

Separation from Service Distribution Checklist

MassMutual will not process your Separation from Service Distribution Request Form until it is received in Good Order. After you have completed your Separation from Service Distribution Request form, please use the below checklist to verify that the form has been completed correctly and is ready for processing before you submit it.

If you are a Participant

- ☐ Section B - Participant Information: Is all information correct and legible?
- ☐ Section E - Form of Payment:
 - Have you read all the options to make sure you select the option that best meets your needs?
 - If you are required to take a Required Minimum Distribution for this year, but have not yet done so, you must request an RMD before your account can be paid out. Please select one option from Section D.
- ☐ Section G - If your banking information is not legible or is incomplete, we will send a check to your address of record.
- ☐ Section H - Direct Rollover Instructions:
 - If you want to roll over your Pre-tax, After-Tax, or Employer Contributions, did you complete Option 1?
 - If you want to roll over your Roth money, did you complete Option 2?
 - If you want to roll over your Non-Roth money to a Roth IRA, did you complete Option 3?
- ☐ Section K - Participant Certification and Authorization:
 - Did you sign and date the *Separation from Service Distribution Request Form*?
- ☐ Return your completed *Separation from Service Distribution Request Form* and *Required Minimum Distribution Request Form*, if applicable, to your Plan Administrator for submission.

If you are a Third Party Administrator (if applicable)

- ☐ Section C - Employment Status & Vesting Verification: The following **MUST** be completed:
 - Vesting - A percentage must be entered for all applicable money sources even if the vesting percentage is zero. (Do not leave blank.)
 - Signatures - Did you both sign and print the TPA or Plan Administrator's name in this section?

If you are the Plan Administrator

- ☐ Section A - Plan Information: Did you complete the Plan ID, Plan Name, and Plan Contact information?
- ☐ Section C - Employment Status & Vesting Verification: The following **MUST** be completed:
 - Vesting - A percentage must be entered for all applicable money sources even if the vesting percentage is zero. (Do not leave blank.)
- ☐ Section L - Plan Administrator Certification and Authorization:
 - Signatures - Did you both sign and print the Authorized Plan Administrator's name in this section?
- ☐ Ensure that the participant's last payroll has been processed before submitting this form to avoid additional fees.
- ☐ Please review the entire form for accuracy before submitting it for processing.

Do Not Return this Separation from Service Distribution Checklist to MassMutual

Separation from Service Distribution Request Form

for employees who have terminated employment, retired or become disabled

Use this form if you want to:

- request a cash payment from your vested account.
- request a direct rollover from your vested account.

Do not use this form if:

- you are still employed.
- you are 70½ or older and have not fulfilled your current year required minimum distribution (RMD) (use the *Required Minimum Distribution Request Form* or check box 1. under Section D on this form to authorize calculation and payment of your RMD.)
- you are requesting a distribution following the death of a plan participant (use the *Beneficiary Distribution Request Form*.)
- you want to request installment payments (if your Plan allows, use the *Installment Distribution Request Form*.)
- you want to request an annuity other than the MassMutual Lifetime Income Annuity (if your Plan offers annuity payments, contact your Plan Administrator)

If the plan's normal form of benefit is a *Qualified Joint and Survivor Annuity (QJSA)*, the *Qualified Joint and Survivor Annuity Form* must be completed by the participant (and spouse, if applicable) and provided to the Plan Administrator prior to a distribution being processed. If the Plan's normal form of benefit is not a QJSA, but requires spousal consent for a distribution, a *Spousal Consent Form* must be completed and provided to the Plan Administrator prior to the processing of any distribution.

NOTE: If you own Hartford Lifetime Income ("HLI"), please review the *Important Information* Section prior to completing the form.

MassMutual Retirement Services will not process this form until it is received in good order. Please see the *Important Information* Section for information on "Good Order" requirements.

Questions?

Call
MassMutual's Customer
Service Center
1-800-854-0647

Fax
1-800-220-2913

Email
mmprocessing@massmutual.com

Online
www.massmutual.com/corp

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Section A - Plan Information (Plan Administrator completes)

Plan ID	Plan Name
Plan Contact	Daytime Phone Number

Section B - Participant Information (Participant completes)

SSN	Participant Name	Date of Birth	
* Legal Address			
City	State	Zip Code	Daytime Phone Number

*We will change your account information to reflect the Legal Address above and all future mailings will be sent to this address unless changed by you or your Plan Administrator as described under "Stale Address" in the *Important Information* Section.

