages of this *Request for a Cash Distribution or Rollover*. I hereby acknowledge that the employer has informed me of the options available under the plan, that I have received and read the *402(f) Notice of Special Tax Rules on Distributions* and that I understand I have 30 days to decide whether to elect a direct rollover or have my benefits paid to me. I waive the 30-day waiting period by making this irrevocable election indicated in Section 2, and I understand that by making such election, if my retirement plan includes a Qualified Joint and Survivor Annuity option (QJSA), I irrevocably waive such QJSA. I understand that, if I am married, my spouse must consent to the waiver, and I further understand that my benefits may not be distributed to me for at least seven (7) days after I sign this request.

X

Signature of participant

_____/_____/_____
Date (mm/dd/yyyy)

This document may not be signed using Adobe Acrobat Reader's "fill and sign" feature.

A signature guarantee is required if requesting an immediate distribution and:

- your address has changed in the last 10 calendar days

OR

- proceeds will be sent electronically to a bank account.

If your request meets the criteria above and a signature guarantee is **NOT** provided, the distribution is subject to a 10-day hold.

If required, a signature guarantee must be performed by a bank, savings association, credit union, member firm of a domestic stock exchange or the Financial Industry Regulatory Authority that is an eligible guarantor institution. A notary public is **NOT** an acceptable guarantor. The guarantee must be in the form of a stamp or a typewritten or handwritten guarantee that is accompanied by a raised corporate seal.

Note: A medallion guarantee is acceptable in place of a signature guarantee.

GUARANTOR:

Stamp signature guarantee or medallion guarantee here.

Return this completed form to your former employer for authorization. If this form includes a signature guarantee or medallion guarantee, the original document is required.

DO NOT return this form directly to American Funds, as this will delay the processing of your request.

If you have questions or require more information, please contact your financial professional or call the American Funds IRA Rollover Center at (800) 421-9923 to speak with a Rollover Specialist.

First name (print) _____ MI _____ Last _____ Plan ID number _____

Section 10 is to be completed by the TPA — required

10 Vested percentage

The information provided will apply to this distribution request only.

Participant is 100% vested in all contribution types **OR** Variable vesting (see below)

Match _____% Profit-sharing _____% Other _____%
Specify contribution type

Note: All forfeited amounts will automatically be transferred to the plan's forfeiture account.

Distribution amounts are taken proportionately from all applicable contribution types (per plan information on file) unless alternate instructions are provided below.

The information above is correct.

Name of firm _____ () _____ Ext. _____
Daytime phone

Name of Third-Party Administrator (print) _____ **X** _____ / / _____
Signature of Third-Party Administrator Date (mm/dd/yyyy)

Section 11 is to be completed by your former employer — required

11 Employer authorization

Before signing, ensure the vested percentage information has been completed in Section 10. Be sure to review the boxes below and select all that apply.

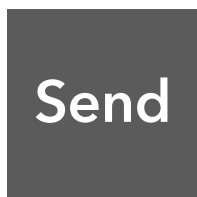
As plan trustee or authorized signer of the plan, I certify that: **1)** I have read, understand and agree to all pages of this *Request for a Cash Distribution or Rollover*; **2)** this distribution is in accordance with the terms of the plan; **3)** the plan administrator has provided the participant with a *402(f) Notice of Special Tax Rules on Distributions* and has complied with any Internal Revenue Service and Department of Labor or other notice requirements that are applicable to this distribution; **4)** spousal consent, if applicable, has been obtained; **5)** the information provided in Section 10 is correct; **6)** I understand that once a payment has been requested, it cannot be changed or reversed; and **7)** the recordkeeper is entitled to rely on my authorization and is hereby indemnified from all liability arising from following the instructions provided on this form.

Check this box if the request is to be honored because the appropriate participant's consent and waivers have been obtained on a separate form or are not required per plan rules, and the participant has been notified of potential delays due to an address change and/or an electronic payment.

Important: If this form is being submitted as part of the employer's termination of services with RecordkeeperDirect, check this box.

Name of plan trustee or authorized signer (print) _____ **X** _____ / / _____
Signature of plan trustee or authorized signer Date (mm/dd/yyyy)

This document may not be signed using Adobe Acrobat Reader's "fill and sign" feature.



If a participant signature guarantee is **NOT** required, you may fax or email this form.