Section C - Employment Status & Vesting Verification (Plan Administrator or Third Party Administrator completes)

Reason for Distribution: (select one below)		Date of Hire	Date of Termination/ Retirement/Disability
<input type="checkbox"/> Employment Termination	<input type="checkbox"/> Retirement	<input type="checkbox"/> Disability	
Vesting: Employer Match		Vesting: Employer Profit Sharing	Vesting: Other (Specify)

TPA or Plan Administrator's Signature

Date

TPA or Plan Administrator's Name (please print)

Phone Number

E-Mail

Section D - Required Minimum Distribution (Participant completes)

If you are over age 70½ and are required to take an RMD for the current year, but have not yet done so: (Select 1 or 2 below)

1. ☐ I request that MassMutual calculate and process my RMD using the Uniform Lifetime Tables. I have read the rules and options provided on *MassMutual's Required Minimum Distribution Request Form* and, in lieu of submitting that form, I am selecting this option. The taxable portion of your RMD payment is subject to **10% federal tax withholding** unless you elect not to have withholding apply. Default if no selection is made.
- ☐ Do not withhold federal income tax.
2. ☐ A completed *Required Minimum Distribution Request Form* is attached. Please process my RMD in accordance with the selections made.

Section E - Form of Payment (Participant completes)

Important Note: If your vested account balance includes the Hartford Lifetime Income ("HLI") investment option, you **MUST** also complete Section F below. Please also see the *Important Information* Section. For purposes of calculating full or partial withdrawals or rollovers, the HLI balance will be counted as part of your total vested account balance. However, monies from the HLI balance will only be available for the payment of the distribution or rollover if you have chosen to liquidate HLI as part of this distribution or rollover request in Section F, item 3.

I hereby elect my vested account balance be distributed as follows: (Select one option below.)

Note: If selecting a rollover option, please check with your Plan and financial institution for minimum amounts.

Cash Options

1. ☐ Lump Sum full distribution payable to me (i.e., fully distribute and close my account).
2. ☐ Partial distribution (if the Plan permits) of \$ _____ OR _____ % (whole percentages only) and leave the remainder of my account in the Plan (if Plan permits).

Please be aware that when requesting a specific dollar amount you should take into consideration that the payment will be reduced by all applicable federal and state income tax withholding amounts.

Rollover Options

3. ☐ Directly roll over my entire account balance (i.e., fully roll over and close my account) to the institution named in the *Direct Rollover Instructions* in Section H. Note: Please Review Section H before completing this section.
4. ☐ Directly roll over \$ _____ OR _____ % (whole percentages only) of my account to the institution named in the *Direct Rollover Instructions* in Section H and pay me the remaining account balance in a Cash Payment.
5. ☐ Pay me a Cash Payment of \$ _____ OR _____ % (whole percentages only) of my account and directly roll over the remaining account balance.
6. ☐ Directly roll over \$ _____ OR _____ % (whole percentages only) and leave the remainder of my account in the Plan (if Plan permits).

Note: Partial cash distributions and partial rollovers will be taken pro-rata across all of your current contribution type sources and investments (other than HLI, if my account holds HLI, unless I have expressly requested the liquidation of HLI in my election in Section F, item 3). The distribution will be taken from each contribution source and investment based on its proportion of the total vested account balance (and subject to the requirement that if my account holds HLI, HLI will not be included as a source unless I have expressly requested the liquidation by electing that in Section F, item 3. For example, if an account balance of \$1,200 (\$600 pre-tax and \$600 match) was invested evenly among four funds (A, B, C and D) and a distribution of \$600 was requested, then \$150 (\$75 pre-tax and \$75 match) would come from each of funds A, B, C and D.

Section F - Election for Hartford Lifetime Income Investment Option (Participant completes, if applicable)

I hereby elect to have my Hartford Lifetime Income investment transacted as follows (please select one option below). If your account has Hartford Lifetime Income and you fail to complete this section, your distribution or rollover will not be processed.

Please review the *Important Information* Section for more information about the Hartford Lifetime Income shares and the impacts of each selection below.

1. ☐ Annuity Transfer. A non-taxable transfer from the plan in the form of a qualified plan distributed annuity. A Hartford Lifetime Income (HLI) Annuity Certificate will be mailed to me. I will be able to elect at any time to begin my guaranteed lifetime annuity payments, or cash-out my HLI Annuity Certificate (subject to contract, plan and tax law requirements). Note, your income payments must be a minimum of \$50 per payment. For example, you will need at least 5 income shares to receive a \$50 monthly payment at age 65 based on your life. If your payment does not meet the minimum \$50 amount, you will receive your cash-out value in the form of a lump sum payment. .
2. ☐ Retain the Hartford Lifetime Income investment option as part of my account balance under the plan.
3. ☐ Liquidate the Hartford Lifetime Income investment option into cash and distribute or roll over the cash proceeds as part of my requested distribution. The cash-out value of the Hartford Lifetime Income investment option is the lesser of net contributions accumulated at 3% interest or the dollar amount it would cost to purchase your income shares. Thus, the value of the annuity guarantee may be lost.

Section G - Cash Payment Instructions (Participant completes, if applicable)

Please select 1 or 2 below.

1. ☐ **Send payment by check - Allow up to 10 business days for postal service delivery.**

If your Plan allows and you would like your Cash Payment check mailed to an alternate address, please complete the section below. If no instructions are provided, we will mail your Cash Payment check to your Legal Address in Section B. Please note this section is intended for Cash Payments only. Any instructions in this section requesting rollover checks to be mailed to an address other than the address of record on your account will not be honored.

Mailing Address		
City	State	Zip Code

2. ☐ **Direct deposit to a bank account of which I am an account holder - This option is not available for Rollover distributions.**

Direct Deposits will be deposited within 3 to 5 business days from date of processing. To elect Direct Deposit (ACH only), you must select either Checking or Savings and we suggest you provide a voided check or copy of a pre-printed, account-specific, deposit slip or a bank specification sheet from your bank for validation. If no selection is made we will default to Checking. I understand that if I do not fully complete this section or the bank account information I have provided is invalid, a check will be mailed. I authorize MassMutual to initiate a debit to my account for any overpayment or payments made in error.

<input type="checkbox"/> Checking	<input type="checkbox"/> Savings	Bank Name
Bank ABA/Routing (9 digits)		Bank Account No.

Please note that we can only send funds via direct deposit to banks with a valid U.S. routing number.

MEMO _____	
⑆ 123456789⑆ 987654321⑆ 1001	
Bank ABA/Routing # (A 9-digit number always between these two marks)	Bank Account #

Section H - Direct Rollover Instructions (Participant completes, if applicable)

Please be aware that this Section H is meant to indicate information about the **recipient** of any rollover you have requested in Section E. That section must also be completed.

Important Note. If your vested account balance includes the Hartford Lifetime Income ("HLI") investment option, you **MUST** also complete Section F above. For purposes of calculating full or partial rollovers, the HLI balance will only be available for the payment of the rollover if you have chosen to liquidate HLI as part of this rollover request in Section F, item 3.

Please note that the HLI investment cannot be rolled over to another institution in-kind. Only the cash proceeds can be rolled over.

Please indicate the name of the eligible retirement plan or IRA provider to make the check(s) payable to for each applicable Direct Rollover transaction requested below. **(Note: All Direct Rollover checks will be mailed to you at the Legal Address provided in Section B and it is your responsibility to complete the rollover process upon receipt of the check.)**

I hereby elect to directly roll over my distribution to: (Complete all sections that apply.)

1. ☐ Non-Roth account only (e.g., pre-tax, after-tax* and employer contributions) to a: (Select one)

☐ Traditional IRA ☐ Eligible Retirement Plan

*If your account includes after-tax contributions, do you want to directly roll it over to the eligible retirement plan (that accepts after-tax rollovers) or Traditional IRA below?

☐ Yes ☐ No (If no choice is made, your after-tax contributions will be paid to you in a separate check.)

Name of Eligible Retirement Plan or IRA Provider Name for Non-Roth Rollovers

Section H - Direct Rollover Instructions continued

2. ☐ Designated Roth 401(k) account only to one of the following: (Select one)

☐ Roth IRA ☐ Eligible Retirement Plan that accepts Roth 401(k) rollovers

Name of Eligible Retirement Plan or IRA Provider
Name for Roth Rollovers

If your account includes Roth contributions and you have elected a full withdrawal in Section E you must name a Financial Institution above or your Roth contributions will be made payable to you in a separate check.

3. ☐ Non-Roth account only to a Roth IRA (i.e., Roth conversion). I understand that the taxable amount paid from my non-Roth account will be reported on IRS Form 1099-R as taxable income and that I may elect voluntary federal withholding on this amount in Section J, which may be subject to a premature distribution penalty. You should consult with your tax advisor before making this election.

*If your account includes after-tax contributions, do you want to directly roll it over to your Roth IRA?

☐ Yes ☐ No (Default if no election is made, your after-tax contributions will be paid to you in a separate check.)

Name of Eligible Retirement Plan or IRA Provider Name
for Conversion

Section I - Federal Income Tax Withholding (Participant completes)

MassMutual is required to withhold mandatory 20% for federal income taxes on the taxable portion of your benefit distributed to you as a Cash Payment. You may voluntarily elect to have additional withholding below.