American Funds RecordkeeperDirect

c/o Retirement Plan Services

Regular mail

P.O. Box 6040
Indianapolis, IN 46206-6040

Overnight mail

12711 N. Meridian St.
Carmel, IN 46032-9181

Fax

(855) 521-9952

Email

RKDirect@capitalgroup.com



Your rollover options

You are receiving this notice because all or a portion of a payment you are receiving from your 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 section of the 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, read the section of the notice entitled "General information for payments from a designated Roth account." The Plan administrator will tell you the amount that is being paid from each account.

Rules that apply to most payments from a plan are described in the general information sections. Special rules that only apply in certain circumstances are described in the "Special rules and options" section.

General information for payments NOT from a designated Roth account

Q. How can a rollover affect my taxes?

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

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

A. You may roll over the payment to either a traditional or Roth 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.

Q. How do I do a rollover?

A. 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. Generally, you will have 60 days after you receive the payment to make the deposit. If you do not do a direct rollover, the Plan is required to withhold 20% of the payment for federal income taxes (up to the amount of cash and property received other than employer stock). This means that, in order to roll over the entire payment in a 60-day rollover, you must use other funds to make up for the 20% withheld. If you do not roll over the entire amount of the payment, the portion not rolled over will be taxed and will be subject to the 10% additional income tax on early distributions if you are under age 59½ (unless an exception applies).

Q. How much may I roll over?

A. 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; and
- Amounts treated as distributed because of a prohibited allocation of S corporation stock under an ESOP (also, there will generally be adverse tax consequences if you roll over a distribution of S corporation stock to an IRA).

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

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

A. 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 applies to the part of the distribution that you must include in income and is in addition to the regular income tax on the payment not rolled over.

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

- Payments made after you separate from service if you will be at least age 55 in the year of the separation;
- Payments that start after you separate from service if paid at least annually in equal or close to equal amounts over your life or life expectancy (or the lives or joint life expectancy of you and your beneficiary);
- Payments from a governmental plan made after you separate from service if you are a qualified public safety employee and you will be at least age 50 in the year of the separation;
- Payments made due to disability;
- Payments after your death;
- Payments of ESOP dividends;
- Corrective distributions of contributions that exceed tax law limitations;
- Cost of life insurance paid by the Plan;
- Payments made directly to the government to satisfy a federal tax levy;
- Payments made under a qualified domestic relations order (QDRO);
- Payments up to the amount of your deductible medical expenses (without regard to whether you itemize deductions for the taxable year);
- Certain payments made while you are on active duty if you were a member of a reserve component called to duty after September 11, 2001, for more than 179 days;
- Payments of certain automatic enrollment contributions requested to be withdrawn within 90 days of the first contribution;
- Payments for certain distributions relating to certain federally declared disasters; and
- Phased retirement payments made to federal employees.

Q. If I do a rollover to an IRA, will the 10% additional income tax apply to early distributions from the IRA?

A. If you receive a payment from an IRA when you are under age 59½, you will have to pay the 10% additional income tax on early distributions on the part of the distribution that you must include in income, unless an exception applies. In general, the exceptions to the 10% additional income tax for early distributions from an IRA are the same as the exceptions listed above for early distributions from a plan. However, there are a few differences for payments from an IRA, including:

- The exception for payments made after you separate from service if you will be at least age 55 in the year of the separation (or age 50 for qualified public safety employees) does not apply.
- The exception for qualified domestic relations orders (QDROs) does not apply (although a special rule applies under which, as part of a divorce or separation agreement, a tax-free transfer may be made directly to 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).

Q. Will I owe State income taxes?

- A.** This notice does not describe any State or local income tax rules (including withholding rules).

General information for payments from a designated Roth account

Q. How can a rollover affect my taxes?

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

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

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

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

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

- A.** You may roll over the payment to either a Roth IRA (a Roth individual retirement account or Roth individual retirement annuity) or a designated Roth account in an employer plan (a tax-qualified plan, section 403(b) plan or governmental section 457 plan) that will accept the rollover. The rules of the Roth IRA or employer plan that holds the rollover will determine your investment options, fees, and rights to payment from the Roth IRA or employer plan (for example, no spousal consent rules apply to Roth IRAs and Roth IRAs may not provide loans). Further, the amount rolled over will become subject to the tax rules that apply to the Roth IRA or the designated Roth account in the employer plan. In general, these tax rules are similar to those described elsewhere in this notice, but differences include:
- If you do a rollover to a Roth IRA, all of your Roth IRAs will be considered for purposes of determining whether you have satisfied the 5-year rule (counting from January 1 of the year for which your first contribution was made to any of your Roth IRAs).
 - If you do a rollover to a Roth IRA, you will not be required to take a distribution from the Roth IRA during your lifetime and you must keep track of the aggregate amount of the after-tax contributions in all of your Roth IRAs (in order to determine your taxable income for later Roth IRA payments that are not qualified distributions).
 - Eligible rollover distributions from a Roth IRA can only be rolled over to another Roth IRA.