I voluntarily elect to have additional withholding of _____ % (whole percentages only)

Section J - State Income Tax Withholding

Skip this Section if you reside in a state with no income tax or withholding on retirement income.

The taxable portion of your payment may also be subject to state income tax withholding. If you do not make an election below, state income taxes will only be withheld if required by state law. (Note: If state income taxes are not withheld you are liable for payment of state income tax on your distribution. In certain states you may also be subject to tax penalties under estimated tax payment rules if your payments of estimated tax and withholding, if any, are not adequate.)

Your options for state tax withholding are: (Note: These rules are subject to change at any time. For current tax information pertaining to your resident state, please contact your tax advisor or your state income tax department.)

AR, DC, DE, IA, KS, ME, MD, MA, NC, NE, OK, VT, VA	These states require mandatory state withholding if federal taxes are withheld. MassMutual is required to withhold based on state law. You may not elect out of state income tax withholding.
CA, OR	These states require mandatory state withholding. MassMutual is required to withhold state income taxes based on state law unless you elect out of withholding: <input type="checkbox"/> I elect no state income tax withholding.
AL, AZ, CO, CT, GA, ID, IL, IN, KY, LA, MN, MS, MO, MT, NJ, NM, NY, ND, OH, PA, RI, SC, UT, WV, WI	These states permit voluntary income tax withholding. You may voluntarily elect state withholding by providing an election below: I voluntarily elect to withhold an amount of: \$ _____
MI	This state requires mandatory state withholding. MassMutual is required to withhold state income taxes based on state law unless you provide alternate withholding instructions by completing a Michigan Withholding Certificate (<i>MI W-4P Withholding Certificate for Michigan Pension and Annuity Payments</i>) and submitting it with this form.

Section K - Participant Certification and Authorization (required)

I hereby instruct the Plan to distribute my vested account balance in the manner indicated on this form and understand that my election is irrevocable once processed. I certify that all the information I provided on this form is true and accurate to the best of my knowledge and belief. I understand that providing false or misleading information on this form may constitute fraud and be subject to severe penalties. I acknowledge that:

- I have consulted with my Plan Administrator and am aware of any fees that may apply to this distribution. Please see the *Important Information* Section for more information about fees.
- I have received and read the *Summary Plan Description*, was able to ask and receive answers to my questions from the Plan Administrator and agree to be bound by the Plan's provisions.
- I have received and read the *Distribution Notice* and *Special Tax Notice* and the *Important Information Section* of this form.
- If my plan requires spousal consent for a distribution, I have provided my Plan Administrator with a properly executed *Spousal Consent for Distribution Form*.
- If my Plan's normal form of benefit is a QJSA, I have received and read the *Qualified Joint and Survivor Annuity Notice and Waiver* and provided my Plan Administrator with a waiver. I consent to an immediate distribution and affirmatively waive the minimum 30-day notice waiting period.
- If I elected a Direct Rollover, I have verified that the IRA institution and/or eligible retirement plan will accept the rollover and have completed the applicable paperwork.
- I have had an opportunity to consult with my legal counsel and/or tax advisor regarding the tax implications associated with my distribution request.
- If my current year RMD has not previously been satisfied, I have completed Section D of this form providing direction for payment.
- I have reviewed the state income tax withholding rules in Section J and the attached Fraud Warning Statements, as applicable to my state. I understand that the state income tax withholding rules described in Section J are subject to change.
- I consent to an immediate distribution as selected on this form and affirmatively waive the minimum 30-day notice waiting period.

Note: If the check associated with this request is returned to MassMutual by the U.S. Postal Service as undeliverable, we are unlikely to resend it until you provide us with your updated address. Failure to provide us with your current and valid address may result in the check being considered abandoned property under the laws of the State where the check was mailed (unless preempted by ERISA).

Important Note for Participants with a Non-U.S. or Non-U.S. Territory residence address:

☐ Please check this box if you are not a resident of the United States or a United States Territory.

If the current address is not an address within the U.S. or one of its territories, the Participant or Beneficiary receiving the distribution is required to fill out and return a *Citizenship Statement* form with the distribution request. Failure to provide a *Citizenship Statement* will result in U.S. Federal taxes being withheld at a rate of 30% for recipients with a non-U.S. residence address. Please ask your Plan Sponsor for a *Citizenship Statement* form or call MassMutual's Customer Service Center for a copy.