Q. How do I do a rollover?

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

If you do a direct rollover of only a portion of the amount paid from the Plan and a portion is paid to you at the same time, the portion directly rolled over consists first of earnings.

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

Q. How much may I roll over?

- A.** See “How much may I roll over?” on the first page of this notice. The Plan administrator can tell you what portion of a payment is eligible for rollover.

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

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

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

- Payments made after you separate from service if you will be at least age 55 in the year of the separation;
- Payments that start after you separate from service if paid at least annually in equal or close to equal amounts over your life or life expectancy (or the lives or joint life expectancy of you and your beneficiary);
- Payments from a governmental plan made after you separate from service if you are a qualified public safety employee and you will be at least age 50 in the year of 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 (without regard to whether you itemize deductions for the taxable year);
- Certain payments made while you are on active duty if you were a member of a reserve component called to duty after September 11, 2001, for more than 179 days;
- Payments of certain automatic enrollment contributions requested to be withdrawn within 90 days of the first contribution; and
- Payments for certain distributions relating to certain federally declared disasters.



Q. If I do a rollover to a Roth IRA, will the 10% additional income tax apply to early distributions from the IRA?

- A.** If you receive a payment from a Roth IRA when you are under age 59½, you will have to pay the 10% additional income tax on early distributions on the earnings paid from the Roth IRA, unless an exception applies or the payment is a qualified distribution. In general, the exceptions to the 10% additional income tax for early distributions from a Roth IRA listed above are the same as the exceptions for early distributions from a plan. However, there are a few differences for payments from a Roth IRA, including:
- The exception for payments made after you separate from service if you will be at least age 55 in the year of the separation (or age 50 for qualified public safety employees) does not apply.
 - The exception for qualified domestic relations orders (QDROs) does not apply (although a special rule applies under which, as part of a divorce or separation agreement, a tax-free transfer may be made directly to a Roth IRA of a spouse or former spouse).
 - The exception for payments made at least annually in equal or close to equal amounts over a specified period applies without regard to whether you have had a separation from service.
 - There are additional exceptions for (1) payments for qualified higher education expenses, (2) payments up to \$10,000 used in a qualified first-time home purchase, and (3) payments after you have received unemployment compensation for 12 consecutive weeks (or would have been eligible to receive unemployment compensation but for self-employed status).

Q. Will I owe State income taxes?

- A.** 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 (applies to payments not from a designated Roth account)

After-tax contributions included in a payment are not taxed. If a payment is only part of your benefit, an allocable portion of your after-tax contributions is included in the payment, so you cannot take a payment of only after-tax contributions. However, if you have pre-1987 after-tax contributions maintained in a separate account, a special rule may apply to determine whether the after-tax contributions are included in a payment. In addition, special rules apply when you do a rollover, as described below.

You may roll over to an IRA a payment that includes after-tax contributions through either a direct rollover or a 60-day rollover. You must keep track of the aggregate amount of the after-tax contributions in all of your IRAs (in order to determine your taxable income for later payments from the IRAs). If you do a direct rollover of only a portion of the amount paid from the Plan and at the same time the rest is paid to you, the portion directly rolled over consists first of the amount that would be taxable if not rolled over. For example, assume you are receiving a distribution of \$12,000, of which \$2,000 is after-tax contributions. In this case, if you directly roll over \$10,000 to an IRA that is not a Roth IRA, no amount is taxable because the \$2,000 amount not directly rolled over is treated as being after-tax contributions. If you do a direct rollover of the entire amount paid from the Plan to two or more destinations at the same time, you can choose which destination receives the after-tax contributions.

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

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

If you miss the 60-day rollover deadline (applies to all payments)

Generally, the 60-day rollover deadline cannot be extended. However, the IRS has the limited authority to waive the deadline under certain extraordinary circumstances, such as when external events prevented you from completing the rollover by the 60-day rollover deadline. Under certain circumstances, you may claim eligibility for a waiver of the 60-day rollover deadline by making a written self-certification. Otherwise, to apply for a waiver, 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 (applies to payments not from a designated Roth account)

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 your payment includes employer stock that you do not roll over (applies to payments from a designated Roth account)

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 (applies to all payments)

If you have an outstanding loan from the Plan, your Plan benefit may be offset by the outstanding amount of the loan, typically when your employment ends. The offset amount is treated as a distribution to you at the time of the offset. Generally, you may roll over all or any portion of the offset amount. Any offset amount that is not rolled over will be taxed (including the 10% additional income tax on early distributions, unless an exception applies). You may roll over offset amounts to an IRA or an employer plan (if the terms of the employer plan permit the plan to receive plan loan offset rollovers).

If the loan offset amount is applied to your designated Roth account, and, the resulting distribution is a nonqualified distribution, and, you do not roll over the offset amount, you will be taxed on any earnings included in the distribution (including the 10% additional income tax on early distributions, unless an exception applies). You may roll over the earnings included in the loan offset to a Roth IRA or designated Roth account in an employer plan (if the terms of the employer plan permit the plan to receive plan loan offset rollovers). You may also roll over the full amount of the offset to a Roth IRA.

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

If you were born on or before January 1, 1936 (applies to all payments)

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. The same rules apply if your distribution includes payment from a designated Roth account that is not a qualified distribution. For more information, see IRS Publication 575, *Pension and Annuity Income*.

If your payment is from a governmental section 457(b) plan (applies to payments not from a designated Roth account)

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

If your payment is from a governmental section 457(b) plan (applies to payment from a designated Roth account)

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

If you are an eligible retired public safety officer and your payment is used to pay for health coverage or qualified long-term care insurance (applies to all payments)

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.

The same rules apply if you receive a nonqualified distribution from a designated Roth account. If you are a public safety officer, 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.

If you roll over your payment to a Roth IRA (applies to payments not from a designated Roth account)

If you roll over the payment to a Roth IRA, a special rule applies under which the amount of the payment rolled over (reduced by any after-tax amounts) will be taxed. However, the 10% additional income tax on early distributions will not apply (unless you take the amount rolled over out of the Roth IRA within 5 years, counting from January 1 of the year of the rollover).

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 (applies to payments not from a designated Roth account and only if the plan accepts “in-plan” Roth rollovers)

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). For payments from the plan in 2010 that are rolled over to a designated Roth account in the Plan (and that are not distributed from that account until after 2011), the taxable amount of the rollover will be taxed half in 2011 and half in 2012, unless you elect to be taxed in 2010.

If you roll over the payment to a designated Roth account in this 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 attain age 59½ (or after your death or disability) and after you have had a designated Roth account in the Plan for a period of at least 5 years. The 5-year period described in the preceding sentence begins on January 1 of the year your first contribution was made to the designated Roth account. However, if you made a direct rollover to a designated Roth account in this Plan from a designated Roth account in a plan of another employer, the 5-year period begins on January 1 of the year your first contribution was made to the designated Roth account in this Plan or, if earlier, to the designated Roth account in the plan of the other employer. Payments from the designated Roth account that are not qualified distributions will be taxed to the extent allocable to earnings after the rollover, including the 10% additional tax on early distributions (unless an exception applies).

IMPORTANT: Please note that an in-plan rollover into a designated Roth account is an irrevocable transaction that cannot be changed or undone once the transaction is completed.

If you are not a Plan participant (applies to all payments)

• 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. If the distribution includes payment from a designated Roth account, then 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.

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 the distribution includes payment from a designated Roth account, and 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 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.

If the distribution includes payment from a designated Roth account, 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 former spouse of the participant who receives a payment from the Plan under a qualified domestic relations order (QDRO), you generally have the same options and the same tax treatment that the participant would have (for example, you may roll over the payment to your own IRA or an eligible employer plan that will accept it, or, you may rollover the payment as described in this notice for a payment from a designated Roth account). However, payments under the QDRO will not be subject to the 10% additional income tax on early distributions.

If you are a nonresident alien (applies to payments not from a designated Roth account)

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 (applies to payments not from a designated Roth account)

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 federal income taxes. However, you may do a 60-day rollover.

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

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

Other special rules (applies to payments from a designated Roth account)

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 federal income taxes. However, you can do a 60-day rollover.

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

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

For more information

You may wish to consult with the Plan administrator or a professional tax advisor before taking a payment from the Plan. Also, you can find more detailed information on the federal tax treatment of payments from employer plans in: IRS Publication 575, *Pension and Annuity Income*; IRS Publication 590-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 (800) TAX-FORM.