Participant's Signature _____

Date _____

IMPORTANT - If this withdrawal requires participant consent, and the participant's signature is not provided on this form, the Plan Administrator must initial below or this form will not be processed. Note: If the participant/beneficiary ("recipient") is not a resident of the United States (or US territory) at the time the distribution is paid, a *Citizenship Statement* form must be completed and signed by the recipient and submitted with this distribution request. Failure to do so will result in 30% Federal tax withholding on the taxable distribution.

By initialing this box, I certify as Plan Administrator that I have obtained the participant's consent and authorization for the distribution requested on this form on a separate document signed by the participant. I further certify that the participant has been advised of his or her rights under the Plan, any fees applicable to the distribution, and applicable law including, but not limited to, disclosures and notices described in this section. I agree that the Plan Administrator, and not MassMutual, is solely responsible for any consequences that result from this distribution.

Plan Administrator Initials _____

Section L - Plan Administrator Certification and Authorization (required)

As Plan Administrator or an authorized representative of the Plan, I hereby direct MassMutual to distribute from the Plan's group annuity contract or funding agreement as a withdrawal from the participant's vested account the amount necessary to pay the benefit in the manner indicated in this form in accordance with the terms of the Plan and participant election. I have verified the Participant Information, Distribution Reason and Vesting and certify that it is true and accurate to the best of my knowledge and that I have obtained any spousal consent for distribution forms (and, if applicable, provided the *Qualified Joint and Survivor Annuity Notice and Waiver* to the participant) that may be required by the Plan and/or ERISA and the Internal Revenue Code. If the participant has attained age 70½, I certify that she/he has been provided with a *Required Minimum Distribution Request Form* to review the rules and distribution options and validate that their selection in Section D is in accordance with IRS regulations. I acknowledge that this form does not constitute a delegation by the Plan Administrator of, and the Plan Administrator has not otherwise delegated, its income tax withholding duties and liabilities under §3405 of the Internal Revenue Code of 1986, as amended, to the Recordkeeper and that the Recordkeeper is acting as independent contractor of the Plan Administrator or Service Provider in making payments in accordance with these instructions. The Plan Administrator confirms that it is responsible for ensuring that state tax is withheld in accordance with current state law, and hereby directs MassMutual to withhold state tax, as applicable, in the manner provided on this form. The Plan Administrator acknowledges and agrees that this form reflects distributable events that may not be available under all plans. As a result, the Plan Administrator confirms that it has reviewed its Plan document to confirm that the requested distribution is in fact permitted and assumes all responsibility for any consequences that result from such distribution, including any correction or disqualification that results from an impermissible distribution. I have reviewed the Plan document as well as the Plan's group annuity contract or funding agreement, and I, and not MassMutual, have made the determination that the participant is eligible under the terms of the Plan and contract to receive this distribution. In the event that the distribution is at any time determined to have been impermissible under the terms of the Plan or contract and applicable qualified plan rules, I agree that MassMutual and its affiliates shall have no responsibility, financially or otherwise, for any associated correction, costs, taxes, fees, expenses, charges, fines, penalties, charges, excise taxes or any other related amount.

Please be sure the below signatory is on record as an authorized signer for your Plan at MassMutual.

Authorized Plan Administrator's Signature

Date

Authorized Plan Administrator's Name (please print)

Note: Please submit any outstanding contributions for this participant prior to forwarding their final distribution paperwork in order to avoid additional distribution fees.

Completed and signed forms in "good order" may be Faxed to 800-220-2913; emailed to mmprocessing@massmutual.com; or mailed to:

Regular Mail Address:
MassMutual Retirement Services
P.O. Box 1583
Hartford, CT 06144-1583

Overnight Mail Address:
MassMutual Retirement Services
1 Griffin Road North
Windsor, CT 06095-1512

Note: Duplicate requests for a single distribution, such as a fax followed by a mailed original, may result in multiple distributions. MassMutual will not be responsible for any increase or decrease in account value based on investment performance or charges that arise from duplicate requests for a single distribution.

Section M - Important Information

Good Order - "Good Order" means that all sections of the form are complete, the participant has provided their signature authorizing the transaction (if required) and the Plan Sponsor has provided their signature authorizing MassMutual to process the transaction requested on the form and the TPA has acknowledged the transaction by providing their signature in Section C. .

Loans - If you have an outstanding loan balance, your loan note and/or your employer's loan program may provide that your loan balance will be due and payable upon termination of employment. Please contact the Plan Administrator to learn the rules that apply to your Plan. Any outstanding loan principal and due but unpaid interest will be tax reported as taxable income, except for any portion of the loan's principal that is secured by employee after-tax contributions. The taxable portion of the loan and cash distribution, if any, will be combined to calculate federal and, if applicable, state income tax withholding. Some plans may also allow for the direct rollover of an outstanding loan balance.

Fees - MassMutual may charge a transaction processing fee in accordance with its Service Agreement with the Plan Sponsor in an amount up to \$40. Please contact MassMutual's Customer Service Center at 1-800-854-0647 for details of any such fee. For additional information regarding applicable fees including any potential charges associated with a distribution or rollover of your plan account, please contact your Plan Sponsor or MassMutual.

Hartford Lifetime Income Investment

For those who have invested in The Hartford Lifetime Income investment, these are some important points to keep in mind:

Annuity Transfer. If you choose an Annuity Transfer, a Hartford Lifetime Income (HLI) Annuity Certificate will be distributed to you in the form of a nontaxable qualified plan distributed annuity ("QPDA"). You will be able to elect at any time to begin your guaranteed lifetime annuity payments and the form of annuity payments, or cash-out the HLI Annuity Certificate (subject to contract, plan and tax law requirements).

Once you have received your HLI Annuity Certificate, you may contact our Customer Service Center to obtain a quote when you are interested in starting annuity payments. A 'quote' is information about the amount and frequency of the payments you would receive from the annuity if you began your guaranteed lifetime annuity payments.

Note, your income payments must be a minimum of \$50 per payment. For example, you will need at least 5 income shares to receive a \$50 monthly payment at age 65 based on your life. If your payment does not meet the minimum \$50 amount, you will receive your cash-out value in the form of a lump sum payment.

Retain. If you choose to retain your Hartford Lifetime Income investment, it will remain as an investment in your account balance under the Plan, similar to other investment options in your account.

Liquidate. If you choose to liquidate your Hartford Lifetime Income investment, this will result in the cash-out of the investment. The cash-out value of the Hartford Lifetime Income investment option is the lesser of net contributions accumulated at 3% interest or the dollar amount it would cost to purchase your income shares. Thus, if you elect to cash out your Hartford Lifetime Income investment, you may lose the actuarial value of the guaranteed annuity payments which may be greater than the cash-out value.

Portability. Your Hartford Lifetime Income investment is not 'portable' in the sense that it may not be distributed or rolled over in-kind to another money manager. Therefore, if you selected a rollover, you must make an election either to retain, perform an annuity transfer, or liquidate your HLI investment, as explained above.

Source of Payment Example When HLI is Included as a Source. Please note that if you elected a partial cash payment or rollover and indicated in Section F, item 3 to liquidate the Hartford Lifetime Income investment, the source of payment allocation will include a proportion of the HLI investment.

For an illustration of how the distribution or rollover would be processed if HLI was one of the sources, see the example within the Note: at the bottom of Section E.

Contracts issued by Hartford Life Insurance Company. Contracts are administered by Massachusetts Mutual Life Insurance Company.

Stale Address - It is important that you notify us if you change your address. Going forward, your address may change in our records either at your or your employer's direction, or as a result of an address confirmation service provided under our agreement with your employer. Under this service, the addresses in our records are compared against and updated quarterly with addresses received from commercial address update services (e.g., the U.S. Postal Service). If your mail is returned to us or your employer tells us your address is incorrect, we are likely to suspend future mailings until a new address is obtained. Unless preempted by federal law, failure to give us a current address may also result in uncashed distributions from your participant account being considered abandoned property under state law, and remitted to the applicable state. To update your address, contact your Plan Administrator or, if permitted by your Plan, log in to our website at www.massmutual.com/corp and select the change address link under your personal settings.

Federal tax if taking an RMD - If you are requesting a Required Minimum Distribution (RMD) in addition to your Separation from Service distribution, you will receive two form 1099-Rs. RMD payments are subject to 10% federal tax withholding unless you elect no withholding. Separation from Service distributions are subject to 20% mandatory withholding unless the distribution is rolled over to an IRA or other qualified retirement plan.

MassMutual Financial Group is a marketing name for Massachusetts Mutual Life Insurance Company (MassMutual) (of which Retirement Services is a division) and its affiliated companies and sales representatives.

Fraud Warning Statements

The following states require insurance applicants to acknowledge a fraud warning statement specific to that state. Please refer to the specific fraud warning statement for your state as indicated below. If your state is not separately listed, please refer to the NAIC Model Fraud Statement below.

NAIC Model Fraud Statement: Any person who knowingly presents a false or fraudulent claim for payment of a loss or benefit or knowingly presents false information in an application for insurance is guilty of a crime and may be subject to fines and confinement in prison.

Arkansas - Any person who knowingly presents a false or fraudulent claim for payment of a loss or benefit or knowingly presents false information in an application for insurance is guilty of a crime and may be subject to fines and confinement in prison.

Colorado - It is unlawful to knowingly provide false, incomplete, or misleading facts or information to an insurance company for the purpose of defrauding or attempting to defraud the company. Penalties may include imprisonment, fines, denial of insurance, and civil damages. Any insurance company or agent of an insurance company who knowingly provides false, incomplete, or misleading facts or information to a policyholder or claimant for the purpose of defrauding or attempting to defraud the policyholder or claimant with regard to settlement or award payable from insurance proceeds shall be reported to the Colorado Division of Insurance within the Department of Regulatory Services.

District of Columbia - Warning: It is a crime to provide false or misleading information to an insurer or any other person. Penalties include imprisonment and/or fines. In addition, an insurer may deny insurance benefits if false information materially related to a claim was provided by the applicant.

Florida - Any person who knowingly and with intent to injure, defraud, or deceive any insurer files a statement of claim or an application containing any false, incomplete, or misleading information is guilty of a felony of the third degree.

Indiana - A person who knowingly and with intent to defraud an insurer files a statement of claim containing any false, incomplete, or misleading information commits a felony.

Kentucky - Any person who knowingly and with intent to defraud any insurance company or other person files an application for insurance containing any materially false information or conceals, for the purpose of misleading, information concerning any fact material thereto commits a fraudulent insurance act, which is a crime.

Louisiana - Any person who knowingly presents a false or fraudulent claim for payment of a loss or benefit or knowingly presents false information in an application for insurance is guilty of a crime and may be subject to fines and confinement in prison.

Maine - It is a crime to knowingly provide false, incomplete or misleading information to an insurance company for the purpose of defrauding the company. Penalties may include imprisonment, fines or a denial of insurance benefits.

Minnesota - A person who files a claim with intent to defraud or helps commit a fraud against an insurer is guilty of a crime.

New Hampshire - Any person who, with a purpose to injure, defraud or deceive any insurance Company, files a statement of claim containing any false, incomplete or misleading information is subject to prosecution and punishment for insurance fraud, as provided in RSA 638:20. However, the lack of such a statement shall not constitute a defense against prosecution under RSA 638:20.

New Jersey - Any person who knowingly includes any false or misleading information on an application for an insurance policy, or files a statement of claim containing any false or misleading information, is subject to criminal and civil penalties.

New York - Any person who knowingly and with intent to defraud any insurance company or other person files an application for insurance or statement of claim containing any materially false information, or conceals for the purpose of misleading, information concerning any fact material thereto, commits a fraudulent insurance act, which is a crime, and shall also be subject to a civil penalty not to exceed five thousand dollars and the stated value of the claim for each such violation.

Ohio - Any person who, with intent to defraud or knowing that he is facilitating a fraud against an insurer, submits an application or files a claim containing a false or deceptive statement, is guilty of insurance fraud.

Oklahoma - Warning: Any person who knowingly, and with intent to injure, defraud or deceive any insurer, makes any claim for the proceeds of an insurance policy containing any false, incomplete or misleading information is guilty of a felony.

Pennsylvania - Any person who knowingly and with intent to defraud any insurance company or other person files an application for insurance or statement of claim containing any materially false information or conceals, for the purpose of misleading, information concerning any fact material thereto commits a fraudulent insurance act, which is a crime and subjects such person to criminal and civil penalties.

Tennessee - It is a crime to knowingly provide false, incomplete or misleading information to an insurance company for the purpose of defrauding the company. Penalties include imprisonment, fines and denial of insurance benefits.

DISTRIBUTION NOTICE

The Plan is required to provide you with information that explains your distribution options and the federal income tax implications of a Plan distribution prior to the receipt of assets from your account. As a Plan participant you must receive these notices (the "Distribution Notice" and the "Special Tax Notice" enclosed) at least thirty (30) days prior to your distribution. If you received the notice more than one hundred eighty (180) days prior to taking a distribution, you must receive either a new notice or a notice summary. You have the ability to waive the remaining unexpired notice period if you elect a payment from the Plan prior to the expiration of the 30 day period. Please note that the value of your account will continue to increase or decrease based on market performance until it is distributed or forfeited, as appropriate, in its entirety.

Your Right to Defer Distribution and Direct Account Investments.

If you have terminated employment and your balance in the Plan is over \$5,000, you may choose to defer the distribution of your account until a later date. If you elect to defer the distribution of your account, you may continue to direct the investment of your account among the investment options offered by the Plan. Your account will continue to be subject to market fluctuation based upon its investment. For more information on the investment options available under the Plan, please consult your Plan enrollment kit, log on to your internet account or contact your Plan Administrator.

Your Ability to Rollover Your Account.

You may elect to have the balance of your account paid to you directly or to the custodian or trustee of another eligible retirement plan (including an IRA). Please note that the taxable portion of the distributed amount will be included in your taxable income at the

time of the distribution (unless you elect to directly rollover the balance) and will no longer be invested in the investment options available under the Plan. The attached *Special Tax Notice* explains the federal income tax consequences of eligible rollover distributions and the types of retirement plans which may receive such distributions.

Your Consent Not Required for Distribution of De Minimus Amounts.

The Plan may pay out certain account balances below \$5,000 without your consent in accordance with the terms of the Plan, which are described in the Plan's Summary Plan Description ("SPD"). If your account balance is below \$5,000 and otherwise subject to the Plan's cash-out provisions, the Plan may pay a distribution of your account balance to you or to an eligible retirement plan on your behalf as determined by the Plan Administrator. However, in such event the Plan will notify you of the pending distribution and you may generally elect to rollover the distribution. **All notices will be sent to your address of record on file with the**

Plan; if you move please inform the Plan of your new address to ensure that you continue to receive these important materials.

You should consult with a tax advisor prior to requesting a distribution to determine the financial impact of each form of distribution.

Your Plan's Distribution Option(s)

The distribution options offered in your Plan are described in the Plan's SPD and/or in a Summary of Material Modifications ("SMM"). If your plan requires that you (and your spouse, if you are married) consent to any distribution that is not in the form of a qualified annuity, you must also be provided with a notice describing this annuity form of benefit and the procedures for waiving it, if you would prefer an alternate form of benefit. The SPD and SMM also contain information describing the form and timing of distribution payments. Please contact your Plan Administrator to request a copy of the SPD and/or SMM.

SPECIAL TAX NOTICE **YOUR ROLLOVER OPTIONS**

You are receiving this notice because all or a portion of a payment you are receiving from the Plan is eligible to be rolled over to an IRA or an employer plan; or if your payment is from a Designated Roth Account (a type of account with special tax rules in some employer plans), to a Roth IRA or Designated Roth Account in 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. To the extent that the rules differ based on whether the payment is from a Designated Roth Account or from an account that is not a Designated Roth Account, the differences will be identified in each applicable section of this notice. In addition, if you receive a payment from a Designated Roth Account and a payment from an account that is not a Designated Roth Account in the Plan, you may contact the Plan administrator or the Plan's recordkeeper for assistance in determining 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?

Not a Designated Roth Account:

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). If you do a rollover 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; please see the **"If you rollover your payment from an account which is not a Designated Roth Account to a Roth IRA"** section under "Special Rules and Options" below.

Designated Roth Account:

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.

Please note that if you have after-tax or Roth money in your plan and that money was formerly held by another service provider who did not supply your current service provider with comprehensive account information at the time the funds were transferred to your current service provider, tax reporting of the distribution may be affected.

Where may I roll over the payment?

Not a Designated Roth Account:

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.

Designated Roth Account:

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 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, or if your payment is from a Designated Roth Account, to your Roth IRA or Designated Roth Account in an employer plan. You should contact the IRA or Roth IRA custodian 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 in accordance with the following rules:

Not a Designated Roth Account:

You may make 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).

Designated Roth Account:

You may make 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 you roll over a distribution of S corporation stock to an IRA).

The Plan administrator or the Plan's recordkeeper 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?

Not a Designated Roth Account:

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.

Designated Roth Account:

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.

Exceptions:

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).

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 your payment includes after-tax contributions and is 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 rolled 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 as 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

Not 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.

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

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.

Not a Designated Roth Account:

The outstanding loan amount 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.

Designated Roth Account:

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 were born on or before January 1, 1936

Not a Designated Roth Account:

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*.

Designated Roth Account:

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 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 or nonqualified distribution 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 IRA 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.

However, whether a payment from a Designated Roth Account is a qualified distribution generally depends on when the participant first made a contribution to the Designated Roth Account in the Plan.

If you are a surviving spouse.

Not a Designated Roth Account:

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 the 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.

Designated Roth Account:

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 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.

Not a Designated Roth Account:

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.

Designated Roth Account:

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 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 that are not from a Designated Roth Account 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 (payments from a Designated Roth Account and from accounts that are not Designated Roth Accounts are not aggregated for purposes of the limit), 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.
- 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*.

Mandatory Cashout Distributions

Not a Designated Roth Account:

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).

Designated Roth Account:

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).

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 1-800-TAXFORM